AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

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

2. MINUTES

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

RECOMMENDATION: That the minutes be approved and adopted.

LEADER OF THE COUNCIL

3. WIRRAL WATERS ENTERPRISE ZONE - INVESTMENT FUND (Pages 1 - 10)

4. STATEMENT OF ACCOUNTS 2014/15 (Pages 11 - 20)

5. REVENUE MONITORING 2015/16 QUARTER 2 (TO SEPTEMBER 2015) (Pages 21 - 34)

6. CAPITAL MONITORING 2015/16 QUARTER 2 (TO SEPTEMBER 2015) (Pages 35 - 52)

7. TREASURY MANAGEMENT MONITORING MID-YEAR 2015/16 (Pages 53 - 64)
8. BUDGET COUNCIL ARRANGEMENTS (Pages 65 - 74)
9. EXECUTIVE ARRANGEMENTS AND PLEDGE CHAMPIONS (Pages 75 - 116)

ECONOMY
10. DESIGNATION OF A NEIGHBOURHOOD PLANNING FORUM FOR BIRKENHEAD AND TRANMERE (Pages 117 - 144)
11. NEIGHBOURHOOD PLANNING - DEVONSHIRE PARK (Pages 145 - 180)

ADULT SOCIAL CARE AND PUBLIC HEALTH
12. DAY SERVICES LOCAL AUTHORITY COMPANY (LAC) WIRRAL EVOLUTIONS - UPDATE (Pages 181 - 222)
13. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)
   To consider any other business that the Chair accepts as being urgent.
14. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC
   The following items contain exempt information.
   RECOMMENDATION: That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part I of Schedule 12A (as amended) to that Act in that they contain commercially sensitive information. The Public Interest test has been applied and favours exclusion.

SUPPORT SERVICES
15. DISPOSAL OF THE FORMER MOD SITE, OLD HALL ROAD, BROMBOROUGH (Pages 223 - 228)
   Exempt by virtue of paragraph 3 as it contains commercially sensitive information.

LEADER OF THE COUNCIL
16. EXEMPT APPENDICES - WIRRAL WATERS ENTERPRISE ZONE - INVESTMENT FUND (Pages 229 - 284)
   Appendices to agenda item 3.
   Exempt by virtue of paragraph 3 as they contain commercially
sensitive information.

ADULT SOCIAL CARE AND PUBLIC HEALTH

17. EXEMPT APPENDIX - DAY SERVICES LOCAL AUTHORITY COMPANY (LAC) WIRRAL EVOLUTIONS (Pages 285 - 308)

Appendix to agenda item 12.

Exempt by virtue of paragraph 3 as it contains commercially sensitive information.

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

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

1.1 This report seeks Member approval to establish a Wirral Waters Enterprise Zone (EZ) Investment Fund. Government arrangements for EZs allows for any business rates growth within the Zone to be re-invested to stimulate further development. Wirral Council will therefore be able to use this growth to access and fund borrowing to increase investment within the Zone in order to bring forward development more quickly and to promote further growth.

1.2 An Investment Plan has been produced which sets out an integrated economic and financial impact model together with governance and management arrangements to underpin the operation of the Fund.

1.3 A due diligence process has been carried out on the Investment Plan and this is outlined in the report. If the Investment Fund is approved by Members individual project proposals will be brought back on a case by case basis.

2.0 BACKGROUND AND KEY ISSUES

2.1 On 12 March 2015 Cabinet agreed to the development of the Enterprise Zone Investment Fund (min 156 refers) and that an assessment of the economic model and proposals for the implementation of the Fund should be brought back to Cabinet.

2.2 The decision to develop the Investment Fund is based on Government policy and legislation for EZs. This provides for any uplift in business rates within the zone after 1\textsuperscript{st} April 2012 to be re-invested for a period of up to 25 years (ie up to 1\textsuperscript{st} April 2037) with the aim of stimulating further development and growth. It was previously noted that Government policy is that the business rate uplift is controlled by the Local Enterprise Partnership (LEP), but in 2012 the Liverpool City Region (LCR) LEP agreed that up until the 31\textsuperscript{st} March 2015 any uplift
would be split between the LEP and the collecting authority. No uplift was generated in that period and the collecting authority is now able to re-invest the entirety of any uplift into the zone and initiatives within its own boundary.

2.3 Developments are now being delivered within the EZ - the Tower Wharf office development and new Wirral Metropolitan College campus – and other projects are planned. However it is recognised that there are a number of barriers to development, in particular that end values are far less than the actual cost of development. There is now the opportunity to use the business rate uplift to create an Investment Fund to address those barriers and bring forward further developments and jobs. This approach reflects the Business pledges within the Wirral Plan: Vision 2020 as accelerating development will bring forward investment and jobs within the Borough.

2.4 In March 2015 Peel Holdings commissioned Amion Consulting (with a joint duty of care to Peel, Wirral Council and the LCR LEP) to develop an Investment model based upon the potential uplift of business rates within Wirral Waters EZ. This investment model is similar to that developed within other EZs and projects the level of business rate uplift that could be expected to be achieved up to 2037 based on the current EZ project pipeline. Details within the Investment Plan are based on commercially sensitive information and the Plan is therefore contained within Exempt Annex 1. The Investment Fund would be created by using these uplifted business rates, and/or prudential borrowing against future business rates, to invest in infrastructure and other projects to generate growth and therefore further business rates income.

2.5 If approved, Wirral Council would be the accountable body for the Fund and therefore specialist support was procured to undertake a due diligence exercise on Amion’s proposals. Lambert Smith Hampton (LSH) were appointed to assess the proposals, but also the assumptions underpinning the model, including a review of the key cost and value assumptions, whether the inputs and outputs derived from the financial models are reasonable and whether the proposed commercial structure is permissible by the Council from both a technical and policy perspective.

2.6 A summary of the key due diligence findings of the Investment Plan is set out below. The Investment Plan details are based on commercially sensitive information and the due diligence findings are therefore contained within Exempt Annex 2 to this report.

The Investment Model

2.7 The model is based on an assessment of the sites within the EZ, the number and types of projects that could be expected to come forward and the level of business rates that could be generated. This has been based on the Peel business plan and specific market reports. Scenario testing has been done at a baseline position. This shows that without a programme of support the current barriers will continue to act as a major constraint to development. Alternative scenarios have been modelled based on intervention through the Investment Fund.
2.8 LSH conclude that the development phasing and profiling within the model is a valid methodology, but that further testing should be done on a case by case basis in respect of applications for the use of the Fund.

2.9 In respect of business rate assessment, LSH view the general modelling methodology as sound, that it allows for voids, reliefs and non-payments and that it reflects best practice. However, they caution that the business rate uplift calculation has been based primarily on rental values which if not achieved would impact on the business rates currently modelled. LSH therefore recommend that a 15% top slice of the business rate growth is used as a contingency reserve to fund any negative cash flows generated following movement of forecast business rates income.

2.10 LSH conclude that the Investment model produced by Amion Consulting is fundamentally sound in its approach and the assumptions that underpin it. However, in order to address the points made above, they propose the following:

- Projects are considered on a case by case basis and will be subject to state aid tests, in addition to a full due diligence exercise.
- A phased approval approach is taken so that funding is specifically linked (preferably through a contract) to delivery of business rates
- A 15% contingency is established from top slicing the business rates uplift

The Business Case

2.11 To address the barriers to development on site the Investment Plan proposes five measures described as investment priorities:

- Development viability support for commercial development schemes.
- Land remediation and servicing
- Environmental improvements
- Infrastructure investment
- High quality communities – enhancing amenity to enliven the area

2.12 The Investment Plan sets out a two phased approach to implementing the Fund with Phase 1 running to 2020. The Fund would then be reviewed and it could potentially be renewed to run up until 2037. The investment plan currently assumes that all of the capital expenditure incurred to support site development is funded by prudential borrowing incurred by the Council; this in turn is repaid over the life of the Enterprise Zone from business rates income. However it is important to note that the Council may seek to minimise its borrowing by using other sources of funding such as capital grants. The optimal financing route will be assessed on a business case by business case basis. The potential scope of development arising from investment in the above priorities is set out in Table 1 below.
Table 1

<table>
<thead>
<tr>
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<th>Phase 1 Investment Fund - 2020</th>
<th>Potential Full Investment Fund – 2037 (Following review of Phase 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investment (with inflation)</td>
<td>£16.1m</td>
<td>£47m</td>
</tr>
<tr>
<td>Business rate growth</td>
<td>£49.5m</td>
<td>£113.2m</td>
</tr>
<tr>
<td>Commercial floorspace</td>
<td>105,000 sq m</td>
<td>230,000 sq m</td>
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<tr>
<td>New Homes</td>
<td>1,000</td>
<td>3,300</td>
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<tr>
<td>Gross employment</td>
<td>3,700</td>
<td>10,000</td>
</tr>
</tbody>
</table>

2.13 It should, however, be noted that the level of public investment identified within both Phase 1 and the Full Investment Fund is only an indication of the **potential** size of the Investment Fund and that this is a notional allocation that may never be fully realised. The proposals in 2.10 above set out that projects will be approved on a case by case basis and that funding will be phased and specifically linked to business rates. This means that investment will only be approved as business rates are secured.

2.14 The use of the Investment Fund would incur borrowing costs which have to be met from the business rates generated and/or potential future business rates and it is this debt repayment that would be fully considered prior to the release of any funding. However, the Investment Plan identifies that if all the potential investment were to be made and the additional floorspace delivered within Phase 1 then there would be an increase in business rates receipts of £49.5m over the life of the EZ. The Full Investment Plan, if delivered in line with the Amion methodology, is anticipated to generate increased business rates income in excess of £10m per annum at 2037. This figure allows for a risk adjustment and therefore the annual business rate income could be higher.

2.15 LSH conclude that overall if the Investment Plan is delivered it would create a positive return to the council in the form of additional business rates, however it is important to note that the programme generates some early years revenue pressures that will require careful management and mitigation. Officers will therefore undertake further work to ensure that robust financial policies are in place to underpin the operation of the Investment Fund and these policies will be reviewed on an annual basis.

**Governance**

2.16 It is proposed that the Fund will be operated on the following principles:
- Any revenue generated through the uplift in business rates to be placed into a ring fenced reserve until borrowing is required;
- Investment to be primarily within Wirral Waters but projects just out of the EZ which contribute to the development of the zone could be considered;
- All projects to be subject to rigorous due diligence prior to formal approval and must demonstrate value for money based on the HM Treasury’s Green Book;
- Investments can be made in capital or revenue projects and in principle be available to any suitable corporate entity;
- Clear governance and reporting arrangements will align with the requirements of Wirral Council in its capacity as Accountable Body. This will include an
Investment Panel to oversee the operation of the Fund as set out in 2.17 below.

2.17 The Investment Fund will have robust governance arrangements that build on existing and proven structures and processes. The decision making and assessment process is summarised below:

- Wirral Cabinet – all project investment decisions will be brought to Cabinet, informed by a report from the Investment Fund Panel;
- Investment Fund Panel – this will include representatives from the Council, the Liverpool City Region LEP and key partners drawn from the Investment Strategy Board. The Terms of Reference for the panel will set out the range of duties including overseeing the Fund and making recommendations on individual schemes including due diligence on each project;
- Investment Fund Management Group – project development and appraisal including specialist advice relating to commercial property, rateable value, state aid, procurement.

2.18 The Fund makes provision for reasonable administrative costs incurred by Wirral Council to be met from the Investment Fund and this will ensure that specialist expertise is available to inform a comprehensive appraisal process. Each proposal for funding will be considered against specific criteria that reflect the agreed financial policies. The business case supporting the project application will include clear evidence of need for the project and for Investment Fund support, that it represents value for money, complies with necessary regulations including state aid and has financial sustainability.

Conclusion

2.19 As a result of the due diligence process the LSH recommendations set out in 2.10 above have now been reflected by Amion Consulting in a revised Investment Plan.

2.20 LSH conclude that the financial model produced by Amion Consulting is sound in its approach and in the assumptions that underpin it, however further work is required to develop sound financial policies that underpin the Fund. This will ensure that the draw-down of funding is both compliant but also demonstrates value for money and that any borrowing costs can be funded. This will be in place before any request for funding is brought forward to Cabinet.

2.21 Governance and managerial arrangements will be put in place as set out in 2.17 above to ensure that the Fund is well managed, risk identified and mitigated and that the business case supporting each application for funding is fully assessed against the agreed principles and criteria.

3.0 RELEVANT RISKS

3.1 An analysis of the key risks associated with the Investment Fund is set out in Exempt Annex 2. These risks include:

a) Market demand for the developments stall and this impacts on the return on investment due to a decrease in the expected level of business rates. If the council has borrowed prudentially, capitalising the annual business rate income
from the uplift, then this borrowing would need to be serviced. The development of financial policies to underpin the Fund and the phased approval approach to the release of funding linked to business rate generation, reduces the risk to the Council. In addition the Investment model now includes a 15% contingency top sliced from the gross business rate uplift to provide a buffer.

b) The completed developments remain void or development does not progress in the agreed timescales thus delaying income from the business rate uplift. A Memorandum of Understanding will be agreed with Peel Holdings (as the landowner), Wirral Council and the LEP, in advance of any schemes coming forward for funding. This will outline key principles such as obligations to complete projects on time, covering the cost of borrowing if the property is vacant and clawback of funding if a change of use in the development leads to a fall in the predicted business rates. These principles will then be included as contractual obligations for each funding application approved.

c) The assumptions in relation to interest rates are incorrect resulting in higher borrowing costs. LSH have confirmed that the current modelled interest rates are prudent to minimise risk exposure. However, it is proposed that these assumptions are reviewed annually.

d) Government policy enables the business rate uplift to be re-invested back into growth projects within the EZ. The risk of not implementing the Investment Fund is that Wirral Waters would not attract the resources needed to catalyse the long term growth, regeneration and job creation potential of the EZ.

4.0 OTHER OPTIONS CONSIDERED

4.1 Officers will continue to look to secure external funds wherever possible to address the barriers to development to bring forward investment.

4.2 The Chancellor has recently announced the Government’s intention for Local Authorities to be able to retain 100% of all business rates from 2020. The establishment of the Investment Fund within the EZ will, however, enable the business rate uplift to be focused to accelerate investment, growth and jobs within the EZ over the period to 2020. This will ensure that the benefits associated with the EZ, such as business rate relief, are captured in order to maximise the generation of additional private sector investment.

5.0 CONSULTATION

5.1 This report is consistent with the principles of Wirral Council’s Investment Strategy which provides the framework for securing investment and growth within the Borough. This has been reviewed after extensive consultation with partners and has also been informed by consultation which has taken place with a number of private sector partners and local businesses through Wirral Chamber’s Business Forum.
6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 This report responds to recommendation 13.1 in the EZ – Re-investment of Business Rate Uplift Cabinet report of the 12th March 2015 in that it sets out the proposed Investment Plan.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 None as a direct result of this report.

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

8.1 As the Accountable Body for the Enterprise Zone, it is the intention that Wirral Council would undertake prudential borrowing that would fund projects that meet the objectives agreed through the Investment Plan. The borrowing would be supported by the revenue resources provided by the uplift in business rates within the EZ. This reflects the intention to adopt a phased approach to the Fund and that applications for funding will be considered on a case by case basis.

8.2 Officers will ensure that the Investment Fund is underpinned by robust financial principles which limit the extent of borrowing and manage the risks accordingly to ensure that the EZ does not adversely impact on the Councils overall financial position.

8.3 However, it is recognised that implementation of the Investment Fund will require specialist support. Officers will seek and secure best practice advice from other Local Authorities currently delivering such schemes, but it is likely that specialist legal, finance and commercial property specialists would need to be procured as appropriate. It is intended that the costs incurred in managing the Investment Fund will be met from the business rate uplift and provision for cost recovery has been included in the model at 3.5% of capital expenditure.

8.4 Any revenue generated by the uplift will be placed in a reserve until any borrowing is required.

8.5 A Memorandum of Understanding will be agreed with Peel Holdings (as the landowner), Wirral Council and the LEP, in advance of any schemes coming forward for funding as set out in 3.1 (b) above.

8.6 The Fund has the potential to be able to enable investment of £16m by 2020 and £47m by 2037 to support the development of Wirral Waters and the regeneration of the local area in delivering the Vision 2020. The Full Investment Plan, if delivered in line with the Amion methodology, is anticipated to generate increased business rates income in excess of £10m per annum at 2037. This figure allows for a risk adjustment and therefore the annual business rate income could be higher.

9.0 LEGAL IMPLICATIONS

9.1 The creation of an Investment Fund to re-invest the business rate uplift generated within the Wirral Waters EZ will reflect the Council’s ability to:
a) acquire land by agreement for the benefit, improvement or development of their area pursuant to section 120 of the Local Government Act 1972;
b) borrow money for the purposes of the prudent management of its financial affairs pursuant to section 1 of the Local Government Act 2003; and
c) invest for the purposes of the prudent management of its financial affairs pursuant to section 12 of the Local Government Act 2003.

9.2 The Council intends to ensure the operation of the Investment Fund complies with:
a) the application of the legal requirements set out in paragraph 9.1 above;
b) the application of the Public Contracts Regulations 2015;
c) State Aid requirements;
d) the Council’s constitution;
e) such other legal requirements relating to the project under consideration.

9.3 The report requesting Cabinet approval for each project will set out how the legal requirements have been and/or will be satisfied.

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 –


11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS
11.1 None arising directly from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS
12.1 All projects funded from the Investment Fund would require all statutory permissions to be in place.

13.0 RECOMMENDATIONS
13.1 Members approve the creation and operation of the Wirral Waters Enterprise Zone Investment Fund as detailed in this report.

13.2 That the investment potential for Phase 1 of £16m by 2020, funded through borrowing and repaid over the life of the Enterprise Zone from increased business rates income, be incorporated within the Capital Programme.

13.3 The Council will act as accountable body for the Wirral Waters Enterprise Zone Investment Fund

13.4 Each proposal to draw down funding will be subject to project specific business cases coming forward for approval that address any delivery and affordability
constraints and brought back to Cabinet on a case by case basis.

13.5 Members agree to the operating principles as set out in paragraph 2.16 of this report.

13.6 Members agree to the governance and management structure and processes as set out in paragraph 2.17 of this report.

13.7 An annual report on the performance of the scheme be prepared and presented to Members.

14.0 REASONS FOR RECOMMENDATIONS

14.1 To respond to recommendation 13.1 in the EZ – Re-investment of Business Rate Uplift Cabinet report of the 12th March 2015 requesting officers to develop an Investment Fund and to bring this back to Cabinet.

14.2 This report sets out the basis upon which a sustainable Investment Fund for the re-investment of business rate uplift within the Wirral Waters EZ would be established.

REPORT AUTHOR: Sally Shah

<table>
<thead>
<tr>
<th>telephone</th>
<th>(0151) 691 8148</th>
</tr>
</thead>
<tbody>
<tr>
<td>email</td>
<td><a href="mailto:sallyshah@wirral.gov.uk">sallyshah@wirral.gov.uk</a></td>
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ANNEX

Annex 1 Investment Plan – Exempt under Schedule 12A of the Local Government Act 1972

SUBJECT HISTORY (last 3 years)

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<tr>
<td>Cabinet – Enterprise Zone: Re-investment of Business Rate Uplift</td>
<td>12 March 2015</td>
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<tr>
<td>Cabinet – Enterprise Zone: Business Rates Discounts</td>
<td>2 February 2012</td>
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1.0 EXECUTIVE SUMMARY

1.1 The Council Constitution allocates responsibility for the approval of the Statement of Accounts to the Audit & Risk Management Committee. The draft Statement for 2014/15 published on 30 June 2015 was subject to audit by Grant Thornton, the Council’s External Auditors, and their findings presented to Audit & Risk Management Committee on 28 September 2015. The Statement of Accounts 2014/15 was published on 30 September 2015 – the statutory deadline for publication.

1.2 The Statement of Accounts includes the Merseyside Pension Fund (MPF) accounts as Wirral Council is the Administering Authority for MPF. As the MPF receives a separate Audit Findings Report this was considered by Pensions Committee on 14 September 2015 and Audit & Risk Management Committee on 28 September 2015 as part of approving the Accounts.

2.0 BACKGROUND AND KEY ISSUES

INTRODUCTION

2.1 The purpose of the Statement of Accounts is to present the overall financial position of the Council at 31 March 2015 in accordance with prescribed guidance – the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). This is updated annually and specifies the accounting principles and practices required to prepare a Statement of Accounts which present a true and fair view of the financial position.

2.2 The Accounts and Audit Regulations 2003, as amended in 2011, state that the Statement of Accounts must be approved by an appropriate Committee no later than 30 September. The Chief Finance Officer (Acting S151 Officer) was required to certify the Accounts by 30 June 2015. On 30 June 2015 the Accounts were certified and made publicly available including to all Members of the Audit & Risk Management Committee.
2.3 The Accounts published at 30 June 2015 were subject to audit. Under the Audit Commission Act 1998, and the Audit Commission Code of Audit Practice for Local Government, Grant Thornton report on the financial statements. As stipulated by the Regulations, this was reported and published by 30 September 2015.

AMENDMENTS TO THE STATEMENT OF ACCOUNTS

2.4 Grant Thornton reported that no adjustments affecting the financial position had been identified at the Audit & Risk Management Committee meeting. This remained the case and the Accounts were published on 30 September 2015.

2.5 The financial position of the Council was therefore as reported to Cabinet on 13 July 2015. This showed an in year revenue underspend of £0.5 million and year-end balances of £18.8 million being above the target figure for General Fund balances of £17.4 million for 2015/16.

AUDITOR’S REPORT AND OPINION

2.6 Audit & Risk Management Committee on 28 September 2015 considered the Audit Findings Report issued by Grant Thornton. The report identified that all five areas of assessment under Accounting, Policies and Estimates were rated as green.

2.7 The Audit Opinion issued on 29 September 2015 stated that the financial statements gave a true and fair view of the financial position of the Council at 31 March 2015, of its expenditure and income for the year and that they had been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and applicable law.

2.8 Besides commenting on the Financial Statements Grant Thornton also reported on the Councils’ arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2015. For 2014/15 Grant Thornton concluded that the Council had in place proper arrangements for the year ending 31 March 2015. In 2012/13 there was an adverse conclusion as arrangements were concluded as not being in place.

2.9 There have been improvements to the status of the Value for Money findings between 2013/14 and 2014/15 as summarised in the table:

<table>
<thead>
<tr>
<th>Theme</th>
<th>R/A/G Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013/14</td>
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<tr>
<td>1. Key Indicators of Performance</td>
<td>Green</td>
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<tr>
<td>2. Strategic Financial Planning</td>
<td>Amber</td>
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<tr>
<td>3. Financial Governance</td>
<td>Green</td>
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<td>4. Financial Control</td>
<td>Amber</td>
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<tr>
<td>5. Prioritising Resources</td>
<td>Amber</td>
</tr>
<tr>
<td>6. Improving Efficiency and Productivity</td>
<td>Amber</td>
</tr>
</tbody>
</table>
2.10 The two areas which have shown improvement, Strategic Financial Planning and Financial Control, recognise the significant improvements made to deliver financial stability, to improve financial management and the approach adopted in developing the Council Plan. The Wirral Plan: 2020 Vision has been agreed and will be supported by the Delivery Plan and Medium Term Financial Strategy being developed for Cabinet / Council in February 2016.

2.11 There remain other challenges the Council must continue to pursue and to address these Grant Thornton and the Council agreed to an Action Plan which is within the Audit Findings Report.

ANNUAL GOVERNANCE STATEMENT (AGS)

2.12 This Statement was endorsed by Cabinet at its meeting on 8 October 2015. Although not required to be included in the Statement of Accounts, is included as it shows how the Council has ensured the effectiveness of its systems for ensuring that it operates legally and that public money is properly used and accounted for. The agreed AGS was included within the Statement of Accounts published on 30 September 2015.

3.0 RELEVANT RISKS

3.1 If Grant Thornton identify concerns in their report and they are not addressed by the Council then there are potential risks that the Council will not be able to meet its statutory requirements in respect of the Statement of Accounts and this could impact upon the Grant Thornton Value for Money assessment.

4.0 OTHER OPTIONS CONSIDERED

4.1 The Statement of Accounts has to be produced in accordance with statutory guidance and the Statement is subject to review by the appointed Auditor.

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 Following the audit of the 2014/15 Statement of Accounts the financial position of the Council for 2014/15 is as reported to Cabinet on 13 July 2015.
8.2 As in previous years the External Auditor has made reference to the adequacy of resources within Financial Services. Competing pressures, further reductions in staffing and vacant posts meant the engagement of additional, temporary, support. The Accounts for 2014/15 were completed on time, and to an improved standard, but this proved particularly challenging and capacity continues to remain an issue.

8.3 There are no IT or asset implications arising from this report.

9.0 LEGAL IMPLICATIONS

9.1 It is a legal requirement to publish the Statement of Accounts by 30 September 2015.

10.0 EQUALITIES IMPLICATIONS

10.1 There are no equality implications arising directly from the production of the Statement of Accounts so an Equality Impact Assessment (EIA) is not required. If requested then arrangements can be made to provide the Accounts in both different languages and formats.

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


13.2 That progress on delivering the actions identified in the Audit Findings Report will be monitored by Audit & Risk Management Committee.

14.0 REASON FOR RECOMMENDATIONS

14.1 Audit & Risk Management Committee has responsibility for approving the Statement of Accounts on behalf of the Council which is a requirement under the Accounts and Audit Regulations 2003, as amended in 2011.

REPORT AUTHOR: Tom Sault
Designation Head of Financial Services and Acting Section 151 Officer
Telephone 0151 666 3407
Email tomsault@ wirral.gov.uk
APPENDICES

Independent Auditor’s Report issued by Grant Thornton 29 September 2015 and included within the Statement of Accounts 2014/15.

Note: The Statement of Accounts 2014/15 is 186 pages. It has not been appended but can be accessed via the Council web-site - https://www.wirral.gov.uk/about-council/budget-and-spending/annual-accounts

REFERENCE MATERIAL / SUBJECT HISTORY

<table>
<thead>
<tr>
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<tr>
<td>Audit &amp; Risk Management Committee</td>
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<td>Grant Thornton Audit Findings Report</td>
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<td>- Merseyside Pension Fund</td>
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<td>Merseyside Pension Fund Accounts 2012/13</td>
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<td>Grant Thornton Financial Resilience Report</td>
<td></td>
</tr>
</tbody>
</table>

| Audit & Risk Management Committee | 17 September 2014 |
| Grant Thornton Audit Findings Report |                      |
| - Merseyside Pension Fund |                      |
| Merseyside Pension Fund Accounts 2013/14 |                      |
| Grant Thornton Audit Findings Report |                      |
| - Wirral Council |                      |
| Statement of Accounts 2013/14 |                      |
| Grant Thornton Report on Value for Money |          |

| Audit & Risk Management Committee | 28 September 2015 |
| Grant Thornton Audit Findings Report |                      |
| - Wirral Council |                      |
| Grant Thornton Audit Findings Report |                      |
| - Merseyside Pension Fund |                      |
| Merseyside Pension Fund Accounts 2014/15 |                      |
| Statement of Accounts 2014/15 |                      |
We have audited the financial statements of Wirral Council for the year ended 31 March 2015 under the Audit Commission Act 1998. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and Collection Fund and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

This report is made solely to the members of Wirral Council in accordance with Part II of the Audit Commission Act 1998 and as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Chief Financial Officer and auditor
As explained more fully in the Statement of the Chief Finance Officer’s Responsibilities, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Financial Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Foreword and Financial Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.
Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the financial position of Wirral Council as at 31 March 2015 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and applicable law.

Opinion on other matters
In our opinion, the information given in the Foreword and Financial Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception
We report to you if:

- in our opinion the annual governance statement does not reflect compliance with ‘Delivering Good Governance in Local Government: a Framework’ published by CIPFA/SOLACE in June 2007; or
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998; or
- we designate under section 11 of the Audit Commission Act 1998 a recommendation as one that requires the Authority to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

We have nothing to report in these respects.

Conclusion on the Authority’s arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Authority and the auditor
The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission in October 2014.

We report if significant matters have come to our attention which prevent us from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.
Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2014, as to whether the Authority has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2014, we are satisfied that, in all significant respects, Wirral Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

Certificate

We certify that we have completed the audit of the financial statements of Wirral Council in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Robin Baker
for and on behalf of Grant Thornton UK LLP, Appointed Auditor
Royal Liver Building,
Liverpool,
L3 1PS.
29 September 2015

The signed version of this report is available from the Director of Resources for Wirral Council, PO Box No.2, Treasury Building, Cleveland Street, Birkenhead, Wirral CH41 6BU.
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF WIRRAL COUNCIL
ON THE MERSEYSIDE PENSION FUND FINANCIAL STATEMENTS

(as contained in the Statement of Accounts 2014/15)

We have examined the pension fund financial statements of Wirral Council for the
year ended 31 March 2015 under the Audit Commission Act 1998. The pension fund
financial statements comprise the Fund Account, the Net Assets Statement and the
related notes. The financial reporting framework that has been applied in their
preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local
Authority Accounting in the United Kingdom 2014/15.

This report is made solely to the members of Wirral Council, as a body, in
accordance with Part II of the Audit Commission Act 1998 and as set out in
paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies
published by the Audit Commission in March 2010. Our audit work has been
undertaken so that we might state to the members those matters we are required to
state to them in an auditor’s report and for no other purpose. To the fullest extent
permitted by law, we do not accept or assume responsibility to anyone other than the
Authority and the Authority’s members as a body, for our audit work, for this report,
or for the opinions we have formed.

Respective responsibilities of the Chief Financial Officer and auditor
As explained more fully in the Statement of the Chief Financial Officer’s
Responsibilities, the Chief Financial Officer is responsible for the preparation of the
Authority’s Statement of Accounts, which include the pension fund financial
statements, in accordance with proper practices as set out in the CIPFA/LASAAC
Code of Practice on Local Authority Accounting in the United Kingdom 2014/15, and
for being satisfied that they give a true and fair view. Our responsibility is to audit and
express an opinion on the pension fund financial statements in accordance with
applicable law and International Standards on Auditing (UK and Ireland). Those
standards require us to comply with the Auditing Practices Board’s Ethical Standards
for Auditors.

Scope of the audit of the Pension Fund financial statements
An audit involves obtaining evidence about the amounts and disclosures in the
financial statements sufficient to give reasonable assurance that the financial
statements are free from material misstatement, whether caused by fraud or error.
This includes an assessment of: whether the accounting policies are appropriate to
the pension fund’s circumstances and have been consistently applied and
adequately disclosed; the reasonableness of significant accounting estimates made
by the Chief Financial Officer and the overall presentation of the pension fund
financial statements. In addition, we read all the financial and non-financial
information in the foreword and financial report to identify material inconsistencies
with the audited pension fund financial statements and to identify any information
that is apparently materially incorrect based on, or materially inconsistent with, the
knowledge acquired by us in the course of performing the audit. If we become aware
of any apparent material misstatements or inconsistencies we consider the
implications for our report.
Opinion on the pension fund financial statements
In our opinion the pension fund’s financial statements:
- give a true and fair view of the financial transactions of the pension fund during the year ended 31 March 2015 and of the amount and disposition of the fund’s assets and liabilities as at 31 March 2015, other than liabilities to pay pensions and other benefits after the end of the fund year; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and applicable law.

Opinion on other matters
In our opinion, the information given in the foreword and financial report for the financial year for which the pension fund financial statements are prepared is consistent with the pension fund financial statements.

Fiona Blatcher
for and on behalf of Grant Thornton UK LLP, Appointed Auditor
4, Hardman Square,
Spinningfields,
Manchester,
M3 3EB.
29 September 2015

The signed version of this report is available from the Director of Resources for Wirral Council, PO Box No.2, Treasury Building, Cleveland Street, Birkenhead, Wirral CH41 6BU.
1 EXECUTIVE SUMMARY

1.1 This report sets out the projected revenue position for 2015/16 as at the end of quarter two (September 2015). The projected outturn shows an improvement of £2.2 million compared to the quarter 1 position. Forecast is £0.7 million overspent (previous period £2.9 million). There has been some improvement in the quarter within the Adult Social Care predicted overspend and increases in both Regeneration & Environment and Transformation & Resources predicted underspends. The most significant positive variance relates to treasury management savings from forecast continued use of cash flow balances over the full year to temporarily fund accumulated capital expenditure in lieu of borrowing.

1.2 The headline position is shown in the graph below.

Graph 1: Wirral Council – 2015/16 General Fund Variance

2 CHANGES TO THE AGREED BUDGET

2.1 The 2015/16 Budget was agreed by Council on 24 February 2015 and is detailed in Annex 2; any increase in the Budget has to be agreed by full Council. Changes to the Budget since it was set are summarised in Table 1.
2.2 The main budget movements in quarter two relate to the transfer of the Liquid Logic support team from Transformation & Resources to Children & Young People and an adjustment to the support services budget. Both of these adjustments have no bottom line net effect.

3 PROJECTIONS AND KEY ISSUES

3.1 The projected outturn position as at the end of September 2015, key issues emerging and Directorate updates are detailed in the following section.

Table 2: 2015/16 Projected Budget variations by Directorate £000's

<table>
<thead>
<tr>
<th>Directorates</th>
<th>Revised Budget</th>
<th>Forecast Outturn</th>
<th>(Under) Overspend Quarter 2</th>
<th>RAGBY Class</th>
<th>Change from prev</th>
</tr>
</thead>
<tbody>
<tr>
<td>FWB - Adult Social Care</td>
<td>71,239</td>
<td>73,649</td>
<td>2,410</td>
<td>R</td>
<td>-21</td>
</tr>
<tr>
<td>FWB – Children &amp; Young People</td>
<td>72,780</td>
<td>74,580</td>
<td>1,800</td>
<td>R</td>
<td>-200</td>
</tr>
<tr>
<td>FWB - Further Areas: Safeguarding, Schools, Leisure, Public Health</td>
<td>8,787</td>
<td>9,037</td>
<td>250</td>
<td>A</td>
<td>250</td>
</tr>
<tr>
<td>Regeneration &amp; Environment</td>
<td>89,492</td>
<td>88,762</td>
<td>-730</td>
<td>Y</td>
<td>-430</td>
</tr>
<tr>
<td>Transformation &amp; Resources</td>
<td>31,150</td>
<td>28,150</td>
<td>-3,000</td>
<td>Y</td>
<td>-1,811</td>
</tr>
<tr>
<td>Corporate Growth, Savings &amp; Grant</td>
<td>-4,656</td>
<td>-4,656</td>
<td>0</td>
<td>G</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>268,792</td>
<td>269,522</td>
<td>730</td>
<td></td>
<td>-2,212</td>
</tr>
</tbody>
</table>

The report classifies the forecast under/overspends for the above areas using a colour RAGBY rating. The ratings are defined as follows:

- 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**

**Families and Wellbeing: Adult Social Care**

3.2.1 The quarter 2 position remains virtually unchanged from quarter 1. The current forecast remains a £2.4 million overspend from demand pressures within a number of Community care areas. Further work is being undertaken to identify any mitigating actions. Targeted support also requires close monitoring of the savings position.

3.2.2 To assist with budget delivery, a number of projects are being supported by the Improvement and Transformation Team. Saving Plans and profiles are being reviewed to identify mitigation and an Implementation Board has been established to review Day Services and challenge financial delivery targets. Further detailed work has been undertaken to further analyse the causes and impact of the demand pressures.

3.2.3 With effect from 1 July 2015 Independent Living Fund users transferred to Local Authority support. The Department for Local Communities and Government has awarded Adult Social Care grant of £1.3 million to cover this expenditure for the period 1 July 2015 to 31 March 2016 and reviews are ongoing to ensure this is sufficient to cover the additional costs in Adult Social Care. Any funding for subsequent years will be decided as part of the next Spending Review.

**Families and Wellbeing: Children and Young People**

3.2.4 An improvement of £200,000 has been achieved in the quarter. Reducing the forecast overspend to £1.8 million Reduced spend of £0.4 million has been identified across various areas including childrens centres. There are however increased costs of £0.2 million from mainly from an increase in Special Guardianship numbers. Actions being taken to reduce the overspend:-

- A review of all residential care and independent fostering placements has been undertaken
- There is a weekly Access to Resources panel approving all new care packages for children.
- Assessments are being undertaken for entitlement to Primary and secondary transport with notification of any changes to parents by half term
- A rolling programme of recruitment to Social Work positions. The Social Worker Progression Framework has been implemented. There is a detailed plan for a significant reduction in agency numbers reviewed on a monthly basis.
- Implementation of new Children’s Centres structures
- Budget progress is reported and reviewed monthly at the Senior Leadership Team Meeting.
3.2.5 In August the Youth Justice Board issued consultation regarding a proposed 5% in year reduction of grants paid to local authorities. The impact on Wirral would be a £70,000 reduction. Objections have been lodged and the outcome will be confirmed later this month. Measures have been put in place to mitigate any in year reduction through the non-filling of vacant posts.

Families and Wellbeing : Other

3.2.6 Leisure Services: The forecast overspend is currently £250,000. This figure reflects slippage in budget savings. There are ongoing discussions and plans with regard to savings in 2016/17.

3.2.7 Public Health. As previously reported the Chancellor announced proposals to reduce in year the Public Health Budget. This may reduce Public Health Grant allocations by 6.2% (between £2 to £2.4 million for Wirral.) The outcome of this is due shortly.

Regeneration and Environment

3.2.8 There has been a further underspend of £430,000 this quarter. Car parking income is currently being projected to exceed its budgeted income target by £240,000. At the start of the financial year, car parking charges were reduced for an initial 12 month trial period. The impact this trial is being assessed but it should also be noted that car parking income is difficult to predict and that this forecast is only an emerging position.

3.2.9 There also continues to be a high number of vacancies within School Crossing Patrols which is adding to the overall underspend position. However, this is partly offset due to the recent departure of a number of employees with Highways & Transportation meaning there is currently a reduction in the number of engineers working on and charging time (thereby generating income) on capital schemes.

3.2.10 Contract efficiencies within the Supported Housing Programme explained quarter 1’s positive variance. There has been some further improvement in this area during quarter 2. Pressures remain within the Floral Pavilion budget (£130k). Income projections will be monitored very carefully but are ultimately dependent on attendance at each show. There is also a forecast income surplus, of at least £50,000, above the budgeted income target within Planning.

Transformation & Resources

3.2.11 There has been an improvement of £1.8 million in the quarter resulting in a year end forecast underspend of £3 million. This is largely from savings (£2.5 million of the overall total) within Treasury Management. This is due to the continued use of internal funds to minimise the need to externally borrow and further projected slippage within the Capital Programme (which delivers one-off in year savings). Further savings have arisen from continued vacancies during the year across a number of service areas.
In respect of Treasury Management the external borrowing to fund capital investment has been delayed through temporary funding the ‘borrowing’ from cash flows deriving from reserves and other balances. This policy whilst ‘losing’ investment interest receivable (average 0.5%), saves an average 3.5% on borrowing costs plus delays any principal repayment. External borrowing will need to take place eventually to fund past programmes either at the point when reserves are utilised and/or to lock into lower rates before interest rates rise. Recent economic data and Bank of England Monetary Policy Committee announcements now make interest rate increases in 2015/16 less likely. Thus the timing of borrowing has been delayed to produce increased in year and one-off Treasury Management savings. Some further savings have also accrued from re-profiling the Capital Programme.

IMPLEMENTATION OF SAVINGS

The delivery of the agreed savings is key to the Council’s financial health and is tracked at both Council and Directorate level. The Budget for 2015/16 originally included £38 million of efficiency measures and it was recognised that the delivery of the savings, particularly within Adults and Children’s Services was challenging being more of a transformational / change nature. Cabinet in July agreed the reprofiling of £9.6 million of savings funded from earmarked reserves (£5.4 million) and General Fund Balances (£4.2 million) which was confirmed by Council 12 October.

<table>
<thead>
<tr>
<th>BRAG</th>
<th>Number of Options</th>
<th>Approved Budget Reduction</th>
<th>Amount Delivered at Sep 15</th>
<th>To be Delivered</th>
</tr>
</thead>
<tbody>
<tr>
<td>B - delivered</td>
<td>24</td>
<td>14,258</td>
<td>14,258</td>
<td>0</td>
</tr>
<tr>
<td>G - on track</td>
<td>18</td>
<td>3,731</td>
<td>2,379</td>
<td>1,352</td>
</tr>
<tr>
<td>A - concerns</td>
<td>18</td>
<td>11,249</td>
<td>4,411</td>
<td>6,838</td>
</tr>
<tr>
<td>R - high risk/ not achieved</td>
<td>2</td>
<td>35</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Total at Aug 2015-16</td>
<td>62</td>
<td>29,273</td>
<td>21,048</td>
<td>8,225</td>
</tr>
</tbody>
</table>

The savings tracker contains an assessment of the 2015/16 savings. Cabinet 27 July agreed that £9.6 million of savings be moved into 2016/17 with funding from earmarked reserves and General Fund balances.

GROWTH

An allowance for the impact of demographic changes, inflation and other risks has been incorporated into the 2015/16 budget. Details of these allowances are contained within the Budget Book and Forecasts 2015/18 approved by Budget Council on 24 February 2015.

In response to the projected overspend reported at Quarter 1 a review was undertaken of the growth allocated for 2015/16. As this primarily covered the impact of the social worker pay review, which had been implemented, and contractual inflation, which had been paid, there was limited opportunity for any
reductions to be identified.

6 INCOME AND DEBT

6.1 Revenue and Income falls into four broad areas for reporting purposes. Amounts raised and collected in the year are shown below.

Table 4: Amount to be collected in 2015/16

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Collectable</td>
<td>Collected</td>
</tr>
<tr>
<td>Council Tax</td>
<td>140,145</td>
<td>76,373</td>
</tr>
<tr>
<td>Business Rates</td>
<td>71,196</td>
<td>40,920</td>
</tr>
<tr>
<td>Fees and charges – Adults &amp; Children</td>
<td>32,740</td>
<td>17,714</td>
</tr>
<tr>
<td>Fees and charges – all other services</td>
<td>32,371</td>
<td>20,508</td>
</tr>
</tbody>
</table>

COUNCIL TAX

6.2 Compared with September 2014 the collection performance is down by 0.6% but recovery action is well under way.

6.3 The major change this year relates to the full removal of the local Pensioner Discount for 2015/16. This affected 11,482 Band A-D, 70+ households who previously received a 5% discount. In 2014/15 the discount from Band E-H households was removed with a reduction in the discount from 7.76% to 5%.

BUSINESS RATES

6.4 The percentage collected at September 2015 of 57.5% compares favourably with the 57.1% at September 2014.

6.5 The Government has undertaken a fundamental review of Business Rates including consultation with interested parties. It indicated that any changes would need to raise the same amount as Business Rates does now, some £26 billion and the preference was for a property based tax. The outcome of the review is expected to feature in the Government Budget 2016.

6.6 At the Conservative Party Conference it was announced that from 2020 Councils will keep all the Business Rates they collect. The detail is awaited as Wirral currently receives a ‘top-up grant’ from Government so receives more than is currently collected in Business Rates.

DEBTORS

6.7 At the end of September 2015 the arrears stood at £24.7 million which compares to £22.8 million at September 2014. With the date being a moment in time the timing of the sending of bills impacts upon the reported position particularly with month-end and year-end bills. Recovery action continues to be undertaken to minimise arrears and additional temporary staff support this work.
7 RELEVANT RISKS

7.1 The possible failure to deliver the Revenue Budget is being mitigated by:

- Senior Leadership Team / Directorate Teams reviewing the financial position.
- Tracking system of savings options to monitor progress.
- Benefits Realisation Group monitors the delivery of key change projects.
- Use of temporary additional support to assist with revenues collection.
- Use of earmarked reserves and General Fund Balance savings risk contingency

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 ongoing 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 On 10 February 2015 Cabinet agreed to the level of General Fund balance for 2015/16 being based upon a risk calculation and a minimum of £17.4 million. The level is kept under review during the year to reflect changing circumstances and in-year developments.

12.2 As reported to Cabinet on 13 July 2015 the 2014/15 financial year saw an underspend of £0.5 million on the revenue budget whilst the release of £0.9 million of Insurance Fund Reserves added a total £1.4 million to balances at 31 March 2015.

12.3 As referred to in this report the delivery of the large savings programme contained significant risks of delay (slippage). The opening balance contained £7.2 million specifically against this risk of which £4.2 million is to be used to meet the in-year shortfall set out in Section 4.
Table 5: Summary of the projected General Fund balances

<table>
<thead>
<tr>
<th>Details</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance 31 March 2015 when setting the Budget 2015/16</td>
<td>+17.4</td>
</tr>
<tr>
<td>Add; Increase following closure of 2014/15 Accounts</td>
<td>+1.4</td>
</tr>
<tr>
<td>Less Transfer to General Fund</td>
<td>-4.2</td>
</tr>
<tr>
<td>Less: Potential overspend at August 2015</td>
<td>-0.7</td>
</tr>
<tr>
<td>Projected balance 31 March 2016</td>
<td>+13.9</td>
</tr>
</tbody>
</table>

12.4 The requirement to replenish the General Fund balances to the minimum level will be addressed through Directorates identifying potential underspends in the current financial year together with a mid-year review of the Earmarked Reserves. The Reserves excluding School balances totalled £71.5 million at 1 April 2015. These include reserves relating to the cost of Council remodelling, mitigation and specific project support and ongoing financial risks.

12.5 Cabinet in July agreed to the use of £5.4 million of earmarked reserves to be used in reprofiling the 2015/16 savings programme. This decision was ratified by Council on 12 October, 2015.

12.6 As referred to in Section 6.6 it was announced at the Conservative Party Conference in October that local authorities would retain 100% of Business Rates collected by 2020. Based on the present arrangements this would result in Wirral being £6 million worse-off. It was also announced that the General Government Grant (the Revenue Support Grant) would be phased out. The Grant to Wirral is £65 million in 2015/16. The details will follow in the Spending Review and Local Government Finance Settlement in late November / early December.

12.7 There are no IT, staffing or asset implications arising directly out of this report.

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 available to it to meet that expenditure.

14 EQUALITIES IMPLICATIONS

14.1 This report is essentially a monitoring report which reports on financial performance.

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 That the improvement of £2.2 million in the 2015/16 Revenue Budget position during quarter 2 be noted
17.2 That Officers continue to identify actions and to take measures to reduce the projected overspend of £0.7 million and to mitigate against any in-year funding reductions for Public Health and to replenish General Fund balances.

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. 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.

REPORT AUTHOR: Peter Molyneux
Senior Manager
Telephone (0151) 666 3389
Email petemolyneux@wirral.gov.uk

ANNEXES

Annex 1 General Fund Revenue Budget 2015/16
Annex 2 Income and Debt

SUBJECT HISTORY

<table>
<thead>
<tr>
<th>Council Meeting</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue monitoring reports presented to Cabinet</td>
<td></td>
</tr>
<tr>
<td>previous report to Cabinet 2015/16 (Quarter 1)</td>
<td>27 July 2015</td>
</tr>
<tr>
<td>Budget Council</td>
<td>24 February 2015</td>
</tr>
</tbody>
</table>
GENERAL FUND REVENUE BUDGET 2015/16

ORIGINAL BUDGET AGREED BY COUNCIL ON 24 FEBRUARY 2015

<table>
<thead>
<tr>
<th>Directorate/Service Area</th>
<th>Original Budget</th>
<th>Changes/Variances</th>
<th>Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Families and Wellbeing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult Social Services</td>
<td>68,305</td>
<td>2,934</td>
<td>71,239</td>
</tr>
<tr>
<td>Children and Young People</td>
<td>67,964</td>
<td>4,816</td>
<td>72,780</td>
</tr>
<tr>
<td>Further Areas - Public Health, Schools, Sports and Recreation</td>
<td>7,956</td>
<td>831</td>
<td>8,787</td>
</tr>
<tr>
<td>Regeneration and Environment</td>
<td>90,287</td>
<td>-795</td>
<td>89,492</td>
</tr>
<tr>
<td>Transformation and Resources</td>
<td>31,947</td>
<td>-797</td>
<td>31,150</td>
</tr>
<tr>
<td><strong>Net Cost of Services</strong></td>
<td>266,459</td>
<td>6,989</td>
<td>273,448</td>
</tr>
<tr>
<td>Corporate Savings/Growth</td>
<td>-3,611</td>
<td>2,611</td>
<td>-1,000</td>
</tr>
<tr>
<td>Education Services Grant</td>
<td>-3,656</td>
<td>-</td>
<td>-3,656</td>
</tr>
<tr>
<td><strong>Budget Requirement</strong></td>
<td>259,192</td>
<td>9,600</td>
<td>268,792</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Support Grant</td>
<td>64,281</td>
<td>-</td>
<td>64,281</td>
</tr>
<tr>
<td>Business Rates Baseline</td>
<td>33,266</td>
<td>-</td>
<td>32,266</td>
</tr>
<tr>
<td>Business Rates Top Up</td>
<td>41,287</td>
<td>-</td>
<td>41,287</td>
</tr>
<tr>
<td>Business Rates Section 31 Grants</td>
<td>2,193</td>
<td>-</td>
<td>2,193</td>
</tr>
<tr>
<td>Council Tax Requirement</td>
<td>114,210</td>
<td>-</td>
<td>114,210</td>
</tr>
<tr>
<td>Council Tax Freeze Grant</td>
<td>1,358</td>
<td>-</td>
<td>1,358</td>
</tr>
<tr>
<td>New Homes Bonus</td>
<td>2,597</td>
<td>-</td>
<td>2,597</td>
</tr>
<tr>
<td>Contribution from Reserve</td>
<td>5,400</td>
<td></td>
<td>5,400</td>
</tr>
<tr>
<td>Contribution from Balances</td>
<td>4,200</td>
<td></td>
<td>4,200</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>259,192</td>
<td>9,600</td>
<td>268,792</td>
</tr>
<tr>
<td><strong>Statement of Balances</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 April 2015</td>
<td>17,400</td>
<td>1,400</td>
<td>18,800</td>
</tr>
<tr>
<td>Contributions to/from Balances</td>
<td></td>
<td>-4,200</td>
<td>-4,200</td>
</tr>
<tr>
<td>Cabinet 27 July and confirmed Council 12 October 2015)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potential Overspend at Quarter 2</td>
<td>-700</td>
<td></td>
<td>-700</td>
</tr>
<tr>
<td>Forecast Balances 31 March 2016</td>
<td>17,400</td>
<td>-3,500</td>
<td>13,900</td>
</tr>
</tbody>
</table>

Note:
The table will be updated for agreed variances during the year.
Balances as at 1 April 2015 updated following completion of the Accounts for 2014/15.
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 2015 to 30 September 2015 with the amount collected in the same period in 2014/15:

<table>
<thead>
<tr>
<th></th>
<th>Actual 2015/16</th>
<th>Actual 2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash to Collect</td>
<td>£140,145</td>
<td>£137,289</td>
</tr>
<tr>
<td>Cash Collected</td>
<td>£76,373</td>
<td>£75,669</td>
</tr>
<tr>
<td>% Collected</td>
<td>54.5%</td>
<td>55.1%</td>
</tr>
</tbody>
</table>

Council Tax Support Scheme

Council Tax benefits were abolished at the end of 2012/13 and replaced by Council Tax Support. £26.5 million is currently in payment and the numbers of awards as at 30 September 2015 are as follows:

- Number of pensioners: 14,970
- Number of vulnerable (working age): 9,168
- Number of working age: 11,226
- Number of Council Tax Support recipients: 35,364

Council Tax Support claimants have dropped from 36,231 to 35,364 (784) since the beginning of the financial year. There are a number of reasons for this, including the impact of charges in respect of non-dependants in the household removing entitlement to CTS and people moving into low paid employment, claims from people of pensionable age ending.

Council Tax Discretionary Policy as at 30 September 2015

Period 1 April 2015 – 30 September 2015
2 awards (£902), 42 refusals in this period.
BUSINESS RATES

The following statement compares the amount collected for National Non-Domestic Rates for the period 1 April 2015 to 30 September 2015 with the amount collected for the same period in 2014/15:

<table>
<thead>
<tr>
<th></th>
<th>Actual 2015/16</th>
<th>Actual 2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash to Collect</td>
<td>71,196</td>
<td>71,210</td>
</tr>
<tr>
<td>Cash Collected</td>
<td>40,920</td>
<td>40,691</td>
</tr>
<tr>
<td>% Collected</td>
<td>57.5%</td>
<td>57.1%</td>
</tr>
</tbody>
</table>

ACCOUNTS RECEIVABLE

The table below shows the directorates and amount of debt at each recovery stage:

<table>
<thead>
<tr>
<th>Directorate Description</th>
<th>Less than 10 days</th>
<th>1st reminder</th>
<th>2nd reminder</th>
<th>3rd reminder</th>
<th>Total at 30.09.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive</td>
<td>£70,345</td>
<td>£7,485</td>
<td>£9,495</td>
<td>£941,847</td>
<td>£1,029,172</td>
</tr>
<tr>
<td>Neighbourhood</td>
<td>£21,008</td>
<td>0</td>
<td>0</td>
<td>£17,677</td>
<td>38,685</td>
</tr>
<tr>
<td>Transformation &amp; Resources</td>
<td>£5,600,458</td>
<td>£972,208</td>
<td>£73,536</td>
<td>£1,170,959</td>
<td>7,817,161</td>
</tr>
<tr>
<td>Families &amp; Wellbeing</td>
<td>£3,388,044</td>
<td>£646,510</td>
<td>£177,257</td>
<td>£10,455,645</td>
<td>14,667,456</td>
</tr>
<tr>
<td>Regeneration &amp; Environment</td>
<td>£377,776</td>
<td>£123,945</td>
<td>£184,225</td>
<td>£567,858</td>
<td>£1,253,804</td>
</tr>
<tr>
<td>Policy &amp; Performance</td>
<td>0</td>
<td>£192,100</td>
<td>0</td>
<td>£44,647</td>
<td>£236,747</td>
</tr>
<tr>
<td>Totals</td>
<td>£9,457,631</td>
<td>£1,942,248</td>
<td>£444,513</td>
<td>£13,198,633</td>
<td>£25,043,025</td>
</tr>
</tbody>
</table>

The above figures are for invoices in respect of the period up to the end of September 2015. 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 £355,532 to be made for unallocated payments at month end leaving a balance of £24,687,493

BENEFITS

The following statement details the number of claimants in respect of benefit and the expenditure for Tenants (Housing Benefit) and those in receipt of Council Tax Support up to 30 September 2015:

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Private Tenant recipients</td>
<td>29,912</td>
<td>32,121</td>
</tr>
<tr>
<td>Total rent allowance expenditure</td>
<td>£72,329,105</td>
<td></td>
</tr>
<tr>
<td>Number under the Local Housing Allowance Scheme (included in the above)</td>
<td>11,388</td>
<td>12,317</td>
</tr>
<tr>
<td></td>
<td>£28,193,558</td>
<td></td>
</tr>
</tbody>
</table>
Number of **Council Tax Support** recipients  
35,364  37,226

Total Council Tax Support expenditure  
£26,501,494

Total expenditure on benefit to date  
£98,830,599

The following statement provides information concerning the breakdown according to client type as at 30 September 2015 and gives the early year numbers to show the shift in sector by benefit claimants during the year.

<table>
<thead>
<tr>
<th>Date</th>
<th>Private Rented Sector</th>
<th>Social Rented Sector</th>
<th>Owner Occupiers</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.09.15</td>
<td>13,375</td>
<td>16,537</td>
<td>10,279</td>
</tr>
<tr>
<td>31.3.15</td>
<td>13,723</td>
<td>16,271</td>
<td>10,112</td>
</tr>
</tbody>
</table>

Total claimants by age group
- under 25 years old 2,025  2,238
- 25 – 60 years old 21,232  20,921
- over 60 years old 16,934  16,947

There are 40,191 benefit recipients in Wirral as at 30 September 2015.

**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 2,488 cases and By 25% in 605 cases

The number of claims affected does fluctuate. The numbers above are a snapshot at 30 September 2015.

**Housing Benefit Fraud and Enquiries – 1 April 2015 to 30 September 2015**

New Cases referred to Fraud team in period 957
Successful Prosecution/Administration penalty/caution 86

From 1 November 2015 the investigation of Housing Benefit fraud will transfer to the DWP’s Single Fraud Investigation Service. Fraud Investigation Officers in scope will transfer at this time with new roles created to ensure ongoing capacity to address other areas at risk of fraud and error within service/systems, including Council Tax Support, Council Tax, Personal Finance and Discretionary areas.

**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 2015/16 is £736,570 with an overall limit of £1,841,425 which the Authority must not exceed. The difference must come from the Authority’s own Expenditure. It was agreed to supplement the Government contribution by a Local Authority contribution of £300,000, giving a total budget in respect of 2015/16 of £1,036,570.

The backlog of work items reported previously is significantly reduced, including applications for Discretionary Housing Payment. The strain on the available budget remains high and is consistent with that in respect of 2014/15. Small awards are being made for shorter periods, essentially to allow the service to support more people through the use of this fund. This does however mean that renewal applications are likely to be received from an increasing number of claimants which will present operational difficulties. As such our projection is that the fund will be fully utilised this year.

<table>
<thead>
<tr>
<th>date</th>
<th>No. of Weeks</th>
<th>Number of awards</th>
<th>current awards</th>
<th>committed awards up to 31/03/2016</th>
<th>% spent (committed) of Govt cont</th>
</tr>
</thead>
<tbody>
<tr>
<td>08/04/2015</td>
<td>6015</td>
<td></td>
<td>£4,687.23</td>
<td>£40,158.74</td>
<td>4%</td>
</tr>
<tr>
<td>05/05/2015</td>
<td>6018</td>
<td>864</td>
<td>£40,421.27</td>
<td>£70,031.94</td>
<td>7%</td>
</tr>
<tr>
<td>01/06/2015</td>
<td>6022</td>
<td>934</td>
<td>£47,148.86</td>
<td>£94,694.10</td>
<td>9%</td>
</tr>
<tr>
<td>02/07/2015</td>
<td>6027</td>
<td>1041</td>
<td>£103,253.24</td>
<td>£208,173.93</td>
<td>20%</td>
</tr>
<tr>
<td>05/08/2015</td>
<td>6032</td>
<td>1272</td>
<td>£158,082.51</td>
<td>£296,029.82</td>
<td>29%</td>
</tr>
<tr>
<td>01/09/2015</td>
<td>6035</td>
<td>1387</td>
<td>£218,434.45</td>
<td>£366,839.57</td>
<td>35%</td>
</tr>
<tr>
<td>05/10/2015</td>
<td>6040</td>
<td>1495</td>
<td>£294,417.37</td>
<td>£450,614.50</td>
<td>43%</td>
</tr>
</tbody>
</table>

Local Welfare Assistance

The Local Welfare Assistance Scheme was until March 2015 directly funded by Government Grant which has now been withdrawn with the recommendation that local authorities should consider funding future schemes from their own resources.

The Council Budget 2015/16 includes the use of the £900,000 held in a reserve for this fund following the Government’s decision to withdraw direct funding from 1 April 2015. The original scheme ran until 31 July 2015 and following a Task & Finish Scrutiny Review Panel Cabinet approved a continuing scheme from 1 August 2015. This sees the Council continuing to administer and maintain a Local Welfare Assistance Scheme within the budget available with a number of small amendments to the Scheme. Primarily awards made are in respect of immediate need, such as for food, utilities etc.

<table>
<thead>
<tr>
<th>No. of Awards - 2015/16</th>
<th>Total Awarded</th>
<th>Cumulative expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>£38,896.60</td>
<td>£38,896.60</td>
</tr>
<tr>
<td>May</td>
<td>£26,315.11</td>
<td>£65,211.71</td>
</tr>
<tr>
<td>June</td>
<td>£42,240.12</td>
<td>£107,451.83</td>
</tr>
<tr>
<td>July</td>
<td>£43,553.30</td>
<td>£151,005.13</td>
</tr>
<tr>
<td>Aug</td>
<td>£34,923.09</td>
<td>£185,928.22</td>
</tr>
<tr>
<td>Sep</td>
<td>£40,435.51</td>
<td>£226,363.73</td>
</tr>
</tbody>
</table>
1 EXECUTIVE SUMMARY

1.1 This report provides an update on the progress in delivering the Capital Programme 2015/16 at the end of September 2015. The report recommends that Cabinet agrees the rephasing of the 2015/16 Capital Programme down to £50.2 million and reports expenditure to date of £18.2 million.

2 OVERALL POSITION AT END OF SEPTEMBER 2015

2.1 The actual spend against the Capital Programme is summarised in Table 1.

Chart 1: Capital Programme spend below line of best fit

3 ORIGINAL AND PROPOSED CAPITAL PROGRAMME FOR 2015/16

3.1 The Programme for 2015/16 is subject to change and reflects the Programme agreed by Cabinet on 10 February 2015 together with subsequent amendments. Broadly these reflect any re-profiling identified since the 2015/16 Budget Cabinet and changes regarding external financial support, primarily the latest grant notifications.
3.2 To aid the monitoring process, schemes are categorised against five gate points being Conception, Approval, Start Up, Delivery and Completion.

Table 1: Capital Programme 2015/16 at 30 September 2015

<table>
<thead>
<tr>
<th>Capital Strategy</th>
<th>Revisions Since Budget Cabinet</th>
<th>Revised Capital Programme</th>
<th>Actual Spend September 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Universal &amp; Infrastructure</td>
<td>8,956</td>
<td>-5,032</td>
<td>3,924</td>
</tr>
<tr>
<td>Families – Children</td>
<td>8,517</td>
<td>2,287</td>
<td>10,804</td>
</tr>
<tr>
<td>Families – Adults</td>
<td>8,263</td>
<td>-2,946</td>
<td>5,317</td>
</tr>
<tr>
<td>Families – Sport &amp; Rec</td>
<td>1,865</td>
<td>810</td>
<td>2,675</td>
</tr>
<tr>
<td>R&amp;E– Env &amp; Regulation</td>
<td>12,633</td>
<td>-147</td>
<td>12,486</td>
</tr>
<tr>
<td>R&amp;E– Hsg &amp; Comm Safety</td>
<td>6,412</td>
<td>-984</td>
<td>5,428</td>
</tr>
<tr>
<td>R&amp;E – Regeneration</td>
<td>1,808</td>
<td>4,736</td>
<td>6,544</td>
</tr>
<tr>
<td>Transformation Resources</td>
<td>1,600</td>
<td>1,404</td>
<td>3,004</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>50,054</td>
<td>128</td>
<td>50,182</td>
</tr>
</tbody>
</table>

3.3 As outlined above a number of schemes within the Programme have been reprofiled to reflect updated project delivery forecasts and to take account of changes in available funding and costs. Variances since June are in Table 2.

Table 2: Variations to the 2015/16 Programme

<table>
<thead>
<tr>
<th>Scheme</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Universal &amp; Infrastructure</td>
<td></td>
</tr>
<tr>
<td>Building refurbishment to increase occupancy</td>
<td>-519</td>
</tr>
<tr>
<td>Cleveland St. Transport Depot</td>
<td>-2,800</td>
</tr>
<tr>
<td>Park depot rationalisation</td>
<td>-750</td>
</tr>
<tr>
<td>Demolish Bebington Town Hall and Liscard Municipal</td>
<td>-378</td>
</tr>
<tr>
<td>Demolish former Rock Ferry High</td>
<td>-395</td>
</tr>
<tr>
<td>Families &amp; Wellbeing – Children</td>
<td></td>
</tr>
<tr>
<td>Private Finance Initiative (PFI)</td>
<td>-150</td>
</tr>
<tr>
<td>Wirral Youth Zone</td>
<td>100</td>
</tr>
<tr>
<td>Families &amp; Wellbeing – Adults</td>
<td></td>
</tr>
<tr>
<td>Transformation of day service</td>
<td>-500</td>
</tr>
<tr>
<td>Families &amp; Wellbeing – Sport &amp; Recreation</td>
<td></td>
</tr>
<tr>
<td>West Kirby Marine Lake</td>
<td>-590</td>
</tr>
<tr>
<td>Bidston Tennis Centre re-roofing</td>
<td>-325</td>
</tr>
<tr>
<td>Reg &amp; Env – Environment &amp; Regulation</td>
<td></td>
</tr>
<tr>
<td>Energy schemes (LED Street Lighting)</td>
<td>-1,074</td>
</tr>
<tr>
<td>Coast Protection</td>
<td>-134</td>
</tr>
<tr>
<td>West Kirby Flood alleviation</td>
<td>-1,400</td>
</tr>
<tr>
<td>Highway Maintenance</td>
<td>-30</td>
</tr>
<tr>
<td>Scheme</td>
<td>£000</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>Reg &amp; Env – Housing</strong></td>
<td></td>
</tr>
<tr>
<td>Aids, adaptations and DFGs</td>
<td>-1,235</td>
</tr>
<tr>
<td>LIFT</td>
<td>-296</td>
</tr>
<tr>
<td>Clearance</td>
<td>-1,324</td>
</tr>
<tr>
<td>Home Improvements</td>
<td>-434</td>
</tr>
<tr>
<td>Empty Property interventions</td>
<td>-76</td>
</tr>
<tr>
<td><strong>Reg &amp; Env – Regeneration</strong></td>
<td></td>
</tr>
<tr>
<td>LEP Regional Growth Fund</td>
<td>985</td>
</tr>
<tr>
<td><strong>Overall variation since Quarter 1</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-11,325</td>
</tr>
</tbody>
</table>

3.4 Universal and Infrastructure Services

Building refurbishment to increase occupancy. Pending resolution over the future occupation of Old Market House there is an impact on other planned works which include the Wallasey South Annexe and Bebington Town Hall demolition. These form part of the accommodation review and are temporarily on hold.

A further eight schemes are either underway or have been completed (e.g. Wallasey Town Hall, Cheshire Lines) that will lead to significantly improved use of the Council’s asset base.

With the Cleveland Street Transport Depot being permanently occupied and operational this has resulted in the works being re-phased.

Parks Rationalisation. The review of Parks and Open Spaces is being completed. There has therefore been a pause whilst we consider the impact this may have on required capital expenditure, ensuring funding gives value for money against assets to be retained and fits with the Wirral Plan.

Former Rock Ferry High School. Application will shortly be submitted to Secretary of State. Demolition will commence assuming the site proposals are approved.

3.5 Families and Wellbeing - Children

Private Finance Initiative (PFI). No schemes are planned for this year and any future schemes will be restricted to the level of reserve funding available (£85,000).

Wirral Youth Zone. Within the revised Children & Young people Capital Programme a sum of £500,000 has been identified as a potential contingency sum to support the delivery of the project.

Practical completion is expected over the next few weeks in respect of the additional classrooms and other works at Elleray Park.
3.6 **Families and Wellbeing - Adults**

Transformation of Day Services is ongoing. At this stage the scheme has still to be developed so the Programme is based on the level of grant funding available deferring the requirement for Council resources by £0.5 million.

3.7 **Families and Wellbeing – Sport and Recreation**

Tenders have been invited for the integrated accommodation works at West Kirby Marine Lake and the majority of the expenditure will be incurred in 2016/17.

The re-roofing of the Tennis Centre is currently in the tendering process and a preferred contractor has still to be chosen.

Works at Guinea Gap are now complete and, along with the 3G pitches and fitness suite, have seen an increased usage of the facilities.

3.8 **Regeneration and Environment – Environment and Regulation**

Energy schemes (LED Street Lighting). The competitive tendering process has resulted in a contract saving of £1.074 million with the scheme being successful in securing an interest-free loan.

Coast Protection. The aids to Navigation scheme will now be completed during the 2016/17 financial year. In respect of West Kirby Flood Alleviation the business case has been submitted to the Environment Agency. Approval to commence the scheme is awaited and anticipated to be primarily in 2016/17.

3.9 **Regeneration and Environment – Housing**

In order to allow people with disabilities to live more independently, Aids and Adaptations and grants continue to be approved and the spend committed. The incurring of this spend is determined by the grant applicant which means that there will invariably be works approved which remain uncompleted during the year.

The clearance programme involves complex legal processes and with potential Compulsory Purchase Orders, public enquiries and business relocations do impact on the delivery of the programme.

Within home improvements expenditure is driven by the level of grant applications, the very nature of which translates into some unpredictability in the programme.

3.10 **Regeneration and Environment – Regeneration**

Regional Growth Fund. Additional grant will be received to match the expenditure relating to this particular regeneration activity. Nearly £5 million has been provided from this and other growth funds to provide investment and assist with the regeneration and development of local businesses.
3.11 Transformation and Resources

The main expenditure relates to the progression of the improvements to Information Technology which is continuing.

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

<table>
<thead>
<tr>
<th>Capital Programme Financing</th>
<th>Capital Strategy Revised Programme</th>
<th>£000s</th>
<th>£000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsupported Borrowing</td>
<td></td>
<td>19,090</td>
<td>15,875</td>
</tr>
<tr>
<td>Capital Receipts</td>
<td></td>
<td>12,693</td>
<td>10,363</td>
</tr>
<tr>
<td>Revenue and Reserves</td>
<td></td>
<td>537</td>
<td>622</td>
</tr>
<tr>
<td>Grants</td>
<td></td>
<td>17,734</td>
<td>23,322</td>
</tr>
<tr>
<td><strong>Total Financing</strong></td>
<td></td>
<td><strong>50,054</strong></td>
<td><strong>50,182</strong></td>
</tr>
</tbody>
</table>

4.2 Any reprofiling of the Programme which reduces the borrowing requirement will produce one-off revenue savings. A permanent saving will only occur if schemes are permanently ceased, otherwise the full budget will be required in 2016/17 when the re-profiled expenditure is incurred.

5 PROJECTED LONGER TERM CAPITAL PROGRAMME

5.1 Funding for the forecast 2015/16 to 2017/18 Programme is in Table 4. This reflects the 2015/18 Capital Programme agreed by Cabinet on 10 February 2015 with subsequent amendments for reprofiling and revised grant notifications.

5.2 The latest projected programmes for 2016/17 and 2017/18 are included at Annex 2. These are in the process of being reviewed to ensure that the schemes are compatible with the 20/20 Vision and to try and identify any savings.

Table 4: Capital Programme Financing 2015/16 to 2017/18

<table>
<thead>
<tr>
<th>Capital Programme Financing</th>
<th>2015/16 Revised Programme</th>
<th>2016/17 Revised Programme</th>
<th>2017/18 Revised Programme</th>
<th>Total Programme</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Unsupported Borrowing</td>
<td>15,875</td>
<td>10,951</td>
<td>0</td>
<td>26,826</td>
</tr>
<tr>
<td>Capital Receipts</td>
<td>10,363</td>
<td>11,869</td>
<td>2,414</td>
<td>24,646</td>
</tr>
<tr>
<td>Revenue / Reserves</td>
<td>622</td>
<td>954</td>
<td>66</td>
<td>1,642</td>
</tr>
<tr>
<td>Grants</td>
<td>23,322</td>
<td>17,805</td>
<td>9,511</td>
<td>50,638</td>
</tr>
<tr>
<td><strong>Total Financing</strong></td>
<td><strong>50,182</strong></td>
<td><strong>41,579</strong></td>
<td><strong>11,991</strong></td>
<td><strong>103,752</strong></td>
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</table>
6 SUPPORTED AND UNSUPPORTED BORROWING AND THE REVENUE CONSEQUENCES OF UNSUPPORTED BORROWING

6.1 Based on the current cost, £1 million of Prudential Borrowing would result in additional revenue financing costs of £80,000 per annum in the following year. As part of the Capital Strategy 2015/16 to 2017/18 the Council has included an element of prudential borrowing. At Month 6 there is a sum of £27 million new unsupported borrowing included over the three years, which will result in approximately £2.1 million of additional revenue costs detailed at Table 5, if there is no change in the Strategy.

Table 5: Unsupported Borrowing Forecasts & Revenue Costs

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Unsupported Borrowing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulative</td>
<td>15,875</td>
<td>10,951</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Annual Revenue repayment costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulative</td>
<td>317</td>
<td>1,488</td>
<td>2,145</td>
<td>2,145</td>
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</tbody>
</table>

6.2 The re-profiling of the Capital Programme, the use of internal borrowing i.e. using the Councils cash balances rather than taking out external loans and means that the 2015/16 borrowing will be delayed until 2016/17. With cash investments currently yielding low rates of return and the interest rate on external loans being much higher it is financially advantageous to use cash balances to temporarily fund non grant funded capital projects. Savings from these measures and from applying policies for minimising revenue provision (principal) costs on Treasury Management costs are anticipated to total £2.5 million in 2015/16.

7 CAPITAL RECEIPTS POSITION

7.1 The Capital Programme is reliant on the Council generating capital receipts to finance future schemes. Available capital receipts at 1 April 2015 were £8.3 million. The table assumes the proposed spend, set out at Table 1 is agreed. Receipts and funding assumptions are based upon the latest estimates available.

Table 6: Projected Capital Receipts position

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2016/17</th>
<th>2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Receipts Reserve</td>
<td>8,300</td>
<td>337</td>
<td>3,468</td>
</tr>
<tr>
<td>In - Receipts Assumption</td>
<td>2,400</td>
<td>15,000</td>
<td>10,500</td>
</tr>
<tr>
<td>Out - Funding assumption</td>
<td>-10,363</td>
<td>-11,869</td>
<td>-2,414</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>337</td>
<td>3,468</td>
<td>11,554</td>
</tr>
</tbody>
</table>
7.2 In respect of progress on the major site disposals. The Council should soon be entering a 16 week exclusivity period with the preferred purchaser of Acre Lane. Bids have been received for the sale of the Manor Drive site and these are currently being assessed. The former Rock Ferry High School site requires Secretary of State approval and Cabinet on 10 September 2015 agreed that an application be submitted for change of use of the Rock Ferry site to a mixed use basis with an element retained for green space. With the major sites the capital receipts will take the form of a series of phased payments to the Council which are likely to commence in 2016 and the receipts assumptions in the above table reflect the best estimate of these.

8 RELEVANT RISKS

8.1 The possibility of failure to deliver the Capital Programme will be mitigated by the monthly review by a senior group of officers, charged with improving performance.

8.2 The generation of capital receipts may be influenced by factors outside the authority’s control e.g. ecological issues. Lambert, Smith, Hampton are still providing external support.

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 implications arising directly from this report.

18 RECOMMENDATIONS

18.1 That Cabinet is asked to note the spend to date at Month 6 of £18.2 million, with 50% of the financial year having elapsed.

18.2 That Cabinet is asked to agree and refer to Council the revised Capital Programme of £50.2 million (Table 1).

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.

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Principal Accountant
Telephone 0151 666 3415
Email reghuyton@wirral.gov.uk

ANNEXES

Annex 1 – Capital Programme and Funding 2015/16
Annex 2 – Capital Programme 2016/17 and 2017/18
Annex 3 – Capital Receipts 2015/16

SUBJECT HISTORY

<table>
<thead>
<tr>
<th>Council Meeting</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital monitoring reports presented to Cabinet</td>
<td>27 July 2015</td>
</tr>
<tr>
<td>previous report to Cabinet 2015/16 (Quarter 1)</td>
<td></td>
</tr>
<tr>
<td>Capital Programme – Council</td>
<td>25 February 2014</td>
</tr>
<tr>
<td>Capital Programme – Council</td>
<td>24 February 2015</td>
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</table>
### Universal & Infrastructure

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Programme £000</th>
<th>Spend to Date £000</th>
<th>Council Resources £000</th>
<th>Revenue/Reserves £000</th>
<th>Grants £000</th>
<th>Total Funding £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building refurbishment to increase occupancy</td>
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<td>1,201</td>
<td>1,600</td>
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<td>-</td>
<td>1,600</td>
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<tr>
<td>Fund to assist land assembly and re-sale</td>
<td>587</td>
<td>45</td>
<td>587</td>
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<td>587</td>
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<td>Cleveland St. Transport Depot</td>
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<td>37</td>
<td>315</td>
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<td>315</td>
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<td>Park depots rationalisation</td>
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<td>520</td>
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<td>-</td>
<td>520</td>
</tr>
<tr>
<td>Energy efficiency Initiatives</td>
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<td>175</td>
<td>596</td>
<td>-</td>
<td>-</td>
<td>596</td>
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<tr>
<td>Demolish Stanley Special &amp; external renovation work</td>
<td>150</td>
<td>81</td>
<td>150</td>
<td>-</td>
<td>-</td>
<td>150</td>
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<tr>
<td>Demolish Foxfield</td>
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<td>-</td>
<td>156</td>
<td>-</td>
<td>-</td>
<td>156</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>1,671</strong></td>
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<td><strong>3,924</strong></td>
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<td>Project Description</td>
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<td>Spend to Date £000</td>
<td>Council Resources £000</td>
<td>Revenue/Reserves £000</td>
<td>Grants £000</td>
<td>Total Funding £000</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
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<td>--------------------</td>
<td>------------------------</td>
<td>-----------------------</td>
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<td>-------------------</td>
</tr>
<tr>
<td>Elleray Park Special School redevelopment</td>
<td>850</td>
<td>674</td>
<td>850</td>
<td>-</td>
<td>-</td>
<td>850</td>
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<tr>
<td>School remodelling/additional classrooms (Primary Places)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Condition/Modernisation</td>
<td>4,658</td>
<td>1,441</td>
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<td>-</td>
<td>4,658</td>
<td>4,658</td>
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<td>Basic Need allocation</td>
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<td>243</td>
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<td>1,897</td>
<td>1,897</td>
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<td>Children's centres</td>
<td>53</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>Aiming Higher</td>
<td>24</td>
<td>53</td>
<td>-</td>
<td>-</td>
<td>24</td>
<td>24</td>
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<tr>
<td>Youth Capital</td>
<td>149</td>
<td>98</td>
<td>-</td>
<td>-</td>
<td>51</td>
<td>149</td>
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<tr>
<td>Birkenhead High Girls Academy</td>
<td>80</td>
<td>157</td>
<td>-</td>
<td>69</td>
<td>11</td>
<td>80</td>
</tr>
<tr>
<td>Funding for 2 year olds</td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18</td>
<td>18</td>
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<td>Universal Free School Meals</td>
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<td>32</td>
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<td>209</td>
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<td>Somerville Mobile Replacement</td>
<td>366</td>
<td>164</td>
<td>366</td>
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<td>-</td>
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<td>Family Support Scheme</td>
<td>200</td>
<td>54</td>
<td>200</td>
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<td>200</td>
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<td>Youth Zone</td>
<td>100</td>
<td>92</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>100</td>
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<tr>
<td>Stanley Special - additional classrooms, medical/hygiene provision</td>
<td>150</td>
<td>-</td>
<td>150</td>
<td>-</td>
<td>-</td>
<td>150</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,804</strong></td>
<td><strong>3,083</strong></td>
<td><strong>3,564</strong></td>
<td><strong>69</strong></td>
<td><strong>7,171</strong></td>
<td><strong>10,804</strong></td>
</tr>
</tbody>
</table>
### Families and Wellbeing - DASS

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Revised Programme</th>
<th>Spend to Date</th>
<th>Council Resources</th>
<th>Revenue/Reserves</th>
<th>Grants</th>
<th>Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citizen and Provider Portal for Social and Health Services</td>
<td>617</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>617</td>
<td>617</td>
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<tr>
<td>Transformation of Day Service</td>
<td>615</td>
<td>173</td>
<td>-</td>
<td>-</td>
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<td>615</td>
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<tr>
<td>Integrated IT</td>
<td>1,085</td>
<td>344</td>
<td>1,000</td>
<td>-</td>
<td>85</td>
<td>1,085</td>
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<td>Community Intermediate Care Services</td>
<td>1,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000</td>
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<tr>
<td>Integrated Social Care and Health Learning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Disability Service - Girtrell Court</td>
<td>2,000</td>
<td>-</td>
<td>2,000</td>
<td>-</td>
<td>-</td>
<td>2,000</td>
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<tr>
<td></td>
<td>5,317</td>
<td>517</td>
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### Families and Wellbeing - Sports & Recreation

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Revised Programme</th>
<th>Spend to Date</th>
<th>Council Resources</th>
<th>Revenue/Reserves</th>
<th>Grants</th>
<th>Total Funding</th>
</tr>
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<tbody>
<tr>
<td>West Kirby Concourse Fitness Suite</td>
<td>112</td>
<td>-</td>
<td>112</td>
<td>-</td>
<td>-</td>
<td>112</td>
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<tr>
<td>Guinea Gap 3G Football pitches</td>
<td>99</td>
<td>-</td>
<td>99</td>
<td>-</td>
<td>-</td>
<td>99</td>
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<tr>
<td>West Kirby/Guinea Gap/Europa Pools</td>
<td>2,024</td>
<td>1,164</td>
<td>2,024</td>
<td>-</td>
<td>-</td>
<td>2,024</td>
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<tr>
<td>Refurb of Artificial Turf Pitch &amp; perimeter fence repairs at the Tennis &amp; Sports Centre</td>
<td>240</td>
<td>-</td>
<td>240</td>
<td>-</td>
<td>-</td>
<td>240</td>
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<tr>
<td>West Kirby Marine Lake – Integrated accommodation and service delivery</td>
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<td>-</td>
<td>100</td>
<td>-</td>
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<td>Bidston Tennis Centre re-roofing</td>
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<td>-</td>
<td>425</td>
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<td></td>
<td>2,675</td>
<td>1,164</td>
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<td>Project Description</td>
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<td>Revenue/Reserves £000</td>
<td>Grants £000</td>
<td>Total Funding £000</td>
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<td>Road Safety</td>
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<td>45</td>
<td>84</td>
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<td>73</td>
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<td>104</td>
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<td>Bridges</td>
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<td>482</td>
<td>728</td>
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<td>838</td>
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<tr>
<td>Street Lighting</td>
<td>76</td>
<td>28</td>
<td>26</td>
<td>-</td>
<td>50</td>
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<td>Highway Maintenance</td>
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<td>3,283</td>
<td>1,400</td>
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<td>2,535</td>
<td>3,935</td>
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<td>Transport for Growth</td>
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<td>80</td>
<td>-</td>
<td>-</td>
<td>1,698</td>
<td>1,698</td>
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<tr>
<td>Start Active, Play Active, Stay active</td>
<td>34</td>
<td>12</td>
<td>34</td>
<td>-</td>
<td>-</td>
<td>34</td>
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<tr>
<td>Wirral Way - widening and safety improvements</td>
<td>14</td>
<td>6</td>
<td>14</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Cemetery Extensions and Improvements</td>
<td>171</td>
<td>5</td>
<td>171</td>
<td>-</td>
<td>-</td>
<td>171</td>
</tr>
<tr>
<td>Coast Protection</td>
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<td>22</td>
<td>117</td>
<td>-</td>
<td>-</td>
<td>117</td>
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<tr>
<td>Energy schemes (LED Street Lighting)</td>
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<td>255</td>
<td>3,162</td>
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<tr>
<td>Allotments</td>
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<td>165</td>
<td>-</td>
<td>-</td>
<td>165</td>
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<td>Parks Improvements</td>
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<td>23</td>
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<td>13</td>
<td>25</td>
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<td>Parks vehicles replacement</td>
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<td>404</td>
<td>684</td>
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<td>West Kirby Flood Alleviation</td>
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<td>-</td>
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<td>-</td>
<td>100</td>
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<td>Dock Bridges Replacement</td>
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<td>-</td>
<td>280</td>
<td>-</td>
<td>-</td>
<td>280</td>
</tr>
</tbody>
</table>

<p>| Total                                                     | 12,486                 | 4,698              | 7,154                  | 113                   | 5,219       | 12,486           |</p>
<table>
<thead>
<tr>
<th>Regeneration and Environment - Housing &amp; Community Safety</th>
<th>Revised Programme £000</th>
<th>Spend to Date £000</th>
<th>Council Resources £000</th>
<th>Revenue/Reserves £000</th>
<th>Grants £000</th>
<th>Total Funding £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aids, Adaptations and Disabled Facility Grants</td>
<td>2,000</td>
<td>732</td>
<td>-</td>
<td>-</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>LIFT</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Clearance</td>
<td>516</td>
<td>184</td>
<td>215</td>
<td>100</td>
<td>201</td>
<td>516</td>
</tr>
<tr>
<td>Home Improvement</td>
<td>420</td>
<td>138</td>
<td>270</td>
<td>150</td>
<td>-</td>
<td>420</td>
</tr>
<tr>
<td>Improvement for sale grants</td>
<td>180</td>
<td>-</td>
<td>-</td>
<td>180</td>
<td>-</td>
<td>180</td>
</tr>
<tr>
<td>Empty Property Interventions</td>
<td>160</td>
<td>37</td>
<td>150</td>
<td>10</td>
<td>-</td>
<td>160</td>
</tr>
<tr>
<td>New House Building Programme</td>
<td>1,500</td>
<td>215</td>
<td>1,500</td>
<td>-</td>
<td>-</td>
<td>1,500</td>
</tr>
<tr>
<td>Cluster of Empty Homes Fund</td>
<td>650</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>650</td>
<td>650</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5,428</td>
<td>1,308</td>
<td>2,137</td>
<td>440</td>
<td>2,851</td>
<td>5,428</td>
</tr>
</tbody>
</table>

<p>| Regeneration and Environment - Regeneration             |                         |                   |                        |                      |           |                   |
| Other Regional Growth Fund Schemes                      | 3,208                   | 2,883             | -                      | -                    | 3,208     | 3,208             |
| LEP Regional Growth Fund Schemes Targeted Assistance    | 2,087                   | 2,087             | -                      | -                    | 2,087     | 2,087             |
| Business Investment Grants                               | 780                     | 239               | 780                    | -                    | -         | 780               |
| The Priory                                              | 69                      | 12                | -                      | -                    | 69        | 69                |
| Hamilton Square Accessibility Improvements              | 400                     | 7                 | -                      | -                    | 400       | 400               |
|                                                          | 6,544                   | 5,018             | 780                    | -                    | 5,764     | 6,544             |</p>
<table>
<thead>
<tr>
<th>Transformation &amp; Resources</th>
<th>Revised Programme £000</th>
<th>Spend to Date £000</th>
<th>Council Resources £000</th>
<th>Revenue/Reserves £000</th>
<th>Grants £000</th>
<th>Total Funding £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCTV cameras and other equipment</td>
<td>100</td>
<td>-</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>I.T Development</td>
<td>2,904</td>
<td>735</td>
<td>2,904</td>
<td>-</td>
<td>-</td>
<td>2,904</td>
</tr>
<tr>
<td></td>
<td>3,004</td>
<td>735</td>
<td>3,004</td>
<td>-</td>
<td>-</td>
<td>3,004</td>
</tr>
<tr>
<td>Programme Total</td>
<td>50,182</td>
<td>18,194</td>
<td>26,238</td>
<td>622</td>
<td>23,322</td>
<td>50,182</td>
</tr>
</tbody>
</table>
### Capital Programme 2016/17 and 2017/18

#### ANNEX 2

<table>
<thead>
<tr>
<th></th>
<th>2016/17 £000</th>
<th>2017/18 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Universal &amp; Infrastructure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building refurbishment to increase occupancy</td>
<td>2,019</td>
<td>250</td>
</tr>
<tr>
<td>Cleveland St Transport Depot</td>
<td>2,800</td>
<td>-</td>
</tr>
<tr>
<td>Demolish Bebington Town Hall/Liscard Municipal</td>
<td>378</td>
<td>-</td>
</tr>
<tr>
<td>Demolish former Rock Ferry High</td>
<td>395</td>
<td>-</td>
</tr>
<tr>
<td>Parks depot rationalisation</td>
<td>750</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>6,342</strong></td>
<td><strong>250</strong></td>
</tr>
<tr>
<td><strong>Families and Wellbeing - CYP</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School remodelling and additional classrooms (Primary Places)</td>
<td>1,500</td>
<td>750</td>
</tr>
<tr>
<td>Stanley Special School – additional classrooms, medical/hygiene provision</td>
<td>600</td>
<td>-</td>
</tr>
<tr>
<td>PFI</td>
<td>85</td>
<td>-</td>
</tr>
<tr>
<td>Condition/Modernisation</td>
<td>4,500</td>
<td>-</td>
</tr>
<tr>
<td>Youth Zone</td>
<td>1,900</td>
<td>-</td>
</tr>
<tr>
<td>Family Support</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>8,785</strong></td>
<td><strong>750</strong></td>
</tr>
<tr>
<td><strong>Families and Wellbeing – DASS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Intermediate Care Services</td>
<td>1,000</td>
<td>-</td>
</tr>
<tr>
<td>Pensby Wood day service remodelling</td>
<td>1,200</td>
<td>-</td>
</tr>
<tr>
<td>Extra Care Housing</td>
<td>2,500</td>
<td>-</td>
</tr>
<tr>
<td>LD Extra care Housing</td>
<td>3,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>7,700</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Families and Wellbeing - Sports &amp; Recreation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Kirby Marine Lake – Integrated accommodation and service delivery</td>
<td>740</td>
<td>-</td>
</tr>
<tr>
<td>Bidston Tennis Centre re-roofing</td>
<td>325</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>1,065</strong></td>
<td></td>
</tr>
</tbody>
</table>
### Regeneration and Environment
#### Environment & Regulation

<table>
<thead>
<tr>
<th>Project Description</th>
<th>2016/17</th>
<th>2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Kirby Flood Alleviation</td>
<td>1,900</td>
<td>-</td>
</tr>
<tr>
<td>Highway maintenance</td>
<td>3,060</td>
<td>2,938</td>
</tr>
<tr>
<td>Coast Protection</td>
<td>134</td>
<td>-</td>
</tr>
<tr>
<td>East Float Access Improvements, Tower Road</td>
<td>200</td>
<td>-</td>
</tr>
<tr>
<td>Wirral International Business Park Connections</td>
<td>200</td>
<td>-</td>
</tr>
<tr>
<td>East Float Access Improvements to Duke Street</td>
<td>400</td>
<td>-</td>
</tr>
<tr>
<td>Dock Bridges Replacement</td>
<td>2,530</td>
<td>4,310</td>
</tr>
<tr>
<td>Preventative Maintenance to Unclassified and Residential Streets</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Cemetery Extensions and Improvements</td>
<td>150</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,074</strong></td>
<td><strong>7,748</strong></td>
</tr>
</tbody>
</table>

### Regeneration and Environment
#### Housing & Community Safety

<table>
<thead>
<tr>
<th>Project Description</th>
<th>2016/17</th>
<th>2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aids, Adaptations and DFGs</td>
<td>4,308</td>
<td>2,573</td>
</tr>
<tr>
<td>LIFT</td>
<td>296</td>
<td>-</td>
</tr>
<tr>
<td>Clearance</td>
<td>1,324</td>
<td>-</td>
</tr>
<tr>
<td>Home Improvement</td>
<td>434</td>
<td>-</td>
</tr>
<tr>
<td>Empty Property Interventions</td>
<td>178</td>
<td>-</td>
</tr>
<tr>
<td>Cluster of Empty Homes</td>
<td>603</td>
<td>-</td>
</tr>
<tr>
<td>Housing Renewal</td>
<td>570</td>
<td>670</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,713</strong></td>
<td><strong>3,243</strong></td>
</tr>
</tbody>
</table>

### Regeneration and Environment - Regeneration

<table>
<thead>
<tr>
<th>Project Description</th>
<th>2016/17</th>
<th>2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hamilton Square Accessibility Improvements</td>
<td>700</td>
<td>-</td>
</tr>
<tr>
<td>Business Investment Grants</td>
<td>300</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,000</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

**Total** | **41,579** | **11,991** |
Capital Receipts 2015/16

**ANNEX 3**

**Cash Received**

<table>
<thead>
<tr>
<th>Description</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex-HRA Magenta Housing Right to Buy</td>
<td>699</td>
</tr>
<tr>
<td>Ingleborough Road, Covenant</td>
<td>500</td>
</tr>
<tr>
<td>New Hall Farm</td>
<td>295</td>
</tr>
<tr>
<td>Empty Homes (various)</td>
<td>209</td>
</tr>
<tr>
<td>Plot 9 Tarran Industrial Estate sale of ground lease</td>
<td>30</td>
</tr>
<tr>
<td>Land at Belmont Road</td>
<td>92</td>
</tr>
<tr>
<td>Ashford Road (Family Support)</td>
<td>26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,851</strong></td>
</tr>
</tbody>
</table>
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1.0 EXECUTIVE SUMMARY

1.1 This report reviews Treasury Management policies, practices and activities during the first 6 months of 2015/16. It projects a £2.5 million underspend in 2015/16 and confirms compliance with treasury limits and prudential indicators being prepared in accordance with the CIPFA Treasury Management Code and the Prudential Code for Capital Finance in Local Authorities.

2.0 BACKGROUND AND KEY ISSUES

2.1 Council approves the Treasury Management and Investment Strategy at the start of each financial year. This identifies proposals to finance capital expenditure, borrow and invest in the light of capital spending requirements, interest rate forecasts and expected economic conditions. At the end of each financial year Cabinet receives an Annual Report which details performance against the Strategy. The CIPFA Treasury Management Code also requires, as a minimum, a mid-year update report on the performance of the Treasury Management function including treasury activity and the associated monitoring and control of risk.

CURRENT ECONOMIC ENVIRONMENT

2.2 The economy has remained resilient over the last six months. Although economic growth slowed in the first quarter of 2015 to 0.4%, year on year growth to March 2015 was a relatively healthy 2.7%. The second quarter of 2015 saw the UK’s Gross Domestic Product (GDP) growth bounce back and was confirmed at 0.7%, with year/year growth showing slight signs of slowing, decreasing to 2.4%. GDP has now increased for ten consecutive quarters, breaking a pattern of slow and erratic growth from 2009.

2.3 The annual rate for consumer price inflation (CPI) briefly turned negative in April before fluctuating between 0.0% and 0.1%. In the August Quarterly Inflation Report, the Bank of England projected that GDP growth will continue around its average rate since 2013. The Bank of England’s projections for inflation remained largely unchanged from the May report with inflation to expected to gradually increase to around 2% over the next 18 months.
2.4 Further improvement in the labour market saw the International Labour Organisation’s unemployment rate for the three months to July fall to 5.5%. In the September report, average earnings excluding bonuses for the three months to July rose 2.9% year/year.

2.5 During the first six months, domestic economic data was largely overshadowed by events in Greece including prolonged negotiations over a third European bailout and a snap election. A Greek exit from the euro - would not be without fall-out and a detrimental impact on other economies including the UK with the risk of contagion into other Eurozone peripheral economies, such as Portugal, Ireland and Spain.

2.6 With the globalisation of many facets of the UK economy, events further afield must also be considered in their potential economic impact. The US economy, despite slowing in the earlier part of the year, has shown a large improvement in growth forecasts. However due to inflation issues, interest rates are yet to be increased, although it is forecast that rates are due to rise before the end of the year. This is worth noting as the US rate pattern is usually shadowed by the UK interest rate setting.

2.7 In China, concerns over economic growth coupled with a regulatory clampdown on investors borrowing funds to invest saw the Chinese stock markets drop significantly. This caused shockwaves throughout Asia, the US and Europe highlighting the sensitivity to domestic economic recovery to global influences.

**THE COUNCIL TREASURY POSITION**

2.8 The table shows how the position has changed since 31 March 2015.

<table>
<thead>
<tr>
<th></th>
<th>Balance 31 Mar 15 (£m)</th>
<th>Maturities (£m)</th>
<th>Additions (£m)</th>
<th>Balance 30 Sep 15 (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td>61</td>
<td>(283)</td>
<td>305</td>
<td>83</td>
</tr>
<tr>
<td>Borrowings</td>
<td>(204)</td>
<td>3</td>
<td>0</td>
<td>(201)</td>
</tr>
<tr>
<td>Other Long-Term Liabilities</td>
<td>(51)</td>
<td>1</td>
<td>0</td>
<td>(50)</td>
</tr>
<tr>
<td>Net Debt</td>
<td>(194)</td>
<td>(279)</td>
<td>305</td>
<td>(168)</td>
</tr>
</tbody>
</table>

**INVESTMENTS**

2.9 The Treasury Management Team can invest for periods varying from 1 day to 50 years in accordance with the Treasury Management Strategy to earn interest until the money is required by the Council. These investments arise from a number of sources including General Fund Balances, Reserves and Provisions, grants received in advance of expenditure, money borrowed in advance of capital expenditure, Schools’ Balances and daily cash flow / working capital.
2.10 At 30 September 2015 the Council held investments of £83 million. The increase to £93 million at 30 June 2015 (from £61 million as 31 March 2015) was due to the receipts for 2015/16 funding being received in advance. The level then reduced to £83 million as these funds were utilised.

Table 2: Investment Profile

<table>
<thead>
<tr>
<th>Investments with:</th>
<th>31 Mar 15 £m</th>
<th>30 Jun 15 £m</th>
<th>30 Sep 15 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK Banks</td>
<td>15</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>Non-UK Banks</td>
<td>5</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>UK Building Societies</td>
<td>5</td>
<td>16</td>
<td>9</td>
</tr>
<tr>
<td>Money Market Funds</td>
<td>28</td>
<td>28</td>
<td>23</td>
</tr>
<tr>
<td>Other Local Authorities</td>
<td>7</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Gilts and Bonds</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>61</strong></td>
<td><strong>93</strong></td>
<td><strong>83</strong></td>
</tr>
</tbody>
</table>

2.11 The table below shows approximately where the investments came from.

Table 3: Investment Sources

<table>
<thead>
<tr>
<th>Usable Reserves</th>
<th>31 Mar 15 £m</th>
<th>30 Jun 15 £m</th>
<th>30 Sep 15 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>19</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Earmarked Reserves</td>
<td>87</td>
<td>87</td>
<td>87</td>
</tr>
<tr>
<td>Capital Receipts Reserve</td>
<td>8</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Capital Grants Unapplied</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>124</strong></td>
<td><strong>117</strong></td>
<td><strong>119</strong></td>
</tr>
<tr>
<td>Internal Borrowing in lieu of</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External Borrowing</td>
<td>(63)</td>
<td>(24)</td>
<td>(36)</td>
</tr>
<tr>
<td>Reserves Invested</td>
<td><strong>61</strong></td>
<td><strong>93</strong></td>
<td><strong>83</strong></td>
</tr>
</tbody>
</table>

2.12 With short-term investment interest rates having remained much lower than long-term borrowing rates, it is more cost effective in the short-term to use internal resources, rather than undertake longer term external borrowing. By doing so, the Council is able to reduce net borrowing costs despite foregone investment income and also reduce overall treasury risk. Whilst this strategy is beneficial over the short term, internal resources are reducing and it is unlikely that such a policy can be sustained long term. The benefits of internal borrowing are monitored regularly against the potential for incurring additional costs by deferring borrowing into future years, when long-term borrowing rates are forecast to rise. Arlingclose, the Council’s Treasury Management advisors, assist with this “cost of carry” analysis.

2.13 Table 2 shows that between 31 March 2015 and 30 September 2015 the level of investments increased, primarily due to the Council receiving large amounts of grant funding in advance of expenditure. Table 3 then shows the effect this has on the level of internal borrowing. As the Council has more funds available, the level to which it is internally borrowed reduces.
2.14 Of the investments, £24 million is invested in instant access funds, £59 million is invested for up to 1 year with no investments for longer than 1 year.

2.15 The rate at which the Council can invest money continues to be low, in line with the record low Bank of England base rate of 0.50%. The Council seeks to invest into more secure investments; the increased security comes at a price of reduced investment return. This approach is in line with the Authority’s Treasury Management & Investment Strategy:

In accordance with Investment Guidance issued by the Department for Communities and Local Government (CLG) and best practice Wirral’s primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority’s investments followed by the yields earned on investments are important but are secondary considerations.

2.16 The investment portfolio as at 30 September 2015 was £83 million, earning a weighted average rate of return of 0.58%. This rate of return is comparable against the Bank of England base rate, which stood at 0.5% and the 3 month LIBOR (the inter-bank lending rate) which stood at 0.58% at this date.

2.17 The benefit of internal borrowing to delay taking on further external debt can be illustrated by comparing the rates being achieved on investments, as above, versus the average rates of interest of new PWLB loans in the first six months of the year as follows:

<table>
<thead>
<tr>
<th>Loan Duration</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Year PWLB Fixed Rate EIP* Loan</td>
<td>1.89%</td>
</tr>
<tr>
<td>15 Year PWLB Fixed Rate EIP Loan</td>
<td>2.77%</td>
</tr>
<tr>
<td>25 Year PWLB Fixed Rate EIP Loan</td>
<td>3.18%</td>
</tr>
<tr>
<td>50 Year PWLB Fixed Rate EIP Loan</td>
<td>3.59%</td>
</tr>
</tbody>
</table>

*EIP – Loans repaid via Equal Instalments of Principle over the loan term

2.18 If the Council borrowed at these rates but had to invest at the lower rate of 0.58%, the Council would incur a net cost, the “cost of carry”.

2.19 The Council maintains a restrictive policy on new investments by only investing in organisations that have a credit rating of BBB+ or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. The Council continues to invest in AAA rated money market funds and has the capability to invest in other creditworthy financial instruments such as gilts and bonds. Counterparty credit quality is assessed and monitored with reference to, credit default swaps; GDP of the country in which the institution operates, the country’s net debt as a percentage of GDP; sovereign support mechanisms and potential support from a well-resourced parent institution; share price.
2.20 Analysis of counterparty creditworthiness is an ongoing process. As a result, controls on who is an acceptable counterparty, how much can be invested with an institution or the maximum allowable investment duration are constantly under review and altered during the course of the year. Investments are made both in accordance with our counterparty list, which is drawn up under advice from our treasury advisers and the stipulations of the Treasury Management Investment Strategy.

2.21 Where the Council had previously entered into a fixed term deposit with an institution that no longer meets the criteria above, the investment will be allowed to mature as originally planned. As in accordance with the Treasury Management Investment Strategy, new counterparties may be considered for investment, if they are acceptable under the approved criteria and following consultation with the Treasury Management Advisor.

2.22 The Council’s main bank account is with Lloyds, which has an appropriate credit rating and will therefore continue to be used for shorter term liquidity requirements and business continuity arrangements.

2.23 The following chart shows the credit composition of the investment portfolio as at 30 September 2015:

**Chart 1: Investment Portfolio – Credit Components**

<table>
<thead>
<tr>
<th>Credit Components</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>41%</td>
</tr>
<tr>
<td>AA</td>
<td>13%</td>
</tr>
<tr>
<td>A+</td>
<td>6%</td>
</tr>
<tr>
<td>A-</td>
<td>1%</td>
</tr>
<tr>
<td>AA-</td>
<td>11%</td>
</tr>
<tr>
<td>Unrated</td>
<td>4%</td>
</tr>
</tbody>
</table>

---

Page 57
Note: ‘Unrated’ institutions are Building Societies that despite the absence of a formal rating, are deemed credit worthy due to analysis of their performance over a variety of credit metrics. These institutions are subject to a lower counterparty limit than those with formal credit ratings.

2.24 For diversification purposes the Treasury Management Team invest in a variety of counterparties and financial instruments to help mitigate counterparty and liquidity risks. A summary of the instruments invested in follows:

Chart 2: Investment Portfolio – Financial Instruments

<table>
<thead>
<tr>
<th>Financial Instruments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Fund, 2%</td>
</tr>
<tr>
<td>Notice Account, 6%</td>
</tr>
<tr>
<td>Money Market Fund, 28%</td>
</tr>
<tr>
<td>Certificate of Deposit, 17%</td>
</tr>
<tr>
<td>BOND, 3%</td>
</tr>
<tr>
<td>Call Account, 1%</td>
</tr>
<tr>
<td>Term Deposit, 42%</td>
</tr>
</tbody>
</table>

2.25 The Treasury Management Team continue to monitor developments in the financial environment and make appropriate operational adjustments, within the approved Treasury Management Strategy, to maintain the security of public money and manage the associated risks while also maximising returns.

2.26 The budget for investment income is £860,000 however achievable income will be in the region of £360,000. This reduction in investment income is attributable to the prevailing low interest rate environment but more specifically due to the strategy of internal borrowing. This forgoes investment interest in the aim of reducing external borrowing costs, as explained previously. and has contributed towards the significant saving on borrowing costs of £3 million.
BORROWING AND OTHER LONG TERM LIABILITIES

2.27 The Council undertakes borrowing to fund capital expenditure. As explained in paragraph 2.12, the use of internal resources in lieu of borrowing, in the main, continues to be the most cost effective means of funding capital expenditure. As short-term investment interest rates have remained, and are likely to remain at least over the immediate future, lower than long-term borrowing rates, the Authority determined it was more cost effective in the short-term to use internal resources instead.

2.28 However, it is acknowledged that this position is not sustainable over the medium term and as part of the Capital programme the Council expects to borrow from external sources. As reserves are called upon the resources temporarily available to use in lieu of external borrowing diminish, meaning the Council will reach a point when it is no longer possible to delay borrowing any further. To reiterate internal borrowing does not remove the need to externally borrow, it merely delays incurring the debt and consequently the financing costs.

2.29 Borrowing options and the timing of such borrowing will continue to be assessed in conjunction with the Council’s treasury advisor.

2.30 The Public Works Loans Board (PWLB) remains the Council’s preferred source of longer term borrowing given the transparency and control that its facilities continue to provide.

2.31 Other Long-Term Liabilities include the schools Private Finance Initiative (PFI) scheme and finance leases used to purchase vehicles plant and equipment. Under International Financial Reporting Standards (IFRS) these are shown on the Balance Sheet as a Financial Liability and therefore need to be considered within any Treasury Management decision making process.

2.32 The Council has not entered into any new lease agreements during 2015/16.

2.33 The Council did take out any temporary loans for cashflow purposes during April to September 2015.

2.34 The table shows Council debt at 30 September 2015.

<table>
<thead>
<tr>
<th>Debt</th>
<th>Balance 31 Mar 15 (£m)</th>
<th>Maturities (£m)</th>
<th>Additions (£m)</th>
<th>Balance 30 Sep 15 (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Borrowings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PWLB</td>
<td>(46)</td>
<td>3</td>
<td>0</td>
<td>(43)</td>
</tr>
<tr>
<td>Market Loans</td>
<td>(158)</td>
<td>0</td>
<td>0</td>
<td>(158)</td>
</tr>
<tr>
<td><strong>Other Long Term Liabilities</strong></td>
<td>(51)</td>
<td>1</td>
<td>0</td>
<td>(50)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>(255)</td>
<td>4</td>
<td>0</td>
<td>(251)</td>
</tr>
</tbody>
</table>
MINIMUM REVENUE PROVISION (MRP)

2.35 Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government’s Guidance (DCLG) on Minimum Revenue Provision most recently issued in 2012.

2.36 The broad aim of the DCLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant. DCLG prescribe various options to calculate this repayment provision.

2.37 One of the options given regarding the calculation of MRP to be charged in a year is ‘Option 3’ which bases the charge on the asset life of the asset funded from unsupported borrowing. It was recommended in the 2014/15 Treasury Management Outturn report that Treasury Management Strategy be amended to enable a more flexible approach to the calculation of ‘Option 3’. This would enable MRP to be calculated on the basis of true asset lives or as an alternative the “Annuity Method”. This produces a profile of principal repayments which starts low and increases each year reflecting the time value of money i.e. £1 in year 1 will have more purchasing power than to £1 in year 10. Whichever method is adopted the overall MRP over the life of the loan will be the same; only the profile of repayment is different.

2.38 The method used to calculate the Council’s MRP charge, under DCLG Option 3, is currently under review, which may result in a lower payment profile of the debt. The total amount repayable remains the same but it is spread over a longer repayment term.

MONITORING OF THE PRUDENTIAL CODE INDICATORS

2.39 The introduction of the Prudential Code in 2004 gave Local Authorities greater freedom in making capital strategy decisions. The prudential indicators allow the Council to establish prudence and affordability within the Capital Strategy. The following indicators demonstrate that the treasury management decisions are in line with the Strategy, being prudent and affordable.

Net Debt and Capital Financing Requirement (CFR) Indicator

2.40 The CFR measures the underlying need to borrow money to finance capital expenditure. The Prudential Code stipulates that net debt (debt net of investments) should not, except in the short term, exceed the CFR for the previous year plus the estimated additional CFR requirement for the current and next two financial years.
Table 5: Net Debt compared with CFR

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFR in previous year (2014/15 actual)</td>
<td>338</td>
</tr>
<tr>
<td>Increase in CFR in 2015/16 (estimate)</td>
<td>8</td>
</tr>
<tr>
<td>Decrease in CFR in 2016/17 (estimate)</td>
<td>-14</td>
</tr>
<tr>
<td>Decrease in CFR in 2017/18 (estimate)</td>
<td>-18</td>
</tr>
<tr>
<td><strong>Accumulative CFR</strong></td>
<td><strong>314</strong></td>
</tr>
</tbody>
</table>

2.41 Net Debt does not exceed the CFR and it is not expected to in the future. This is a key indicator of prudence.

Authorised Limit and Operational Boundary Indicators

2.42 The Authorised Limit is the amount determined as the level of debt which, while not desired, could be afforded but may not be sustainable. It is not treated as an upper limit for debt for capital purposes alone since it also encompasses temporary borrowing. An unanticipated revision to this limit is considered to be an exceptional event and would require a review of all the other affordability indicators.

2.43 The Operational Boundary is the amount determined as the expectation of the maximum external debt according to probable events projected by the estimates and makes no allowance for any headroom. It is designed to alert the Council to any imminent breach of the Authorised Limit.

Table 6: Authorised Limit and Operational Boundary Indicator

<table>
<thead>
<tr>
<th></th>
<th>Mar 15 (£m)</th>
<th>Jun 15 (£m)</th>
<th>Sep 15 (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AUTHORISED LIMIT</strong></td>
<td><strong>442</strong></td>
<td><strong>419</strong></td>
<td><strong>419</strong></td>
</tr>
<tr>
<td><strong>OPERATIONAL BOUNDARY</strong></td>
<td><strong>427</strong></td>
<td><strong>404</strong></td>
<td><strong>404</strong></td>
</tr>
<tr>
<td>Council Borrowings</td>
<td>204</td>
<td>203</td>
<td>201</td>
</tr>
<tr>
<td>Other Long Term Liabilities</td>
<td>51</td>
<td>51</td>
<td>50</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>255</strong></td>
<td><strong>254</strong></td>
<td><strong>251</strong></td>
</tr>
</tbody>
</table>

2.44 The table shows that neither the Authorised Limit nor the Operational Boundary was breached between March 2015 and September 2015. This is a key indicator of affordability.

Interest Rate Exposure Indicator

2.45 The Prudential Code also requires Local Authorities to set limits for the exposure to the effects of interest rate changes. Limits are set for the amount of borrowing/ investments which are subject to variable rates of interest and the amount which is subject to fixed rates of interest.
2.46 The table shows that borrowing is at fixed rates of interest and investments are at variable rates of interest. This was considered to be a good position while interest rates were rising as the cost of existing borrowing remained stable and the investments, at variable rates of interest, generated increasing levels of income.

2.47 As the environment is one of low interest rates, the Treasury Management Team is working to adjust this position which is restricted by:-

- the level of uncertainty in the markets makes investing for long periods at fixed rates of interest more risky and, therefore, the Council continues to only invest short term at variable rates of interest;
- Many of the Council loans have expensive penalties for early repayment or rescheduling which makes changing the debt position a costly exercise.

**Maturity Structure of Borrowing Indicator**

2.48 The maturity structure of the borrowing has also been set to achieve maximum flexibility with the Authority being able to undertake all borrowing with a short maturity date or a long maturity date.

### Table 7: Interest Rate Exposure

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Fixed Rate of Interest (£m)</th>
<th>Variable Rate of Interest (£m)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings</td>
<td>(201)</td>
<td>0</td>
<td>(201)</td>
</tr>
<tr>
<td>Proportion of Borrowings</td>
<td>100%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Upper Limit</td>
<td>100%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Investments</td>
<td>0</td>
<td>83</td>
<td>83</td>
</tr>
<tr>
<td>Proportion of Investments</td>
<td>0%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Upper Limit</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td><strong>Net Borrowing</strong></td>
<td>(201)</td>
<td>83</td>
<td>(118)</td>
</tr>
<tr>
<td>Proportion of Total Net Borrowing</td>
<td>170%</td>
<td>-70%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Table 8: Maturity Structure of Borrowing

<table>
<thead>
<tr>
<th>Borrowings Maturity</th>
<th>As at 30 Sep 15 (£m)</th>
<th>As at 30 Sep 15 (%)</th>
<th>2015/16 Lower Limit (%)</th>
<th>2015/16 Upper Limit (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>11</td>
<td>5</td>
<td>0</td>
<td>80</td>
</tr>
<tr>
<td>Over 1 year under 2 years</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Over 2 years under 5 years</td>
<td>17</td>
<td>8</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Over 5 years under 10 years</td>
<td>24</td>
<td>12</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>144</td>
<td>72</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total Borrowing</strong></td>
<td>201</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2.49 This indicator allows the Council to manage the risk inherent in investments longer than 364 days. The limit for 2015/16 was set at £30 million. Currently the Council has no investments which are for a period greater than 364 days during this period.

3.0 RELEVANT RISKS
3.1 All relevant risks have been discussed within Section 2 of this report.

4.0 OTHER OPTIONS CONSIDERED
4.1 There are no other options considered in this performance monitoring report.

5.0 CONSULTATION
5.1 No consultation has been undertaken for this performance monitoring report. There are no implications for partner organisations arising out of this report.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS
6.1 There are no outstanding actions.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS
7.1 There are none arising directly out of this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS
8.1 Paragraph 2.26 refers to the reduction in investment income of £0.5 million. Paragraphs 2.27 and 2.28 refer to the current approach of internal borrowing rather than taking on external debt, which results in an overall saving of £3 million. The net underspend in 2015/16 is estimated to be £2.5 million.

8.2 There are no IT, staffing or asset implications arising directly out of this report.

9.0 LEGAL IMPLICATIONS
9.1 This report confirms compliance with treasury limits and prudential indicators. It has been prepared in accordance with the revised CIPFA Treasury Management Code and the revised Prudential Code for Capital Finance in Local Authorities.

9.2 Treasury Management in Local Government is governed by the CIPFA Code of Practice on Treasury Management in the Public Services and in this context is the “management of the Council’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks”.

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10.0 EQUALITIES IMPLICATIONS
10.1 An Equality Impact Assessment is not attached as there are none.

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS
11.1 There are none arising directly out of this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS
12.1 There are none arising directly out of this report.

13.0 RECOMMENDATION/S
13.1 That the Treasury Management Performance Monitoring Report be accepted in meeting the Council’s obligations under the Treasury Management Code.

14.0 REASON/S FOR RECOMMENDATION/S
14.1 The Treasury Management Code requires public sector authorities to determine an annual Treasury Management Strategy and, as a minimum, to formally report on their treasury management policies, practices and activities to Council mid-year and after the year-end. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate that they have properly fulfilled their responsibilities and enable those with responsibility/governance of the Treasury Management function to scrutinise and assess its effectiveness and compliance with policies and objectives.

REPORT AUTHOR: Sarah Cox
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Email: sarahcox@wirral.gov.uk

BACKGROUND PAPERS/REFERENCE MATERIAL
Code of Practice for Treasury Management in Public Services CIPFA 2011.
Prudential Code for Capital Finance in Local Authorities CIPFA 2011

SUBJECT HISTORY

<table>
<thead>
<tr>
<th>Council Meeting</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury Management Annual Report 2013-14</td>
<td>7 July 2014</td>
</tr>
<tr>
<td>Treasury Management Performance Monitoring</td>
<td>6 November 2014</td>
</tr>
</tbody>
</table>
1.0 EXECUTIVE SUMMARY

1.1 This report proposes that Cabinet recommends to Council that:

- Budget Council scheduled for 23 February 2016 be re-scheduled to Thursday, 3 March 2016 (with a reserve date of Wednesday, 9 March 2016); and

- the Agenda and Procedure for Budget Council set out at Appendix 1 be approved.

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”.

3.0 Budget Council Date

3.1 The Budget meeting of the Council is scheduled to take place on 23 February 2016. However, it is proposed that that date be changed to Thursday, 3 March 2016 (with a reserve date of Wednesday, 9 March 2016) to allow further time for budget options to be considered and details of precepts to be determined.

3.2 The Council is required to set its Budget for the 2016/17 financial year by 10 March 2016.
4.0 Proposed Budget Council Agenda and Procedure

4.1 The Agenda and Procedure for the Budget meeting of the 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 Agenda and 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 Agenda and Procedure.

6.0 CONSULTATION

6.1 All three Political Group Leaders were consulted in relation to the proposed Budget Council Agenda and 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 The Council is required to set a lawful balanced budget for the forthcoming financial year 2016/17.

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 Budget Council Agenda and Procedure set out at Appendix 1 to this report.

- recommends to Council that the Budget meeting of the Council currently scheduled for 23 February 2016 be changed to Thursday, 3 March 2016 with a reserve date of Wednesday, 9 March 2016 (and the Calendar of Meetings be amended accordingly).

- recommends to Council at its meeting on 14 December 2015 the adoption of the Agenda and Budget Council Procedure set out at Appendix 1 to this report in respect of the said Budget meeting of the Council above.

- recommends to Council that the Head of Legal and Member Services be authorised to make changes to the Budget Council Agenda and/or 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.

REPORT AUTHOR: Surjit Tour
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email surjittour@ wirral.gov.uk

APPENDICES

Appendix 1 - Budget Council Procedure

BACKGROUND PAPERS/REFERENCE MATERIAL

None
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 22 February 2016 (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 **12noon on Monday, 29 February 2016**.

(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
ANNEX 1

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 Seconder - 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:

<table>
<thead>
<tr>
<th>Speaker</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Leader of the Council speaking to the Cabinet’s Budget Recommendation(s)/Minute(s)</td>
<td>15 minutes</td>
</tr>
<tr>
<td>The Portfolio Holder for Children’s Services (speaking on the Schools’ Budget element)</td>
<td>7 minutes</td>
</tr>
<tr>
<td>The Group Leaders of the opposition political groups and Green party Member (if applicable) speaking to their respective Alternative Budget Proposal(s)/Amendment</td>
<td>15 minutes</td>
</tr>
<tr>
<td>Other speakers</td>
<td>3 minutes</td>
</tr>
<tr>
<td>Seconder of an Alternative Budget Proposal(s)/Amendment (as applicable)</td>
<td>7 minutes</td>
</tr>
<tr>
<td>The Seconder of the Cabinet Budget Recommendation(s)/Minutes(s)</td>
<td>7 minutes</td>
</tr>
<tr>
<td>The Group Leaders of the opposition political groups and Green Party Member (if applicable) – right of reply</td>
<td>5 minutes</td>
</tr>
<tr>
<td>The Leader of the Council – right of reply</td>
<td>5 minutes</td>
</tr>
</tbody>
</table>

(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. 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, and the Budget meeting of the Council shall be adjourned to 6:15pm on Wednesday, 9 March 2016 unless the Leader of the Council confirms to Council that he does not intend to challenge the in-principle decision, in which case it shall become effective.

In the event that the meeting is adjourned, the Council will reconsider its decision having regard to the Leader of the Council’s written submission which must be submitted to the Head of Legal & Member Services by 4.00pm on Monday, 7 March 2016.

At that the adjourned meeting, the Council can:

(i) accept the Cabinet Budget Recommendation(s)/Minute(s) (without amendment); or
(ii) re-affirm its approval of the in-principle decision made on Thursday, 3 March 2016, upon the occurrence of which it will shall become effective; or

(iii) approve a different decision that does not accord with the Cabinet Budget Recommendation(s)/Minute(s).

NOTE: The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 requires a recorded vote (i.e. names of all councillors voting and how they voted) to be taken in respect of all votes.
WIRRAL COUNCIL
CABINET
5 November 2015

<table>
<thead>
<tr>
<th>SUBJECT:</th>
<th>Executive Arrangements and Pledge Champions</th>
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</thead>
<tbody>
<tr>
<td>WARD/S AFFECTED:</td>
<td>All</td>
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<tr>
<td>REPORT OF:</td>
<td>Head of Legal &amp; Member Services</td>
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<td>RESPONSIBLE PORTFOLIO HOLDER:</td>
<td>Leader of the Council</td>
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<tr>
<td>KEY DECISION?</td>
<td>No</td>
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1.0 EXECUTIVE SUMMARY

1.1 This report sets out the changes to executive arrangements and the discharge of executive functions by the Leader of the Council as permitted under the ‘Strong Leader’ model of governance operated by the Council.

1.2 The report also includes proposals for the creation of Pledge Champions in relation to the 20 Pledges contained within the Wirral Plan.

1.3 This report details/confirms:
   a) Revised Cabinet Portfolios;
   b) Cabinet Members appointments;
   c) Revisions to:
      i. The Role of Cabinet (Art. 7 of the Constitution);
      ii. Scheme of Delegation of Executive Functions to Cabinet Members;
           and
      iii. Scheme of Delegation of Executive Functions to Officers;
   d) Revised Cabinet/Committee Reports and Minutes templates;
   e) Changes to Cabinet meetings; and
   f) The creation of Pledge Champions, their role and appointments thereto.

2.0 BACKGROUND AND KEY ISSUES

2.1 In July 2015, Council unanimously approved a five-year Council Plan which provides a clear ambition for the borough and defines the outcomes towards which we will work for the next five years: the 20 pledges.

2.2 This Plan has, since approval by Council in July, now been adopted by all strategic partners from the public, private and third sectors to create the first Wirral Plan.
2.3 This means that for the first time partners have formally agreed to work towards a shared set of outcomes, goals and objectives, to work towards integrating services and budgets and making best use of the totality of public sector resource in Wirral, for the benefit of Wirral people.

2.4 As part of that agreement and progress since July, partners have committed to playing a lead role in achieving 8 out of the 20 pledges. A Delivery Plan (Phase One) has been developed and reported to Cabinet in October 2015 to provide an outline of the approach that will be taken to ensure that the ambitions and priorities set out within plan are achieved, and that they secure positive outcomes for local residents.

2.5 In order to deliver a five year plan, a set of operating principles have been developed to ensure that the Council working in partnership has the appropriate arrangements in place to drive forward the necessary changes to achieve the ambitions set out in the Wirral Plan. This includes ensuring that political arrangements are regularly reviewed to ensure that there is clarity on the governance and delivery of the plan pledges.

2.6 As a Member-led organisation it is crucial that Elected Members provide leadership to the Council and its partners to secure the best outcomes for Wirral residents.

2.7 Under the ‘strong leader’ model of governance the Leader of the Council has the discretion to create a Cabinet and up to nine Cabinet Members with their own portfolios. The Leader of the Council defines their duties and responsibilities as well as confirms any delegated powers/authorities he wishes them to exercise. The Leader of the Council can also delegate powers/authorities to Council officers.

2.8 The Leader of the Council has reviewed and revised the delegated executive arrangements in light of the Wirral Plan and to ensure its successful delivery:

- Appendix 1 sets out the revised Cabinet Portfolios and those members who have been appointed by the Leader as Cabinet Members to undertake and discharge the defined duties and responsibilities falling with each respective Portfolio.
- Appendix 2 sets out the revised role of Cabinet (Art. 7 of the Constitution),
- Appendix 3 sets out the revised Scheme of Delegation of Executive Functions to Cabinet Members, and
- Appendix 4 sets out the revised Scheme of Delegation of Executive Functions to Officers.

2.9 As part of ensuring decisions made by the Council are more accessible, open and transparent, the current reports and minutes templates have been revised. The revised templates are set out at Appendix 5 are considered to be more ‘user friendly’ in layout and design and enables salient information to be ascertained more quickly.
2.10 Moreover, it is also proposed that the days upon which Cabinet meets and its meeting times should be more consistent and to this end, it is proposed that Cabinet meeting be held on Mondays at 10.00am (unless otherwise agreed by the Leader of the Council).

2.11 The Wirral Plan sets out an ambitious agenda that the Council and its partners have accepted. To help ensure the 20 Wirral Plan Pledges are achieved, it is proposed that one elected member be aligned to each Pledge and be appointed as a ‘Pledge Champion’.

2.12 Each Pledge Champion will be required to focus on the work and activities that help to successfully delivery/achieve the Pledge. The role will require the Pledge Champion to work with Executive Members, partners, relevant committees and officers as required and necessary; and offer constructive advice and assistance to help ensure the Council meets its Pledges.

2.13 Pledge Champions will not have any delegated executive/Council powers/authority and will not form part of the Executive.

2.14 The role of the Pledge Champion is set out at Appendix 6. No special responsibility allowance is payable to any Pledge Champion.

2.15 Pledge Champions will be appointed by the Leader of the Council.

3.0 RELEVANT RISKS

3.1 It is important that powers and authorities are understood and not exceeded.

3.2 Any change to the reporting and decision making arrangements of the Council must comply with Access to Information obligations/requirements.

5.0 OTHER OPTIONS CONSIDERED

5.1 Consideration was given to possible other alternative structures for the Cabinet and Portfolios.

6.0 CONSULTATION

6.1 No formal consultation required.

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 issues arising other than it is envisaged that the executive decision making and reporting arrangements will become more efficient to operate.

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:

i. Notes the revised Cabinet Portfolios and the Leader to confirm his Cabinet Members;

ii. Agrees that Cabinet meetings from 1 January 2016 be held on Mondays at 10.00am (unless otherwise agreed by the Leader);

iii. Notes the revised Role of Cabinet (Art. 7 of the Constitution); Scheme of Delegation of Executive Functions to Cabinet Members; and Scheme of Delegation of Executive Functions to Officers which shall take effect from 6 November 2015;

iv. Approves the revised Cabinet/Committee Reports, Cabinet Agenda and Cabinet/Committee Minutes templates and agrees that they be applied as soon as practicably possible having regard to current work/reports in progress; and

v. Approves the creation of Pledge Champions (as defined by their Job Role as set out at Appendix 6) for each Pledge within the Wirral Plan; and the Leader to make/confirm the requisite appointments.

14.0 REASON/S FOR RECOMMENDATION/S
14.1 To give effect to the changes/revisions proposed in the report.

REPORT AUTHOR: Surjit Tour
Head of Legal & Member Services and Monitoring Officer
telephone (0151) 691 8498
email surjittour@wirral.gov.uk

APPENDICES
Appendix 1 - Revised Cabinet Portfolios and Cabinet Members
Appendix 2 - Revised Art. 7 - The Role of Cabinet
Appendix 3 - Revised Scheme of Delegation of Executive Functions to Cabinet Members
Appendix 4 - Revised Scheme of Delegation of Executive Functions to Officers
Appendix 5 - Revised Cabinet/Committee Report and Minutes templates
Appendix 6 - Pledge Champion – Job Role

BACKGROUND PAPERS/REFERENCE MATERIAL
None
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CONFIRMATION OF
CABINET PORTFOLIOS (2015)

1. The Leader of the Council hereby confirms and appoints his Cabinet Portfolios and Cabinet Members as follows:-

<table>
<thead>
<tr>
<th></th>
<th>Leader of the Council</th>
<th>Councillor Phil Davies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Strategic and Policy Oversight</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Deputy Leader of the Council</td>
<td>Councillor Ann McLachlan</td>
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<tr>
<td></td>
<td>Transformation and Improvement</td>
<td></td>
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<td>3.</td>
<td>Housing and Communities</td>
<td>Councillor George Davies</td>
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<tr>
<td>4.</td>
<td>Resources: Finance, Assets and Technology</td>
<td>Councillor Adrian Jones</td>
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<tr>
<td>5.</td>
<td>Adult Care and Public Health</td>
<td>Councillor Christine Jones</td>
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<td>6.</td>
<td>Children and Families</td>
<td>Councillor Tony Smith</td>
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<td>7.</td>
<td>Business and Tourism</td>
<td>Councillor Pat Hackett</td>
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<td>8.</td>
<td>Environmental Protection</td>
<td>Councillor Bernie Mooney</td>
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<td>9.</td>
<td>Leisure and Culture</td>
<td>Councillor Chris Meaden</td>
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<tr>
<td>10.</td>
<td>Transport, Technology Strategy and Infrastructure</td>
<td>Councillor Stuart Whittingham</td>
</tr>
</tbody>
</table>

2. The Cabinet Portfolios and appointment of the Cabinet Members take effect as from the date of this Confirmation.

3. The duties and responsibilities of each Cabinet Member are set out in the attached Appendix (and may be amended as determined by the Leader of the Council from time to time).

.................................................................  Dated:  November 2015
Councillor Phil Davies
Leader of the Council
### LEADER OF THE COUNCIL

**Strategic and Policy Oversight**

| 1. | Scope | Strategic Finance  
|     |       | Strategy Policy and Engagement 
|     |       | Devolution/LCR  
|     |       | Strategic Partnerships |

| 1. | In Detail | To provide Executive leadership on international, national, regional and local matters, including International Strategy and Programmes, and Regional and sub-regional Governance.  
|     |           | To provide Executive leadership to the Council and Executive on overall strategic and policy direction to deliver the Wirral Plan.  
|     |           | Strategic budget setting and overall financial planning, including preparations for the annual budget and Medium Term Financial Strategy, annual proposals on the Council Tax base and Council Tax levels.  
|     |           | To develop and lead partnership relationships at all levels, and provide community leadership for partners, residents and other interested persons/bodies.  
|     |           | To lead Economic Growth in respect of the:  
|     |           |   - Liverpool City Region  
|     |           |   - Local Enterprise Partnership  
|     |           |   - Strategic Economic Plan  
|     |           | To co-ordinate and determine the roles and responsibilities of Executive Members.  
|     |           | To have overall management of public affairs, communications, media and reputational matters. |
2. **Scope**

Council Plan and Performance Management  
Corporate Governance  
New Operating Model  
Strategic Commissioning  
New Models of Delivery  
Corporate Business  
ICT Strategy

**In Detail**

To deputise for the Leader of the Council (and have full powers of the Leader when acting in that capacity).

As Cabinet Member:

To exercise effective oversight, co-ordination and timely progression of:

- the Delivery of the Wirral Plan  
- Operating Model  
- Transformation projects  
- Improvement

To provide overall management and communications lead on Alternative Delivery Models.

With the Leader of the Council manage and lead on media and reputational matters relating to the delivery of the Wirral Plan.

To provide leadership and efficient, coordinated and commissioned management of the following:

- Governance and Law  
- Democracy  
- Transformation  
- Commissioning  
- Compliance and Audit  
- Strategic ICT  
- Procurement  
- Corporate apprenticeships  
- Performance Management  
- Risk Management
| 3. | Scope | Financial Management  
Asset Strategy and Delivery  
Corporate Resources  
Technology Delivery |
<table>
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<tbody>
<tr>
<td>Pledges</td>
<td>• Assets and buildings are fit for purpose for Wirral’s businesses</td>
<td></td>
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</tbody>
</table>

**In Detail**

Responsible for the effective day-to-day management of the Council’s Finances.

To provide leadership and efficient, coordinated and commissioned management of the following:

- Financial Services  
- Financial Monitoring and Performance  
- Treasury Management  
- Corporate human resources and occupational development  
- Health & Safety (Int.)  
- Equality and Diversity  
- Emergency and Resilience planning  
- Transaction Centre  
- Revenues and Benefits  
- Internal Business Support  
- Transactional shared services  
- Council land and buildings  
- Facilities management  
- Buildings maintenance  
- School renewal and improvement programmes  
- Transport Services  
- Operational ICT  
- E-government Champion, Digital Challenge and e-inclusion
CABINET MEMBER FOR
CHILDREN AND FAMILIES

4. Scope

Safeguarding
Children
Schools
Education

Pledges

- Children are ready for school
- Young people are ready for work and adulthood
- Vulnerable children reach their full potential
- Reduce child and family poverty

In Detail

To improve the life chances of children and young people in the Borough as Lead Member for Children’s Services.

Promoting the development of skills and capacity which will enable children, young people and families to support and benefit from the Borough’s continuing economic development.

To provide leadership and efficient, coordinated and commissioned management of the following:

- Safeguarding and securing the well-being of children, young people and families
- Protecting children, young people and families from harm
- Promoting good health and health awareness in children and young people
- Reduction of child and family poverty
- Children’s services
- Education
- Early Years
- Developing the potential of children and young people through education, training, personal development and preparation for working life.
- Corporate Parenting
- Adoption and Fostering
## PEOPLE

### CABINET MEMBER FOR ADULT CARE AND PUBLIC HEALTH

<table>
<thead>
<tr>
<th>5.</th>
<th>Scope</th>
<th>Vulnerable Adults and Safeguarding Adult Social Care Public Health and Wellbeing</th>
</tr>
</thead>
</table>
|    | Pledges | • Older People Live well  
• People with disabilities live independently  
• Wirral residents live healthier lives |
|    | In Detail | To provide leadership and efficient, coordinated and commissioned management of the following:  
• Adult social care services - securing the social and health care of all adults  
• Strategic partnerships with the health community  
• Delivering integrated services with the health community  
• Mental health commissioning  
• Supporting people including people with disabilities  
• Supporting carers  
• Advice and Guidance (People)  
• Promotion of Public Health and Wellness (including Prevention Agenda)  
• Health awareness  
• Healthy lifestyles  
• Healthy environment  
• Drugs awareness, prevention and treatment |
### BUSINESS

#### CABINET MEMBER FOR BUSINESS AND TOURISM

| 6. | Scope | Prosperity Agenda  
Business Support  
Regeneration Major Projects  
Tourism Economy  
Tourism and Culture Marketing/Promotion |
|----|-------|---|
|    | Pledges | • Greater job opportunities in Wirral  
• Workforce skills match business needs  
• Increase inward investment  
• Thriving small businesses  
• Vibrant Tourism economy |
|    | In Detail | To provide leadership and efficient, coordinated and commissioned management of the following:  
Economic Growth:  
• European Programmes and Funding  
• Capital Projects  
• Income Generation (CIL & Section 106)  
• Tourism & Marketing  
Strategic Planning:  
• Statutory/Development Planning  
• Regeneration  
• Building Control  
Promoting the development of skills and capacity of children, young people and families from economic development.  
Ensure the Borough’s response to education, skills and training issues and opportunities promote economic and social regeneration  
To provide leadership and efficient, coordinated management of the following:  
• Town centres and high streets  
• Employment opportunity  
• Enterprise and Business Support  
• Markets and street trading |
| • Skills and Life Long Learning  
| • Apprenticeships  
| • Tourism, Resorts and Events  
| • Events and promotions – for business  
| • Promotions and Marketing – for business, tourism and culture |
| Scope         | Strategic Transport and Delivery  
|              | Transport Infrastructure  
|              | Transport Levy  
|              | Highways Maintenance  
|              | Strategic ICT Channels/Infrastructure  |
| Pledges      | • Transport & Technology Infrastructure fit for the future  |
| In Detail    | To provide leadership and efficient, coordinated and commissioned management of the following:  
|              | • Transport Levy  
|              | • Car parking and car parking enforcement  
|              | • Delivery of Superfast Broadband  
|              | • Highways and winter maintenance and street lighting  
<p>|              | • Parking and road safety  |</p>
<table>
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<tr>
<th></th>
<th>Scope</th>
<th>Housing Strategy</th>
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<td></td>
<td>Strategic Housing</td>
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<td></td>
<td>Constituencies</td>
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<td></td>
<td>Domestic Violence</td>
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<td></td>
<td>Coroner and Registrars</td>
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<td></td>
<td><strong>Pledges</strong></td>
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<td></td>
<td>• Community services are joined up and accessible</td>
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<td></td>
<td>• Engagement Zero tolerance to domestic violence</td>
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<td>• Good quality housing that meets the needs of residents</td>
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<td>• Wirral’s Neighbourhoods are safe</td>
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<td><strong>In Detail</strong></td>
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<td>To provide leadership and efficient, coordinated and commissioned management of the following:</td>
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<td></td>
<td>• Promotion of Decent Homes and good housing standards in private sector housing</td>
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<td>• Housing Provision</td>
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<td>• Specialist housing support services and provision</td>
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<td>• Housing market restructuring and renewal</td>
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<td>• Strategic relationships with Registered Social Landlords and private sector housing providers</td>
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<td></td>
<td>• Homelessness and Housing Advice</td>
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<td>• Travellers</td>
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<td></td>
<td>• Community, Neighbourhood working and localism</td>
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<td>• Community development/cohesion – including the development of the community’s capacity to shape, deliver and review functions/services and neighbourhoods</td>
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<td>• Safer borough</td>
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<td></td>
<td>• Community Safety and Resilience</td>
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<td>• Domestic Violence</td>
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<td></td>
<td>• Anti-social behaviour</td>
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<td></td>
<td>• Coroner Shared Service</td>
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<td></td>
<td>• Registrar Services</td>
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<td></td>
<td>• Customer Care:</td>
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<tr>
<td></td>
<td>To champion improvements in customer feedback.</td>
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</table>
To champion the continuing improvement of customer care policy and practice.

One-stop-shops

To provide leadership for the Council and its partners in order to make a safer Borough:

- Customer care policy and practice
- Contact Centre and Customer Services Network including Customer Services Centres
## ENVIRONMENT

### CABINET MEMBER FOR LEISURE AND CULTURE

| 9. | Scope | Leisure Provision  
Heritage and Culture  
Parks and Countryside |
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<tbody>
<tr>
<td></td>
<td>Pledges</td>
<td>Leisure and cultural opportunities for all</td>
</tr>
</tbody>
</table>
|  | In Detail | To provide leadership and efficient, coordinated and commissioned management of the following:  
  - Sports/Leisure facilities  
  - Beeches, Parks and Countryside Conservation areas  
  - Grounds maintenance  
  - Seafront management  
  - Libraries  
  - Cemeteries and Crematoria services  
  - Culture, Heritage and Arts Provision  
  - Allotments  
  - Records and Archives |
| 10. | Scope       | Environmental Regulation  
|       |             | Waste Management  
|       |             | Licensing  
|       | Pledges     | Attractive local environment for Wirral residents  
|       | In Detail   | To provide leadership and efficient, coordinated and commissioned management of the following:  
|       |             | • Greener/cleaner borough  
|       |             | • Climate Change  
|       |             | • Coastal protection  
|       |             | • Minerals & Waste Planning and Management including strategy, refuse collection and recycling  
|       |             | • Management of place  
|       |             | • Neighbourhood environmental services and street scene  
|       | Regulatory Services: |  
|       |             | • Environmental Health/Protection and Enforcement  
|       |             | • Trading Standards and Enforcement  
|       |             | • Food Safety  
|       |             | • Health and Safety Enforcement  
|       |             | • Licensing, licensing regulation and Controlled Drinking Zones |
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Article 7 - The Cabinet

THE ROLE OF THE CABINET

7.1 Role

The Cabinet will, unless otherwise delegated by the Leader of the Council, carry out all of the local authority’s functions that are not the responsibility of any other part of the local authority, whether by law or under this Constitution.

7.2 Form and composition

The Cabinet will consist of the –

(i) The Leader of the Council (“the Leader”); and  
(ii) at least two but not more than nine Councillors (“other Cabinet Members”) appointed from time to time by the Leader, none of whom may be the Mayor at any time while being the Leader or other Cabinet Members.

7.3 Leader of the Council

(i) The Leader will be a Councillor elected to the position of Leader by the Council at the Annual Meeting of the Council following elections, if any.

(ii) The Leader will hold office as such until or unless –

(a) he/she resigns from the office; or  
(b) he/she is suspended/disqualified from being a Councillor pursuant to Part III (Conduct of Local Government Members and Employees) of the Local Government Act 2000 (as amended) and Localism Act 2011  
(c) he/she ceases to be a Councillor (whether or not by virtue of any enactment relating to the duration, expiry of the term of office or retirement of councillors); or  
(d) The Council passes a resolution expressly to remove him/her from the office of Leader

7.4 Other Cabinet Members.

(i) Other Cabinet Members shall be appointed and their portfolios and functions shall be determined from time to time by the Leader.

(ii) The power of appointment by the Leader with respect to other Cabinet Members shall include the power to remove any of them from the Cabinet and to determine whether or not to appoint one or more other
Councillors in their places (subject in all such circumstances to the limitations upon numbers in paragraph 7.2 (ii) above)

(iii) The Leader may from time to time appoint a Cabinet Member to be his/her deputy and the person so appointed shall be known and referred to as the Deputy Leader of the Council (“the Deputy Leader”).

(iv) The power of appointment by the Leader of the Deputy Leader shall include power to remove him/her from the office of Deputy Leader and to determine whether or not to appoint another Cabinet Member thereto.

(v) Subject to paragraphs (i), (ii), (iv) and (v) above, a Cabinet Member shall hold office as such until or unless -

(a) he/she resigns from such office; or
(b) he/she is suspended/disqualified from being a councillor pursuant to Part III (Conduct of Local Government Members and Employees) of the Local Government Act 2000) (as amended) and Localism Act 2011 (although he/she shall be eligible to resume such office on appointment by the Leader at the expiry of the period of suspension); or
(c) he/she is no longer a Councillor, whether or not by virtue of any enactment relating to the duration, expiry of the term of office or retirement of councillors.

7.5 Proceedings of the Cabinet

Proceedings of the Cabinet shall take place in accordance with the Procedure Rules set out in Part 4 of this Constitution.

Criteria for Referral of Executive Functions and Matters

All executive functions/matters may be referred by the Leader and/or Cabinet Members and Officers to Cabinet for consideration, determination and/or decision.

Generally only those executive functions/matters that fall into one or more of the following categorises should be referred to Cabinet:

(i) The matter under consideration is a high profile matter;
(ii) The decision has a significant budgetary impact;
(iii) There is a need or it is considered prudent to engage the public and/or raise public awareness; and/or
(iv) The function/matter provides important performance management information.
7.6 Responsibility for functions

(i) The Leader may discharge any executive function, or

(ii) may arrange for the discharge of any of those functions –

(a) by the Cabinet;
(b) by any Cabinet Member;
(c) by a committee of the Cabinet;
(d) by area constituency committee; or
(e) by an officer of the authority.

(iii) Where any functions may be discharged by the Cabinet, then, unless the Leader otherwise directs, the Cabinet may arrange for the discharge of any of those functions –

(a) by a committee of the Cabinet;
(b) by area constituency committee; or
(c) by an officer of the authority.

(iv) where any functions may be discharged by a Cabinet Member, then, unless Leader otherwise directs, the member who may discharge the functions may arrange for the discharge of any of those functions –

(a) by area constituency committee; or
(b) by an officer of the authority.

(v) Where any functions may be discharged by area constituency committee, then, unless the Leader otherwise directs, the committee may arrange for the discharge of any of those functions by an officer of the authority.

(vi) Any arrangements made under paragraphs (ii) – (v) above does not prevent or otherwise prohibit the person/body making the arrangement from exercising those functions.

7.7 Responsibility for Cabinet functions when no Leader or Deputy Leader is in post and no quorate Cabinet is in office

(i) This paragraph shall apply for any period during which;

(a) no Councillor holds the position of Leader; and
(b) fewer than three Councillors (or such other number of Councillors as from time to time shall be the quorum for a meeting of the Cabinet) hold the position of Cabinet Member

(ii) In the circumstances to which sub-paragraph (i) above applies, the Chief Executive (or in his/her absence, the Assistant Chief Executive) in consultation with the leaders of all political groups represented on the Council, shall have delegated authority to act in respect of any
executive function, provided that the Chief Executive or Assistant Chief Executive (as the case may be) is of the opinion that to delay acting until after the likely conclusion of the period specified in sub-paragraph (i) above would not be in the public interest.

(iii) All decisions or other action taken by the Chief Executive or the Deputy Chief Executive pursuant to sub-paragraph (ii) above shall be promptly set out in a written record which shall include the reasons for the decision or other action and the conclusions as to the public interest which caused such decision or other action to be taken and all such records shall be submitted to the Councillor who next holds the position of Leader as soon as is reasonably practicable after his or her election as Leader.
PART 3

SCHEDULE 5

DELEGATION OF FUNCTIONS TO INDIVIDUAL CABINET MEMBERS

The Leader of the Council in conjunction with the Cabinet and Cabinet Members leads the implementation of policy within the Council's Budget and Policy Framework.

In doing this the Leader of the Council in conjunction with the Cabinet and Cabinet Members carries out all of the Council's functions which are not the responsibility of Council whether by law or under this Constitution.

By this Scheme of Delegation, the Leader of the Council has delegated to individual Cabinet Members executive powers within the confines of the Council's Budget and Policy Framework.

The Leader of the Council has also approved a Scheme of Delegation to Officers which is contained in Part 3 Schedule 4B of the Constitution.

The following conditions apply to this Scheme of Delegation to Cabinet Members and shall be complied with at all times:-

1. Every delegated power shall be exercised in the name of the Council.

2. The exercise of delegated powers shall be in accordance with Cabinet (Executive) functions and the Council's Budget and Policy Framework.

3. A Cabinet Members exercising delegated powers shall record the decision and the reasons for it on a Decision Notice and shall deliver it to the Proper Officer who shall publish the Decision Notice in accordance with the Constitution.

4. All key decisions taken under this scheme are subject to the Call-In Procedure with the exception of those taken under the urgency provision.

5. No Cabinet Members shall exercise any delegated power that comprises a Key Decision unless that decision is contained within the Council's Forward Plan or the appropriate notice(s) issued/published under the Access to Information Procedure Rules of the Constitution or prevailing legislation.

6. No action may be taken which is contrary to the Council’s Constitution.
All Cabinet Members within their own Portfolio

Unless otherwise stated below, Cabinet Members have power and authority to make decisions, advise upon and deal with all matters arising and falling within their respective Portfolios.

General

(i) Approve the appointment of consultants up to the value of £50,000.
(ii) Approve and authorise the submission of any formal response on behalf of the Council to Government consultation documents on matters relating to their Portfolio.
(iii) Determine grant applications within their Portfolio. Approve and authorise the submission of grant funding (or other resource) applications relating to their Portfolio on behalf of the Council.
(iv) Approval of the extension of contracts within their Portfolio for a maximum of up to 2 years, where such an extension was an option in the original contract in consultation with the relevant Chief Officer, the Director of Resources (and/or section 151 Officer) and Monitoring Officer.
(v) Authorise consultation (whether statutory or otherwise) as considered necessary and appropriate on matters falling within their Portfolio.
(vi) Approve the commencement of all procurement exercises in accordance with the Council’s Contract Procedure Rules in relation to matters failing within their Portfolio.
(vii) Accept tenders relating to their Portfolio up to the value of £5,000,000 where the tender is considered the most economically advantageous, the tender complies with all the price, quality, safety, sustainability and any other criteria set out in the tender document; and the tender value is below the figure set out in the relevant budget in consultation with the relevant Chief Officer, the Director of Resources (and/or section 151 Officer) and Monitoring Officer.
(viii) Approve additional or replacement items relating to their Portfolio for the current year’s Capital Programme, where the amount of the estimate does not exceed £5,000,000 and does not increase the overall total of the Departmental Capital Programme in consultation with the relevant Chief Officer, the Director of Resources (and/or section 151 Officer) and Monitoring Officer.
(ix) The award of contracts relation to their Portfolio of up to 5 years, where the contract value does not exceed £5,000,000, where the tender is the most economically advantageous, the tender complies with all the price, quality, safety, sustainability and any other criteria set out in the tender document; and the tender value is below the figure set out in the relevant budget in consultation with the relevant Chief Officer, the Director of Resources (and/or section 151 Officer) and Monitoring Officer.
(x) Approve variations to contract values post-tender relating to their Portfolio where the value of the variation, or series of variations exceeds £20,000.
(xi) To fix, vary or amend fees and charges for services within their Portfolio (as permitted).

Where any Cabinet Member is unable to make a decision on a matter within their delegation as a result of a personal or prejudicial interest in the matter it can be
referred to the Leader of the Council or, in his or her absence, the Deputy Leader, who shall deal with the matter.

The Leader and Cabinet Members may refer any executive function/matter falling within their Portfolio to Cabinet for consideration, debate and decision but shall have regard to the criteria for such referral set out below.

**Leader of the Council**

(i) Exercise all executive powers on behalf of the Council.

(ii) Authorise Cabinet Members and/or Officers to undertake other executive functions not falling within their Portfolio or applicable scheme delegation.

**Cabinet Member for Transformation and Improvement (Deputy Leader of the Council)**

(i) To exercise all executive powers as necessary on behalf of the Council on behalf of the Leader of the Council in the absence or unavailability of the Leader of the Council.

(ii) Approve the exploration, development and implementation of new models of delivery in conjunction with relevant Cabinet Members (as necessary).

**Cabinet Member for Resources (Finance, Assets and Technology)**

(i) The disposal of surplus land, buildings and other assets up to the value of £2,500,001 by sale or lease.

(ii) The purchase or lease of land, buildings and other assets up to a value of £1,250,000.

(iii) The removal of restrictive covenants on land, in consultation with the Head of Universal and Infrastructure Services (or nominee), where the increase in land value as a result is less than £250,000.

(iv) To designate (as necessary) attendances at conferences, training events, meetings and seminars as an approved duty.

(v) In consultation with the relevant Cabinet Member(s), authorise the write-off of individual bad debts above £1,000 within directorates on the recommendation of the Section 151 Officer and appropriate Head of Service and report such write-offs to Cabinet at least annually.

**Cabinet Member for Children and Families**

(i) Authorise appointments to serve on the School Appeals Panel.

**Cabinet Member for Transport, Technology and Infrastructure**

(1) To approve the recommendation of the Regeneration and Environment Policy and Performance Committee in connection with all proposed highway and traffic management matters, as set out below, to which objections have been lodged and where he/she agrees with the recommendation:-
(a) All highway and traffic management matters governed by the Road Traffic Regulation Act 1984, whether subject to a Traffic Regulation Order or otherwise, including (but not limited to) the following:-

i. waiting and parking restrictions;
ii. speed limits;
iii. one way traffic orders;
iv. weight limits;
v. prohibiting or restricting the use of heavy commercial vehicles;
vi. signalised and non signalised pedestrian/cycle/horse crossings;

vii. provision of off street parking and parking on roads ,footpaths, pavements and verges;

viii. traffic signs and traffic signals;
ix. bus lanes and taxi ranks;
x. siting of street furniture.

(2) To approve the recommendation of the Regeneration and Environment Policy and Performance Committee in connection with all proposed highway and traffic management matters, as set out below, to which objections have been lodged and where he/she agrees with the recommendation:-

(a) All highway and traffic management matters governed by the Highways Act 1980 including (but not limited to) the following:-

i. road humps;
ii. traffic calming speed reducing measures;
iii. improvement lines for road widening;
iv. cycle tracks.

(3) To approve the winter maintenance arrangements.

Cabinet Member for Business and Tourism

i. Approval of the recommendations of the Mersey Waterfront Partnership Board up to the value of £250,000.
ii. Approval of requests for grants from the Wirral Investment Fund up to a value of £250,000.

CABINET – Criteria for Referral of Executive Functions and Matters

All executive functions/matters may be referred by the Leader and/or Cabinet Members and Officers to Cabinet for consideration, determination and/or decision.

Generally only those executive functions/matters that fall into one or more of the following categorises should be referred to Cabinet:

(i) The matter under consideration is a high profile matter;
(ii) The decision has a significant budgetary impact;
(iii) There is a need or it is considered prudent to engage the public and/or raise public awareness; and/or
(iv) The function/matter provides important performance management information.
APPENDIX 4

Part 3

Schedule 4 Part B (As settled by the Leader)

SCHEME OF DELEGATION of EXECUTIVE FUNCTIONS TO OFFICERS

1. By this Scheme of Delegation, the Leader of the Council has delegated to directors executive powers within the confines of the Council's Budget and Policy Framework.

The Leader of the Council has also approved a Scheme of Delegation to individual Cabinet Members which is contained in Part 3 Schedule 5 of the Constitution.

This part of the scheme of delegation records the delegations of executive functions to officers (‘directors’) under article 7 by the Leader.

For the purposes of this scheme “the directors” means the posts and office holders falling within the prevailing senior management establishment of the Council (which includes all officers on salary grades HOS2 and above).

2. The following conditions apply to this Scheme of Delegation and shall be complied with at all times:-

   (i) Every delegated power shall be exercised in the name of the Council.

   (ii) The exercise of delegated powers shall be in accordance with Cabinet (Executive) functions and the Council's Budget and Policy Framework.

   (iii) A director taking a key decision shall record it and the reasons for it on a Decision Notice and shall deliver it to the Proper Officer who shall publish the Decision Notice in accordance with the Constitution.

   (iv) All key decisions taken under this scheme are subject to the Call-In Procedure with the exception of those taken under the urgency provision.

   (v) No Director shall exercise any delegated power that comprises a Key Decision unless that decision is contained within the Council's Forward Plan or the appropriate notice(s) issued/published under the Access to Information Procedure Rules of the Constitution or prevailing legislation.

   (vi) No action may be taken which is contrary to the Council’s Constitution.

3. The Leader authorises the directors to exercise any of the executive functions of the Council as set out in this document.
a. All onward authorisations by directors conferred under this scheme must be recorded in writing by the directors (including for the avoidance of doubt any delegation under paragraph 5(e) below). Any decision taken under such authority shall remain their responsibility.

b. The monitoring officer will maintain a central record of all onward authorisations under this scheme and make this available for public inspection. The directors are responsible for recording all onward authorisations under paragraph 5(e) below in such form as the monitoring officer may prescribe.

4. This scheme is without prejudice to the exercise of the Executive’s functions by the Leader, Cabinet Members and Cabinet.

5. The directors are empowered to make (or authorise another officer to make on their behalf) all executive decisions within their areas of responsibility on behalf of the Council in accordance with the following general principles:

a. If a function, power or responsibility has not been specifically reserved to Cabinet Members or the Cabinet by the Leader, the director within whose remit the matter falls is authorised to act.

b. Full Council and its committees will make decisions on matters of significant policy.

c. The directors have express authority to take all necessary actions to implement executive decisions that commit resources, within agreed budgets in the case of financial resources, as necessary and appropriate.

d. The directors are empowered to take all operational decisions, within agreed policies, in relation to the services for which they are responsible.

e. Notwithstanding a. above, directors are empowered to take all necessary decisions in cases of emergency.

f. In relation to all delegated authority conferred on the directors by this scheme, the Leader may allocate or re-allocate responsibility for exercising particular powers to any officer of the Council in the interests of effective corporate management as he or she thinks fit. He will notify the Monitoring Officer of any such change.

g. Where a director is absent from the workplace for a period of time that requires others to regularly exercise delegated authority in that officer’s absence, another director should be nominated by the Leader as soon as practicably possible. This nomination should be formally recorded in writing.
h. Where there is doubt over the responsibility for the exercise of a
delegated power, the Head of Paid Service or their nominee is
authorised to determine who is to act.

i. These delegations should be interpreted widely to aid the smooth
running of the organisation, the effective deployment of resources, the
efficient delivery of services, and the achievement of the Council’s
goals.

6. For the purposes of this scheme, emergency shall mean a situation in which
the relevant director believes that there is a risk of damage to property, a
threat to the health or well being of an individual or that the interests of the
Council may be compromised.

7. In deciding whether or not to exercise such delegated powers, the directors
should consider whether to consult the Leader or appropriate Cabinet
Member(s) and have regard to their views. Directors shall always be entitled
to refer matters for decision to the Leader, appropriate Cabinet Member or
Cabinet where they consider it expedient to do so.

8. The directors may authorise officers in their service areas to exercise, on their
behalf, powers delegated under this scheme.

9. In exercising these delegated powers the directors concerned shall have
broad discretion, subject to complying with all relevant legislation, the
Council’s constitution, including its contract and financial procedures and
regulations, and overall Council policy, to use the most efficient and effective
means available, including the deployment of staffing and other resources
within their control and the procurement of other resources necessary,
whether within or outside the Council.

10. Without prejudice to the generality of the foregoing the directors shall have the
power:

a. To take all lawful action consistent with overall Council policy to deliver
agreed strategy, plans and policy within their area of responsibility and
within approved budgets. This shall include, but not exhaustively:

- invitation and acceptance of quotations and tenders
- submission of bids for funding
- write-off of irrecoverable debts up to £1,000 with the agreement
  of the Section 151 officer
- virement (within the budget framework) with the agreement of
  the Section 151 officer
– disposal and acquisition of assets with the agreement of the Section 151 officer

– signing, service and placing of any necessary statutory or other notice (other than those expressly reserved to a Council, committee or cabinet).

– execution of any other formal or legal document relating to matters falling with their area of responsibility and management

– Authorising relevant members of staff (whether within their area of management or not) to undertake and exercise all investigatory and enforcement activities and powers.

– after consultation with the Head of Legal and Member Services, authorising the institution, defence or appearance in criminal or civil proceedings in relation to any legislation which they are responsible for monitoring, enforcing or otherwise implementing on behalf of the Council.

b. To put in place management arrangements, which define the area of responsibility of all officers under their area of responsibility.

c. In the case of any overspend to notify the Section 151 officer in accordance with the financial procedure rules and regulations.

d. To determine staffing arrangements within approved budgets, subject to agreement on grading with the head of paid service and conformance with Council policies.

e. To take all action to recruit, appoint, develop, manage and reward employees within approved Council policies and procedures (including operation of policies for discipline and dismissal, voluntary severance, early retirement, redundancy and redeployment) and relevant conditions of service.

11. In taking any decision, the director concerned must be satisfied that the following issues have been properly considered and completed where appropriate. All of these issues should be considered at the earliest possible stage.

a. A key decision should be taken in accordance with the relevant requirements;

b. the views of the relevant Cabinet Member;

c. consideration of the views of the constituency committees and the local councillors in decisions about local services;
d. the implication of any Council policy, initiative, strategy or procedure. Directors need to be aware of any potential impact of a delegated decision on other services. In such cases consultation with directors, other relevant officers, relevant Cabinet Member(s) or committee Chairperson(s) and local Ward Members, where the issue relates to a specific area, should take place;

e. consultation in accordance with the Council’s consultation strategy/processes and the views emanating from that process;

f. the range of available options;

g. the staffing, finance and legal implications;

h. the assessment of any associated risks in accordance with the Council’s risk and management strategy;

i. the involvement of appropriate statutory officers and/or other directors;

j. the Council’s constitution, including the forward work plan, its contract and financial procedures and regulations, all relevant guidance, legislation, codes of practice and protocols.

12. Any councillor may request that non-key decisions taken by directors under this scheme are scrutinised by the appropriate Policy and Performance Committee.

13. For the avoidance of doubt anything which is not covered by this scheme, including the appointment of a proper officer for the purpose of any statutory function, will be determined by the Head of Paid Service.

CABINET – Criteria for Referral of Executive Functions and Matters

All executive functions/matters may be referred by the Leader and/or Cabinet Members and Officers to Cabinet for consideration, determination and/or decision.

Generally only those executive functions/matters that fall into one or more of the following categorises should be referred to Cabinet:

(i) The matter under consideration is a high profile matter;
(ii) The decision has a significant budgetary impact;
(iii) There is a need or it is considered prudent to engage the public and/or raise public awareness; and/or
(iv) The function/matter provides important performance management information.
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AGENDA

1. MEMBERS’ CODE OF CONDUCT - DECLARATIONS OF INTEREST

2. MINUTES

3. LEADER’S UPDATE

4. CABINET MEMBER REPORTS

5. EXECUTIVE KEY DECISIONS TAKEN UNDER DELEGATED POWERS

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

8. 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.

9. [ITEM]

10. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 2)
Councillor [insert name and title], said:

REPORT SUMMARY

[ ]

RECOMMENDATION/S
SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

2.0 OTHER OPTIONS CONSIDERED

3.0 BACKGROUND INFORMATION

4.0 FINANCIAL IMPLICATIONS

5.0 LEGAL IMPLICATIONS

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

7.0 RELEVANT RISKS

8.0 ENGAGEMENT/CONSULTATION

9.0 EQUALITY IMPLICATIONS

REPORT AUTHOR:  (Name)
(Designation)
telephone:  (0151)
email:  xxxxx@wirral.gov.uk

APPENDICES

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

<table>
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<tr>
<th>Council Meeting</th>
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CABINET MINUTES TEMPLATE
CABINET
[DATE]

Present
Councillors:

Apologises
Councillors:

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

2. MINUTES

[PORTFOLIO TITLE]

3. [Title of Agenda Item]

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<tr>
<th>PHOTOGRAPH</th>
<th>[Insert quote by Cabinet Member]</th>
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<td>Councillor [Name of Cabinet Member]</td>
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Reason(s) for Decision(s):

Decision:

Purpose:

4. [Next Agenda Item]
1.0 REASON/S FOR RECOMMENDATION/S

2.0 OTHER OPTIONS CONSIDERED

3.0 BACKGROUND INFORMATION

4.0 FINANCIAL IMPLICATIONS

5.0 LEGAL IMPLICATIONS

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

7.0 RELEVANT RISKS

8.0 ENGAGEMENT/CONSULTATION

9.0 EQUALITY IMPLICATIONS

REPORT AUTHOR: (Name) (Designation)
telephone: (0151)
email: xxxx@wirral.gov.uk

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Wirral Plan 2020: Pledge Champions

Role Description:

Pledge Champions exist to support the delivery of the 20 Wirral Plan Pledges.

Pledge Champions will:

1. Help ensure that the Pledge they champion is delivered in line with the Wirral Plan;

2. Raise the profile of their Pledge, and in conjunction with the relevant Cabinet Member(s), Members and partner(s), support community engagement activities and other publicity campaigns relating to their Pledge;

3. Liaise with members, public sector partners and other stakeholders to promote key initiatives (as appropriate and required);

4. Act as an advocate for their specific Pledge and be required to familiarise themselves with matters relating to their Pledge;

5. Seek out and share best practice from other areas of the UK;

6. If requested, assist any Constituency Committee and Policy and Performance Committee in the oversight and delivery of their Wirral Plan Pledge;

7. Periodically present reports to the Leadership Team, Cabinet, Cabinet Members, and Council committees (as necessary and requested) setting out the actions taken and how those actions have contributed to the success and promotion of their Pledge;

8. Present, as appropriate, research papers and suggest new initiatives and ideas relating to their Pledge for consideration by the Executive.
Appointment

All Pledge Champions shall be appointed by the Leader of the Council.

Pledge Champions shall remain in post until removed or replaced by the Leader of the Council.

Decision making and powers

Pledge Champions are not members of the Executive and nor do they have any formal Executive or council decision making powers/authority.

Working Arrangements:

Pledge Champions will liaise as required with Officer Leads and Cabinet Members in relation to their role and activities.

The Pledge Champion will follow all appropriate and applicable council working protocols for engaging with council officers, stakeholders and the public.

The Pledge Champions shall not do anything that is contrary to or inconsistent with any decision or approach taken by the Executive or the Council.

Where there is any confusion or difference between the Pledge Champion views/proposed actions and that of the Executive, the Executive’s view/position shall prevail.

Pledge Champions shall seek advice and guidance from the Council’s Senior Leadership Team if they are in doubt or confusion on any issue or matter.

Remuneration:

No allowance or other remuneration shall be paid to Pledge Champions for performing the role.
1.0 EXECUTIVE SUMMARY

1.1 In March 2015 the Birkenhead and Tranmere Neighbourhood Planning Forum applied to the Council to be formally designated as a statutory neighbourhood forum for a proposed neighbourhood area based on the Electoral Ward of Birkenhead and Tranmere. Public consultation took place in accordance with a Delegated Decision published on 7 May 2015, to comply with national regulations.

1.2 The applications were considered by Cabinet on 27 July 2015 (Minute 44 refers). Cabinet resolved to refuse the application for the neighbourhood area as originally submitted and to designate a smaller area, to the south and east of Borough Road. Cabinet also resolved to ask the Forum to confirm whether it would still be willing to act in relation to the smaller area and to confirm if it was still able to meet the the conditions for designation set out in Section 61F of the Town and Country Planning Act 1990 (as amended), before the Forum could be formally designated as the statutory neighbourhood planning forum for the smaller designated area.

1.3 As the Forum has now provided the necessary information, this report recommends that the Birkenhead and Tranmere Neighbourhood Planning Forum is formally designated as the statutory neighbourhood planning forum for the Neighbourhood Area for Birkenhead and Tranmere shown in Appendix 1 to this report.

1.4 If designated, the Forum will only be endorsed as a qualifying body for the purposes of neighbourhood planning within the Neighbourhood Area designated by the Council on 27 July 2015 and not within the wider area of the operation of the Forum, which falls outside this designation.

2.0 BACKGROUND

2.1 The Localism Act 2011 and accompanying regulations allow communities to have more control over planning and development within their area. Using these new powers, community groups can apply to the Council to be designated as a neighbourhood forum, to allow them to develop land-use planning proposals for a defined neighbourhood area, which can include the preparation of a statutory neighbourhood development plan and neighbourhood development orders.
2.2 A previous Delegated Report (published on 7 May 2015) considered the original application submitted to the Council by the Birkenhead and Tranmere Neighbourhood Planning Forum to establish a neighbourhood forum and a neighbourhood area for Birkenhead and Tranmere. The Delegated Report concluded that the application documents complied with the relevant statutory requirements and were appropriate for publication for statutory public consultation, which took place between 20 May and 3 July 2015.

2.3 Cabinet considered the applications on 27 July 2015 (Minute 44 refers) and resolved to refuse the application for the neighbourhood area as originally submitted and to designate a smaller, predominantly residential neighbourhood area, to the south and east of Borough Road.

2.4 A copy of the boundary to the Neighbourhood Area designated by Cabinet on 27 July 2015 is attached at Appendix 1 to this report.

2.5 The decision to designate the accompanying neighbourhood forum was deferred, to allow the Forum to confirm whether it was still willing to act in relation to the smaller area and to confirm that it was still able to meet the conditions for designation set out in Section 61F of the Town and Country Planning Act 1990 (as amended).

Designation of a Neighbourhood Forum

2.6 The requirements for designating a neighbourhood forum are set out in national legislation.

2.7 To qualify, a forum must be established for the express purpose of promoting or improving the social, economic and environmental wellbeing of an area that consists of or includes the neighbourhood area concerned; the membership of the forum must be open to individuals who live in, who work in or are elected to represent the neighbourhood area; the membership must include a minimum of 21 individuals, each of whom lives in, works in or is elected to represent the neighbourhood area; and the forum must have a written constitution.

2.8 When deciding whether to designate a neighbourhood forum for a neighbourhood area, the Council must have regard to the desirability of designating an organisation which has secured, or taken reasonable steps to attempt to secure, that its membership includes at least one person who lives in the area, one person who works there and one person who has been elected to represent the area; whose membership is drawn from different places in the neighbourhood area concerned and from different sections of the community in that area; and whose purpose reflects (in general terms) the character of that area.

2.9 The forum is not, however, required to have a member from each membership category in order to be designated.

2.10 Only one body can be designated as a neighbourhood forum for each neighbourhood area and the Council can only withdraw the designation of a neighbourhood forum if the body no longer meets the conditions by reference to
which it was designated or no longer meets any other criteria to which the authority were required to have regard in making their decision to designate.

2.11 If an application to designate a neighbourhood forum is refused, the Council must publish a refusal statement setting out the decision and their reasons for making that decision, which can be subject to challenge in the courts.

3.0 THE PROPOSED NEIGHBOURHOOD FORUM

3.1 Subject to the boundary of the neighbourhood area, the Cabinet Report for 27 July 2015 concluded that the original application for the neighbourhood forum would have met the relevant statutory requirements for neighbourhood planning (Minute 44, paragraph 4.7 refers).

3.2 The Cabinet resolution to designate a smaller neighbourhood area has, however, required the Forum to revise its constitution - to only allow statutory neighbourhood planning to take place within the designated Neighbourhood Area shown in Appendix 1 - and has required the Forum to re-confirm that it can still demonstrate a qualifying membership of sufficient size to comply with statutory requirements.

3.3 The Forum has therefore submitted a revised application letter and a revised constitution.

Revised Application Letter

3.4 The revised application letter is attached at Appendix 2 to this report.

3.5 The revised application letter shows that the Forum has made significant efforts to attempt to secure a representative qualifying membership, including at least one individual from each of the sub-groups identified in Section 61F(5) of the 1990 Act and from different places and different sections of the community within the area and to ensure that its object reflects the character of the area.

3.6 Membership has increased since the original application was submitted in March 2015. The Forum currently has 43 members, 28 of whom live in, work in or are elected to represent the designated Neighbourhood Area shown in Appendix 1, which exceeds the minimum of 21 individuals required to establish a qualifying body for the designated Neighbourhood Area. Twenty-one of these qualifying members live in the designated Neighbourhood Area; five work in the designated Neighbourhood Area; and two are Ward Councillors elected to represent the Neighbourhood Area, which has been verified as correct by Council Officers.

3.7 The revised application letter also sets out the profile of Forum members as a whole and concludes that the Forum’s membership is broadly representative of the population of the designated Neighbourhood Area.

Revised Constitution

3.8 The revised constitution is attached at Appendix 3 to this report.
3.9 The constitution now distinguishes between the wider area of the operation of the Forum (the ‘area of benefit’ defined in Clause 3 of the revised constitution - which continues to reflect the Birkenhead and Tranmere Ward boundary) and the Neighbourhood Area designated by Cabinet on 27 July 2015 (as defined in Clause 4 of the revised constitution).

3.10 Clause 5 of the revised constitution now provides for two classes of membership: to separate members who will be eligible to vote for actions to be undertaken within the designated Neighbourhood Area shown in Appendix 1 (with ‘enhanced membership’, as defined in Clause 5(b) of the revised Constitution), from members who will only be able to vote on actions to be undertaken within the wider ‘area of benefit’ (with ‘standard membership’, as defined in Clause 5(a) of the revised constitution).

3.11 Clause 9(k) and Clause 11(a) will then ensure that only those qualified for ‘enhanced membership’ (who live in, work in or have been elected to represent the Neighbourhood Area), will be involved in any decisions related to statutory neighbourhood planning within the designated Neighbourhood Area shown in Appendix 1, reinforced by a new duty on the Honorary Secretary in Clause 9(c).

3.12 In terms of the more general provisions, the object of the Forum, as set out in Clause 2 of the revised constitution, remains: “to promote or improve social, economic and environmental well-being” within its wider ‘area of benefit’, which includes the Neighbourhood Area shown in Appendix 1.

3.13 The revised constitution will continue to commit the Forum to engaging with the Council and with any other statutory agency, business or civil society organisation with an interest in the area, to collaborate for mutual benefit (Clause 2(a)); to engage with the local community to publicise and promote the work of the Forum (Clause 6(d)); and to work collaboratively on the preparation of neighbourhood planning proposals (Clause 11(d) refers).

3.14 Clause 5 of the revised constitution will ensure that membership will continue to remain open to anyone who lives in, works in or has been elected to represent the Neighbourhood Area shown in Appendix 1; Clause 11(b) will ensure that all neighbourhood planning consultations will be open to anyone who lives or works in or has an interest in the Neighbourhood Area, whether members of the Forum or not; and Clause 11(c) that the Forum will seek to involve everyone who lives, works or carries on business in the designated Neighbourhood Area.

4.0 CONCLUSIONS

4.1 In the light of the information submitted, it is considered that the application submitted by the Birkenhead and Tranmere Neighbourhood Forum, as revised, will meet the statutory requirements to be formally designated as the qualifying body for the designated Neighbourhood Area shown in Appendix 1 to this report.

5.0 RELEVANT RISKS

5.1 As compliance with the national neighbourhood planning regulations is not discretionary, the principal risks to the Council are legal and financial, dependent on the continued availability of Government grants.
5.2 A decision not to designate the Birkenhead and Tranmere Neighbourhood Planning Forum could be subject to legal challenge.

5.3 Potentially abortive costs at independent examination and local referendum could be mitigated by working in partnership with the Birkenhead and Tranmere Neighbourhood Planning Forum, to maximise the potential success of their neighbourhood planning proposals.

5.4 An alternative body could apply to the Council to be allowed to develop land-use planning proposals within the Forum’s wider ‘area of benefit’. If such a body met the statutory requirements for designation, the Council would not be able to refuse such a designation, providing the proposed neighbourhood area was outside the Neighbourhood Area designated by the Council on 27 July 2015.

6.0 OTHER OPTIONS CONSIDERED

6.1 The Council must deal with applications as submitted.

6.2 The option of amending the constitution of the Forum to only apply to the smaller designated Neighbourhood Area shown in Appendix 1 was discounted by the Forum following correspondence with representatives from the Department for Communities and Local Government.

6.3 The Forum has made it clear that it wishes to continue to operate outside the neighbourhood planning process within the wider ‘area of benefit’ defined in Clause 3 of the revised constitution.

6.4 The potential availability of alternative planning powers will be a matter to be considered by the Forum in consultation with the Council as their neighbourhood planning proposals are prepared.

7.0 CONSULTATION

7.1 The original application for designation has been publicised in accordance with national regulations.

7.2 The application documents were published on the Council’s website on 20 May 2015 and public consultation took place between 20 May and 3 July 2015. The consultation was advertised through public notices in the local free press on 20 May, 27 May and 24 June 2015 and through a news item on the Community Action Wirral website, on 20 May 2015. Notification was also sent to:

- Ward Councillors for Birkenhead and Tranmere; Oxton; and Rock Ferry;
- 1,240 contacts on the Council’s Local Plan contacts database (856 by e-mail and 384 by letter, including consultation bodies listed in Schedule 1 of the Neighbourhood Planning (General) Regulations 2012);
- 3,059 local businesses, through the weekly broadcast issued by Business Wirral and the Wirral Chamber of Commerce on 20 May and 29 May 2015;
- 7,913 contacts from the Council’s previous budget option consultations;
- the Member of Parliament for Birkenhead; and
- 60 Birkenhead Constituency Area Committee contacts.
7.3 Paper copies of the application documents were placed for public inspection at Birkenhead Central Library and at the North Annexe of Wallasey Town Hall.

7.4 Fourteen responses were submitted, one of which indicated that the organisation had no comment to make on the application, which were reported to Cabinet on 27 July 2015. None were made with regard to the proposed constitution of the Forum.

7.5 Any subsequent proposals by the Birkenhead and Tranmere Neighbourhood Planning Forum within the designated Neighbourhood Area shown in Appendix 1 will need to be subject to statutory public involvement, independent examination and local referendum before they can be formally approved.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 The constitution of the proposed Birkenhead and Tranmere Neighbourhood Planning Forum will ensure that any other willing local group or individual will also be able to contribute to the content of any emerging neighbourhood planning proposals.

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

9.1 The costs associated with the designation of the Forum can be met from existing resources in Regeneration and Planning.

9.2 An un-ring-fenced grant of £5,000 is available to the Council from the Department of Communities and Local Government, to cover these costs, if the designation of the neighbourhood forum is confirmed before the end of 2015/16.

9.3 Future grants of up to £25,000, which are currently available to help councils with costs associated with publishing a submitted draft Neighbourhood Plan, arranging an independent examination and holding a local referendum, may not be available during 2016/17.

9.4 Following designation, the proposed Forum will be responsible for drawing up Neighbourhood Planning proposals in line with national regulations.

9.5 Any additional resources to support the proposed Forum and the later stages of the neighbourhood planning process, including publishing a draft Plan, arranging an independent examination and holding a local referendum, will need to be met from resources held by the Strategic Director for Regeneration and the Environment, less any available grant monies.

9.6 Recent local experience suggests that an independent examination could cost between £10,000 and £15,000, depending on the nature of the proposals to be contained within any proposed Neighbourhood Plan.

9.7 A local referendum of registered electors within the area applied for is currently expected to cost up to £10,000.

10.0 LEGAL IMPLICATIONS

10.1 If designated, the Forum will only be endorsed as a qualifying body for the purposes of taking decisions on neighbourhood planning within the designated Neighbourhood
Area shown in Appendix 1 and not within the wider ‘area of benefit’ falling outside this designation.

10.2 The Council has a legal duty to support local communities in their preparation of statutory neighbourhood planning proposals and must accept and publish proposals for designation that comply with the requirements of the Localism Act.

10.2 The Council can only refuse to designate a forum where it does not meet the prescribed conditions of the Act and must publish the reasons for refusing any application.

10.3 When considering whether to designate a neighbourhood forum, the Council must have regard to the desirability of designating an organisation or body which has secured or taken reasonable steps to attempt to secure that its membership: contains at least one individual who lives in the area, one individual who works in the area and one individual who is an Elected Member for that area; is drawn from different places and from different sections of the community within the area concerned; and that the purpose of that organisation or body reflects, in general terms, the character of that area.

10.4 The Council may only designate one organisation or body as the neighbourhood forum for each neighbourhood area and neighbourhood areas are not allowed to overlap each other. Once designated, no other organisation or body may be designated for that neighbourhood area until that designation expires or is withdrawn.

10.5 As soon as possible after designating a neighbourhood forum the Council must publish the name of the neighbourhood forum; a copy of the written constitution of the neighbourhood forum; the name of the neighbourhood area to which the designation relates; and contact details for at least one member of the neighbourhood forum, on their website and in such other manner as they consider is likely to bring the designation to the attention of people who live, work or carry on business in the neighbourhood area.

10.6 Following designation, the neighbourhood planning forum will be responsible for the preparation of a draft plan, in line with national regulations which provide for statutory public involvement and for submitting the draft plan to the Council for publication and examination by an independent person with appropriate qualifications and experience.

10.7 The Council must make a proposed neighbourhood plan part of the statutory Development Plan for Wirral, if it passes the examination and is supported by a majority of those voting in a local referendum.

10.8 The designation of a forum will initially last for five years. Once designated, the Council will only be able to withdraw the designation of the forum, if the forum no longer meets the statutory conditions for designation.

10.9 Any local referendum will need to comply with the Neighbourhood Planning (Referendums) Regulations 2012 (SI 2012 No. 2031) (as amended).
10.10 The proposal to give neighbourhood forums which have a neighbourhood development plan that has passed referendum, the right to begin the process to create a new town and parish council, without the requirement to submit a supporting petition, was announced in January 2015.

10.11 A duty to spend a proportion of any Community Infrastructure Levy receipts in neighbourhood areas with a neighbourhood plan in place, came into force in 25 April 2013.

11.0 EQUALITIES IMPLICATIONS

11.1 An updated equalities impact review can be viewed at: http://www.bit.ly/regenEIA (under the heading “Regeneration and Planning”)

11.2 The constitution, object and open membership of the proposed neighbourhood planning forum should have positive equalities implications. A new equalities impact assessment will, however, need to be prepared once any final neighbourhood planning proposals have been prepared.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 It is a legal requirement that neighbourhood planning proposals must contribute towards the achievement of sustainable development.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 If designated, the Birkenhead and Tranmere Neighbourhood Planning Forum would become the statutory Neighbourhood Planning Forum for the designated Neighbourhood Area shown in Appendix 1, for five years from designation or until the designation is withdrawn and no other organisation or body may be designated as the Neighbourhood Forum for the Area until the designation expires or is withdrawn.

13.2 Once designated, the Forum will be responsible for the preparation of draft neighbourhood planning proposals in line with national regulations including national policy and will become a consultee on planning applications within the designated Neighbourhood Area shown in Appendix 1.

13.3 Subject to passing independent examination and a majority vote in a local referendum, any Neighbourhood Development Plan would become part of the Council’s statutory Development Plan alongside the Unitary Development Plan, the Joint Waste Local Plan for Merseyside and Halton and, once adopted, the emerging Core Strategy Local Plan and must be used in the determination of individual planning applications.

13.4 The Forum must demonstrate that their final proposals will meet the basic conditions set out in national legislation. The Forum must have regard to national policy and guidance and their proposals must be in general conformity with the Council’s strategic land use planning policies, which include the Council’s Unitary Development Plan, the joint Waste Local Plan for Merseyside and Halton and, once adopted, the emerging Core Strategy Local Plan.
14.0 RECOMMENDATIONS

(1) That the Birkenhead and Tranmere Neighbourhood Planning Forum is formally designated as the statutory neighbourhood planning forum for the Neighbourhood Area of Birkenhead and Tranmere shown in Appendix 1 to this report, subject to the revised constitution attached at Appendix 3 to this report; and

(2) That the designation and the associated documents are published in accordance with Regulation 10 of the Neighbourhood Planning (General) Regulations 2012.

15.0 REASONS FOR RECOMMENDATIONS

15.1 To fulfil the Council’s statutory duties for the administration of an application to establish a statutory neighbourhood planning forum for Birkenhead and Tranmere.

REPORT AUTHOR: Hannah Austin
Senior Planning Officer
telephone: (0151) 691 8192
eemail: hannahaustin@wirral.gov.uk

APPENDICES

Appendix 1 – Designated Neighbourhood Area for Birkenhead and Tranmere
Appendix 2 – Revised Application Letter
Appendix 3 – Revised Constitution

REFERENCE MATERIAL

Localism Act 2011 (Part 6, Chapter 3 and Schedules 9 to 12 refer)
The Neighbourhood Planning (General) Regulations 2012 (2012, No. 637), Regulations 5 to 10 refer
The Neighbourhood Planning (General) (Amendment) Regulations 2015 (2015, No. 20), Regulation 2 refers
National Planning Policy Framework (CLG, March 2012), paragraphs 183 to 185 refer
National Planning Practice Guidance (CLG, Neighbourhood Planning pages refer)
Further background information can be viewed on the Forum’s website at http://batnpf.org/

A copy of the Council’s Delegated Decision to publicise the original application can be viewed at http://democracy.wirral.gov.uk/ieDecisionDetails.aspx?ID=2952

A copy of the 27 July 2015 Cabinet Report (Minute 44) can be viewed at http://democracy.wirral.gov.uk/ieListDocuments.aspx?CId=121&MId=5361&Ver=4
### SUBJECT HISTORY (last 3 years)

<table>
<thead>
<tr>
<th>Council Meeting</th>
<th>Date</th>
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<td>Delegated Decision - Application for the Designation of a Neighbourhood Planning Forum and a Neighbourhood Planning Area for Birkenhead and Tranmere (approval of statutory public consultation)</td>
<td>7 May 2015</td>
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<tr>
<td>Cabinet Decision - Designation of a Neighbourhood Planning Forum and Neighbourhood Planning Area for Birkenhead and Tranmere.</td>
<td>27 July 2015</td>
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This page is intentionally left blank
Andrew Fraser  
Forward Planning Manager  
Wirral Council Regeneration and Planning Service  
North Annexe  
Wallasey Town Hall  
Brighton Street  
WALLASEY  
Wirral  
CH44 8ED

Dear Andrew  

DESIGNATION AS A “QUALIFYING BODY”

Thank you for inviting the Forum to confirm that it continues to meet the statutory conditions for designation as a “qualifying body” for the purposes of neighbourhood planning as set out in s.61F(5) of the Town & Country Planning Act 1990 (the 1990 Act).

Following the fifth general meeting of the Forum on 28 September 2015 I am now in a position to confirm that the Forum is still willing to act as the qualifying body for the designated Neighbourhood Area and that the Forum will continue to meet the relevant statutory requirements for designation.

To this purpose the Forum makes the following declarations:

The name of the proposed forum is: Birkenhead & Tranmere Neighbourhood Planning Forum.

The name of the designated neighbourhood area is: Birkenhead & Tranmere Neighbourhood Area (as designated by Wirral Council on 27 July 2015 (Cabinet, Minute 44 refers)).

A map which identifies the designated Neighbourhood Area is provided at: Appendix A of our revised constitution, adopted 28 September 2015 (attached) and is the same as that provided on the Council’s website. Our own website will be updated to reflect these changes in due course.
The contact details which can be made public are:
Mr Philip Barton
Chair, Birkenhead & Tranmere Neighbourhood Planning Forum
1 Lorn Court, Lorn Street, BIRKENHEAD. CH41 6SA
0151 666 2938
chair@batnfp.org

The Forum makes the following statement in support of its application:

The object of the Forum, as set out in Clause 2) of its constitution (attached), is: “to promote or improve social, economic and environmental well-being” within its area of benefit, which includes the Neighbourhood Area designated by the Council.

The area of benefit for the Forum as a whole is the Birkenhead and Tranmere Ward, which is larger than the Neighbourhood Area designated by the Council.

The revised constitution (attached) therefore provides for two classes of membership and establishes voting rules to ensure that only those who live in, work in or have been elected to represent the Neighbourhood Area will be involved in any decisions related to neighbourhood planning within the designated Neighbourhood Area.

The Forum as a whole currently has 43 members, 28 of whom live in, work in or are elected to represent the designated Neighbourhood Area. This exceeds the minimum of 21 individuals required to establish a qualifying body for the designated Neighbourhood Area.

The Council’s Forward Planning Manager has already verified that: 21 of these qualifying members live in the designated Neighbourhood Area; 5 work in the designated Neighbourhood Area, and 2 are Ward Councillors elected to represent the Neighbourhood Area.

The Annex to this letter sets out the profile of Forum members as a whole. It is not possible to separate out qualifying members from other members because the socio-economic information has been collected anonymously from all members. Nevertheless, the Forum considers that its qualifying membership is broadly representative of the population of the designated Neighbourhood Area and the Forum will continue to encourage additional people who qualify to become members.

Clause 5) of the constitution ensures that membership will continue to remain open to anyone who lives in, works in or has been elected to represent the Neighbourhood Area.

The wider Forum emerged from a pre-existing community group named These Streets Are Our Streets, which has already worked with Ward Councillors, Merseyside Police and other local civil society groups to achieve environmental improvements and tackle anti-social behaviour across Birkenhead & Tranmere Ward. However, it was recognised that wider issues, such as the withdrawal of national funding from the Housing Market Renewal Initiative and a lack of
financial and human resources, which is arresting the growth of local civil society, need to be tackled too. A more structured approach was considered necessary to address these issues.

The Forum has made significant efforts to attempt to secure a representative qualifying membership, including at least one individual from each of the sub-groups identified in Section 61F(5) of the 1990 Act and from different places and different sections of the community within the area and to ensure that its object reflects the character of the area.

Prior to the more formal inauguration of the wider Forum in December 2014, about 3,000 leaflets were distributed to homes and businesses across the Ward. More than 21 people signed up as members at the Forum’s inaugural meeting and it was clear that there was sufficient interest to continue with the process.

A neighbourhood planning bridging grant of £5,250 was awarded to the Forum in January 2015, which was spent on branding, developing a website and preparing for the designation of both the Forum and its Neighbourhood Area.

In April 2015 a further £5,000 neighbourhood planning grant was awarded to the Forum, which was spent on preparing a project plan and advertising the Forum with a further leaflet campaign to 7,000 homes and businesses.

The membership has continued to increase since the initial application was submitted to the Council in March 2015.

If designated as the qualifying body for the Birkenhead & Tranmere Neighbourhood Area, the Forum will make preparations to conduct an initial public consultation across the designated Neighbourhood Area in order to establish the broad policy areas to be included within a future Neighbourhood Development Plan.

The Forum considers that the information provided above shows that it meets the prescribed conditions for designation and is therefore an appropriate organisation to be designated as the qualifying body for the Birkenhead & Tranmere Neighbourhood Area, for the purposes of statutory neighbourhood planning.

Yours sincerely

Philip Barton MCD BA(Hons) CertT(cantab) M RTPI
Chair, Birkenhead & Tranmere Neighbourhood Planning Forum

Enclosure: Forum Constitution adopted 28 September 2015
Annex

The profile of Forum members as a whole is as follows:

**Age:**

<table>
<thead>
<tr>
<th>Age</th>
<th>Percentage</th>
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<tr>
<td>18-29</td>
<td>3%</td>
</tr>
<tr>
<td>30-39</td>
<td>6%</td>
</tr>
<tr>
<td>40-49</td>
<td>18%</td>
</tr>
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<td>50-59</td>
<td>29%</td>
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<td>60-69</td>
<td>32%</td>
</tr>
<tr>
<td>70-79</td>
<td>12%</td>
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**Prevalence of disability:**

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<tr>
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<tbody>
<tr>
<td>Disabled</td>
<td>15%</td>
</tr>
<tr>
<td>Able-bodied</td>
<td>85%</td>
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**Racial identity:**

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<tr>
<td>Chinese</td>
<td>24%</td>
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<tr>
<td>White</td>
<td>76%</td>
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**Cultural identity:**

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<th>Cultural Identity</th>
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<tbody>
<tr>
<td>African</td>
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<tr>
<td>British</td>
<td>56%</td>
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<tr>
<td>English</td>
<td>35%</td>
</tr>
<tr>
<td>Irish</td>
<td>3%</td>
</tr>
<tr>
<td>North American</td>
<td>3%</td>
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**Sexual orientation:**

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<tbody>
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<td>Asexual</td>
<td>4%</td>
</tr>
<tr>
<td>Bisexual</td>
<td>3%</td>
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<tr>
<td>Heterosexual</td>
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**Gender:**

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<tr>
<td>Female</td>
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<tr>
<td>Male</td>
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**Political affiliation:**

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<tr>
<td>BNP</td>
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<td>Conservative</td>
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<td>Labour</td>
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<td>None</td>
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<td>Buddhist</td>
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<tr>
<td>Hindu</td>
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<tr>
<td>Humanist</td>
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<tr>
<td>Shintoist</td>
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</tr>
<tr>
<td>Taoist</td>
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**Household income:**

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<td>£5,001 to £10,000</td>
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<tr>
<td>£10,001 to £20,000</td>
<td>33%</td>
</tr>
<tr>
<td>£20,001 to £40,000</td>
<td>48%</td>
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**Home tenure:**

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<th>Percentage</th>
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<td>72%</td>
</tr>
<tr>
<td>Tenant (social)</td>
<td>22%</td>
</tr>
<tr>
<td>Tenant (private)</td>
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CONSTITUTION

Adopted 28th September 2015
1) NAME AND STATUTORY STATUS

This document serves to incorporate Birkenhead & Tranmere Neighbourhood Planning Forum (‘the Forum’) as: 1) a civil society organisation, and 2) a proposed “qualifying body” for the purposes of s.61F of the Town & Country Planning Act 1990 and s.38A of the Planning & Compulsory Purchase Act 2004 with respect to the designated neighbourhood area defined at Clause 4) of this constitution.

2) OBJECT

The object of the Forum is to promote or improve social, economic and environmental well-being within the area of benefit defined at Clause 3) of this constitution. This object shall be pursued by:

a) Engaging with the Local Planning Authority (‘LPA’) and any other statutory agency, business or civil society organisation with an interest in the area of benefit, in order to collaborate for mutual benefit;

b) Participating in neighbourhood initiatives, including Neighbourhood Management, in partnership with the LPA and any other relevant body or organisation;

c) Preparing statutory neighbourhood planning proposals, including a Neighbourhood Development Plan for the designated neighbourhood area defined at Clause 4) of this constitution;

d) Fostering the goodwill and involvement of the whole community through the equal treatment of all, regardless of age, belief, ethnicity, gender, impairment, sexual orientation or any other difference;

e) Fostering community spirit and encouraging civic pride;

f) Planning for the provision of decent and adaptable residential, commercial and community buildings and spaces that meet the needs of people who live or work in the area of benefit, and

g) Working towards a more sustainable, prosperous and secure future for the area of benefit and its people.

Birkenhead & Tranmere Neighbourhood Planning Forum – Constitution
3) AREA OF BENEFIT

The area of benefit shall be defined by the solid line boundary shown on the map at Appendix A.

4) DESIGNATED NEIGHBOURHOOD AREA

The designated neighbourhood area shall be defined as the area shaded grey and bounded by the pecked line boundary shown on the map at Appendix A, which is coterminous with the “Birkenhead & Tranmere Neighbourhood Area” designated by Wirral Council on 27th July 2015.

5) MEMBERSHIP

There shall be two classes of membership – Standard and Enhanced.

a) Standard Membership shall be open to anyone who lives or carries on business within the area of benefit.

b) In compliance with s 61F of the Town & Country Planning Act 1990, Enhanced Membership shall be open to:

i) Anyone who lives within the designated neighbourhood area;

ii) Anyone who works within the designated neighbourhood area, or

iii) Anyone who has been elected to represent the designated neighbourhood area.

Application for membership shall be made to the Honorary Secretary on the forms provided for this purpose. Members shall comply with the rules of the Forum and abide by its adopted constitution. The Management Committee shall have the power to refuse, suspend or terminate membership in cases where it considers that individual membership would be inconsistent with or detrimental to the pursuit of the Forum’s object. Any member or prospective member subject to these measures shall have a right of appeal to the Management Committee and the final decision as to the status of the member or prospective member shall be confirmed by a resolution adopted by a
majority of members of the Forum voting at a General Meeting. Any member of the Forum may resign his/her membership by providing the Honorary Secretary with written notice. The Honorary Secretary shall actively maintain a list of members and make it available to the Management Committee upon request. Members will be deemed to have given consent for their name, address and other communication details to be used by the Management Committee to keep them informed of business and social matters relevant to the object of the Forum and to comply with any legal requirements for the purpose of statutory neighbourhood planning proposals.

6) MANAGEMENT

The Forum shall be governed by a Management Committee, elected at each Annual General Meeting by all members of the Forum, whose responsibilities shall be to:

a) Pursue the Forum’s object, as described at Clause 2) of this constitution;

b) Promote sustainable development, environmental improvement and the conservation of identified heritage assets through research, education and practical collaboration;

c) Apply for, invite and receive voluntary financial contributions, charitable funds and public grants in order to further the pursuit of the Forum’s object, and to open and administer a bank account to manage such funds;

d) Engage with civil society locally to publicise and promote the work of the Forum by organising meetings, training, consultation and any other events or initiatives required in pursuit of the Forum’s object;

e) Employ staff and/or volunteers as and when required in pursuit of the Forum’s object, and

f) Take all forms of action that are lawful and necessary in pursuit of the Forum’s object, including entering into contracts and other legal agreements.
7) MANAGEMENT COMMITTEE

The Management Committee shall be composed of no fewer than three (3) and no more than twelve (12) members of the Forum. Management Committee members shall be elected for a period of one (1) year, but may stand for re-election at each Annual General Meeting. All duly elected Management Committee members shall be considered officers of the Forum for the duration of their elected term. The Management Committee shall meet as often as is required but no less frequently than four (4) times per year.

8) OFFICERS

At each Annual General Meeting all members of the Forum shall elect from the Management Committee incumbents for the following honorary posts:

a) Chair
b) Treasurer
c) Secretary
d) any additional officers needed to effectively pursue the Forum’s object

9) MEETINGS OF THE FORUM

a) It shall be the responsibility of the Honorary Chair to conduct all meetings. If the Honorary Chair is unable to conduct any meeting s/he shall appoint a deputy, who is also a member of the Management Committee, to do so.
b) The Honorary Secretary must ensure that a true and accurate record is made of all meetings, such record to be circulated to members of the Forum and made available to any other interested party upon request.
c) The Honorary Secretary must ensure that voting related to statutory neighbourhood planning proposals is recorded separately from general voting and that the conduct and result of any such vote complies with any legal requirements set out in the Town & Country Planning Acts.
d) A proposal to amend this Constitution and any other motion or resolution may only be made at a General Meeting and no such amendment, motion
or resolution shall take effect unless it be voted upon and confirmed by a majority of those present and entitled to vote.

e) A General Meeting of all Forum members shall be held at least four (4) times in each twelve (12) month period following the establishment of the Forum (i.e. the date of signing of this document) in order to review and discuss progress made in pursuit of its object.

f) The Honorary Secretary shall ensure that all members are given at least fourteen (14) days’ notice of the date, venue and start time for each General Meeting.

g) Wherever possible, the agenda and any supporting papers shall be distributed to all members of the Forum by the Honorary Secretary at least ten (10) days before each General Meeting.

h) The Management Committee shall ensure that each General Meeting shall also be publicised to non-members within the area of benefit.

i) The defined quorum for a General Meeting shall be six (6) current members, at least two (2) of whom must also be current officers of the management committee. Where the defined quorum has not been reached, a General Meeting may proceed but any vote taken at that meeting shall be invalid.

j) Every member of the Forum whose name appears on the current membership list shall be entitled to vote at a General Meeting, subject to the exclusions found at Clauses 9(k), 11(a) and 11(e) of this constitution.

k) Only those qualified for enhanced membership shall be entitled to vote on issues deemed by the Management Committee to relate to the preparation or approval of any statutory neighbourhood planning proposal, including a Neighbourhood Development Plan, within the designated neighbourhood area defined at Clause 4) of this constitution.

l) Each member of the Forum shall have one vote.
m) Voting shall be by a show of hands, except in the case of elections when voting shall be by ballot. Issues considered sensitive by the Management Committee may also be voted upon by ballot.

n) In the case of a tied vote, the Honorary Chair (or appointed deputy) shall have a casting vote.

o) An **Annual General Meeting** shall take place no later than three (3) months after the end of each financial year provided that fifteen (15) months must not elapse without an Annual General Meeting having taken place.

p) The Honorary Secretary shall ensure that all members are given at least twenty one (21) days’ notice of each Annual General Meeting.

q) Amendments to the proposed agenda may be submitted in writing to the Honorary Secretary by any member of the Forum up to seven (7) days prior to the date of the Annual General Meeting.

r) An **Extraordinary Meeting** may be convened by the Management Committee or on application in writing to the Honorary Secretary, signed by no fewer than five (5) members of the Forum whose names appear on the current membership list. Each application to convene an Extraordinary Meeting must state the reason for convening the meeting. All of the rules applying to a General Meeting shall apply equally to an Extraordinary Meeting.

10) **FINANCE**

All monies acquired by the Forum shall be paid into a bank account operated by the Management Committee in the name of **Birkenhead & Tranmere Neighbourhood Planning Forum** (B&TNPF). All funds must be applied solely to the object of the Forum and to no other purpose and subject to any conditions applying to any grant or expenditure. All disbursements from the account must be agreed by at least two (2) Management Committee members, authorised to sign as such, one of whom must be either:
a) Honorary Chair
b) Honorary Treasurer, or
c) Honorary Secretary

The Honorary Treasurer shall be accountable for all Forum income and expenditure; shall ensure that funds are utilised effectively, and that the Forum remains solvent. The Honorary Treasurer shall maintain full and accurate accounting records which shall be examined annually by an independent person who is not a member of the Forum. A financial report for the previous accounting year shall be presented at each Annual General Meeting. The Forum’s accounting year shall run from 1st April to 31st March.

11) NEIGHBOURHOOD PLANNING

This Clause relates only to the preparation and approval of statutory neighbourhood planning proposals within the designated neighbourhood area defined at Clause 4 of this constitution.

a) Any decision to undertake, consult upon or submit to the LPA for approval any statutory Neighbourhood Development Plan or Neighbourhood Development Order shall be subject to a vote of all members of the Forum holding a valid and current enhanced membership and to no other member.

b) All neighbourhood planning consultations shall be open to anyone who lives or works in the designated neighbourhood area or has an interest in the designated area, whether members of the Forum or not.

c) The Forum shall publicise any neighbourhood planning process, seek to involve everyone who lives, works or carries on business in the designated neighbourhood area and shall make an accurate record of the comments received and the outcome of all consultations.

d) The Management Committee, on behalf of all members of the Forum, shall be required to work collaboratively on the preparation of any
neighbourhood planning proposals with the LPA, independent experts or advisors and any other interested party.

e) At the discretion of the Management Committee, any number of work groups may be delegated the task of preparing any neighbourhood planning proposal (or part(s) of it), organise consultation events and undertake any other lawful activity required to further the Forum’s object. The remit and membership of any such work group shall be decided by a vote at a General Meeting of members of the Forum holding a valid and current enhanced membership and to no other member. Once duly formed, a work group may co-opt additional members as it sees fit.

f) If the number of people with a valid and current enhanced membership of the Forum falls below twenty-one (21) the result of any vote taken in relation to the preparation or approval of any statutory neighbourhood planning proposal during this time shall be invalid but business related to other activity referred to at Clauses 2) and 6) of this constitution may continue to be conducted and the result of any related vote shall be valid.

12) DISSOLUTION

The Forum may be dissolved by a majority vote of members at a General Meeting. Any assets and/or remaining monies after debts have been paid shall be returned to their providers or transferred to local charities or bodies with similar objects to those of the Forum at the discretion of the Management Committee.
This constitution was adopted by a majority vote at a General Meeting of the Birkenhead & Tranmere Neighbourhood Planning Forum held at Birkenhead YMCA on 28th September 2015.

Signed: (Philip Barton, Chair)

Signed: (Greg Vogiatzis, Secretary)
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1.0 EXECUTIVE SUMMARY

1.1 A local referendum on the making of a statutory Neighbourhood Development Plan for Devonshire Park was held on 22 October 2015. 92% of the 303 people who voted, voted in favour of the Council using the Neighbourhood Development Plan to help in deciding planning applications in Devonshire Park.

1.2 This report therefore recommends that the Neighbourhood Development Plan for Devonshire Park attached to this report is ‘made’ by a resolution of Full Council.

2.0 BACKGROUND AND KEY ISSUES

2.1 The Devonshire Park Neighbourhood Planning Forum, which was designated by the Council in April 2013 as the statutory neighbourhood forum for Devonshire Park, formally submitted their proposed Neighbourhood Development Plan to the Council for publication and independent examination in November 2014.

2.2 The Council has now completed the legal process set out in Section 38A of the Planning and Compulsory Purchase Act 2004; Schedule 4B of the Town and Country Planning Act 1990; and Part 5 of the Neighbourhood Planning (General) Regulations 2012.

2.3 The draft Plan was publicised between 8 December 2014 and 6 February 2015, to bring it to the attention of people who live, work or carry on business within the designated Neighbourhood Area. The comments submitted were considered by an independent examiner, appointed with the agreement of the Forum, from the national Neighbourhood Planning Independent Examiner Referral Service, in March 2015.

2.4 The examiner concluded, in May 2015, that the draft Plan would meet all the relevant legal requirements and should be submitted to a local referendum, subject to a series of recommended modifications. The Council agreed with the examiner’s recommendations and published the examiner’s report and the modified documents in July 2015. The period for judicial review expired in August 2015.

2.5 A referendum on the modified Plan was held on 22 October 2015, to allow the local community to vote on whether the Plan should be used by Wirral Council to help decide
planning applications in the Neighbourhood Area. More than half (279 or 92%) of the 303 people who voted, voted in favour of the Plan.

2.6 The Council is now obliged by law to make the proposed Neighbourhood Development Plan part of the statutory Development Plan for Wirral by a resolution of Full Council (Section 38A of the Planning and Compulsory Purchase Act 2004 refers).

2.7 A copy of the successful Neighbourhood Development Plan for Devonshire Park is attached to this report.

2.8 On the basis that the Plan attached to this report has complied with all the relevant legislative requirements and would not breach or otherwise be incompatible with any EU obligation or any Convention rights within the meaning of the Human Rights Act 1998, it is recommended that the Plan is now formally brought into force by a resolution of Full Council.

3.0 RELEVANT RISKS

3.1 The Council must comply with the requirements of the Town and Country Planning Act 1990 and the Planning and Compulsory Purchase Act 2004 (as amended) and their associated national regulations. Processes that do not comply with statutory requirements will be vulnerable to legal challenge and could incur additional and/or abortive costs.

4.0 OTHER OPTIONS CONSIDERED

4.1 No other option is available to the Council once a majority vote in a local referendum has been obtained and the plan has met all the relevant statutory requirements.

5.0 CONSULTATION

5.1 The Neighbourhood Development Plan attached to this report has been prepared following community consultation undertaken in August 2011, February 2012 and May 2013; publication by the Council in December 2014; independent examination in March 2015; the publication of modified documents in July 2015; and a majority vote in a local referendum held on 22 October 2015.

5.2 The decision to make the Plan, a copy of the Plan and the reasons for making the Plan must be published on the Council’s website, made available for public inspection and brought to the attention of people who live, work or carry on business within the Neighbourhood Area.

5.3 The Plan will therefore be made available for public inspection on the Council’s website; at Birkenhead Central Library; and at the North Annexe of Wallasey Town Hall; the Council will notify previous respondents; and will publish a public notice in the weekly planning notice in the local free press; in addition to more local notification through the monthly newsletter prepared and delivered to every property within the designated Neighbourhood Area by the Devonshire Park Resident’s Association.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 Voluntary, community and faith groups have been able to take part in all the previous stages of the Plan’s preparation.
6.2 The Devonshire Park Neighbourhood Planning Forum and its founding Residents’ Association will continue to operate and will assist in the ongoing monitoring and review of the adopted Plan.

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

7.1 The staffing required to support the preparation and adoption of the Neighbourhood Development Plan for Devonshire Park has been provided from existing resources for Regeneration and Planning.

7.2 The preparation of the Neighbourhood Plan has also incurred the following additional costs, which have been offset by grants from the Department of Communities and Local Government:

- publication and deposit of the submitted documents - £375
- independent examination - £3,854
- publication of modified documents - £405
- local referendum - £5,000

7.3 An Officer Decision Notice for the procurement of the independent examiner was approved by the Head of Regeneration and Planning on 23 May 2014 and by the Council’s Procurement Manager in July 2014.

7.4 The costs associated with the final adoption of the Plan will also be met from existing resources for Regeneration and Planning.

8.0 LEGAL IMPLICATIONS

8.1 Subject to a majority of vote in favour of making the Plan, the Council must make the proposed Neighbourhood Development Plan part of the statutory Development Plan for Wirral by a resolution of Full Council, as soon as reasonably practicable after the referendum is held.

8.2 The decision to make the Plan is subject to a six-week period for judicial review, beginning with the day after the day on which the decision to make the Plan is published.

8.3 The Plan will remain in force until 2030, unless a material change in circumstance intervenes.

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposals been reviewed with regard to equality?

(a) Yes and the impact review can be accessed at https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0

9.2 The accompanying equality impact assessment indicates that appropriate mitigation for any potential negative impact on people with lower incomes or people needing to live in flats, residential institutions or hostels has already been provided within the wording of the proposed Neighbourhood Development Plan and by the existing provisions of national planning legislation.
10.0 CARBON REDUCTION IMPLICATIONS

10.1 The revised Sustainability Assessment Report for the Plan, as modified following independent examination, indicates that the proposed Neighbourhood Development Plan would support a sustainable pattern of future development.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 Once made by Council resolution, the Devonshire Park Neighbourhood Development Plan will form part of the statutory land-use Development Plan for Wirral alongside the Council’s Unitary Development Plan, the Joint Waste Local Plan for Merseyside and Halton and the emerging Core Strategy Local Plan and will be used to help in the determination of individual planning applications falling within Devonshire Park.

11.2 There are no community safety implications arising from the Devonshire Park Neighbourhood Development Plan.

12.0 RECOMMENDATIONS

12.1 That Cabinet recommends to Council that the Devonshire Park Neighbourhood Development Plan attached to this report, which has been endorsed by a majority vote in a referendum of local electors, is formally ‘made’ under Section 38A(4) of the Planning and Compulsory Purchase Act 2004.

12.2 That the Assistant Chief Executive is authorised to take all the steps necessary to comply with the remaining legal requirements under Section 38A of the Planning and Compulsory Purchase Act 2004 and Part 5 of the Neighbourhood Planning (General) Regulations 2012, in consultation with the Cabinet Member for the Economy.

13.0 REASON FOR RECOMMENDATIONS

13.1 To comply with the requirements of Section 38A of the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011) and Regulations 19 and 20 the Neighbourhood Planning (General) Regulations 2012.

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Forward Planning Manager
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email: andrewfraser@wirral.gov.uk

APPENDICES

Proposed Neighbourhood Development Plan for Adoption

REFERENCE MATERIAL

Localism Act 2011 (Part 6, Chapter 3 and Schedules 9 to 12)
The Neighbourhood Planning (General) Regulations 2012 (2012, No. 637) (Parts 2, 3 and 5)
Neighbourhood Planning (Referendums) Regulations 2012 (SI 2012 No. 2031)(as amended)
National Planning Policy Framework and Practice Guidance (CLG, March 2012)

Additional background on the Neighbourhood Development Plan for Devonshire Park can be viewed on the Council’s website at www.wirral.gov.uk/hoodplan
## SUBJECT HISTORY (last 3 years)

<table>
<thead>
<tr>
<th>Council Meeting</th>
<th>Date</th>
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</thead>
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<tr>
<td>Cabinet - Neighbourhood Planning Forum Designations – Devonshire Park and Hoylake (Minute 221)</td>
<td>14 March 2013</td>
</tr>
<tr>
<td>Council - Neighbourhood Planning Forum Designations – Devonshire Park and Hoylake (Minute 147)</td>
<td>30 April 2013</td>
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DEVONSHIRE PARK NEIGHBOURHOOD DEVELOPMENT PLAN – CABINET 5 NOVEMBER 2015

DEVONSHIRE PARK NEIGHBOURHOOD PLANNING FORUM
(DESIGNATED 30 APRIL 2013)

DEVONSHIRE PARK NEIGHBOURHOOD PLAN
2014-2030

Made by Resolution of Wirral Council – xx xxxxxx 20xx

For further information please contact the Devonshire Park Neighbourhood Planning Forum at http://devonshirepark.wordpress.com/
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Devonshire Park Neighbourhood Planning Forum

Neighbourhood Plan for Devonshire Park

1. Introduction

1.1 As one of the oldest residential areas in the historic town of Birkenhead, Devonshire Park has a unique identity born of its heritage and character. The Area is one of four remaining examples of Birkenhead’s Victorian Villa Estates; of which two are now designated conservation areas and the other recognised as being of special historic interest.

1.2 The Neighbourhood Plan Area is defined by the borders of North Road, Borough Road, Prenton Road East and Greenway Road. There were 654 dwellings in Devonshire Park at 2011, with an estimated population of 1,420 people.\(^1\) The Plan Area is largely residential, with good access to Birkenhead and Liverpool by bus.

1.3 The population is served by Devonshire Park Primary School, just outside the boundary of the Plan Area on Temple Road, and local shops at the perimeter along Borough Road. Nearby, Tranmere Rovers football club is a focal point for leisure and community activity.

1.4 St Joseph’s Parish Centre is a focal point for all aspects of community life. Much use is made of the parish hall and social club for public meetings, interest groups and family ceremonies and celebrations. There is a Kingdom Hall on Stuart Road and a Dental Practice on Greenway Road.

1.5 Devonshire Park is a peaceful enclave, typified by broad streets with well-spaced houses set back from the road, enhanced by attractive gardens and original features such as York stone pavements, ornate Victorian drain covers and garden walls built with much sought after Sherwood sandstone quarried locally at nearby Hinderton and Storeton Quarry, which has now closed.

1.6 Residents take great pride in the appearance of their homes and gardens. The Villa Estate benefits from many mature trees. There is an assortment of flowering plants and a thriving bird population including sparrows, blackbirds, mistle-thrush, tits, a variety of finches, house-martins and bats. The heron is a frequent visitor to local garden ponds, and there are occasional sightings of the sparrow hawk.

\(^1\) 2011 Census, Office for National Statistics (ONS), Table KS102EW based on data from constituent Lower Level Super Output Areas (Wirral 21C, 22A and 22B)
Housing Stock

1.7 The Plan Area is characterised by large, Victorian and early Edwardian character-houses, alongside some contemporary properties built post-World War Two.

1.8 There are a number of buildings of particular interest, including the Victorian cottages on Willowbank Road and the Merseyside Bridge Club on Clarence Road. A greater proportion of the Victorian housing consists of 4-7 bedroom properties of which a significant number have been converted to flats or bedsits.

1.9 Of the residences within Devonshire Park, over 40% are already flats/bedsits, which is significantly above the national average of 22%. The comparable figure for Wirral is 17%\(^2\). In addition, there are 16 supported housing facilities within the Plan Area.

Community

1.10 Devonshire Park is home to a population of approximately 1,400 residents\(^3\).

1.11 The community has formed a vibrant Residents’ Association tasked by its constitution to: ‘represent and promote the interests of all residents within the Devonshire Park area’\(^4\).

1.12 All members of the community are valued and represented. There is particular concern for the protection of vulnerable members of the community, benefiting from supported living in the Plan Area.

1.13 The Residents’ Association is a diverse group and takes its communal and civic role seriously. A number of members enrolled on a Government sponsored ‘Community Development’ course in 2010/11.

1.14 The Residents’ Association was established in 2006, initially to co-ordinate local representations against a commercial housing scheme that residents successfully argued would be detrimental to the character of the area and sustainable balance of community. The proposed development was replicating a model used elsewhere which had adversely impacted on another local community. Since that time the Association has flourished into a strong and progressive vehicle for positive community engagement, extending its reach and influence into community development, safety, conservation and land use planning.

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\(^2\) At the 2011 Census, the figures were 28% for enumeration districts including Devonshire Park and 17.5% for Wirral Borough (ONS Table KS401EW)

\(^3\) Estimated at 1,420 from ONS 2011 Census Table KS102EW

\(^4\) The goal and objectives of the Association are included in the Appendix to this Plan
Members stay in constant touch through a community Blog, regular monthly newsletters hand delivered to every home, well attended community meetings and organised social events using the local Parish Centre.

Devonshire Park is in many ways a community to which other areas could aspire. By getting as many people as possible involved in building and growing community spirit, protecting and building on local assets and by valuing every member, a strong sense of pride and local identity has been established. Examples are the number of residents who display the Devonshire Park logo on their wheelie bins and the success of the Area’s annual festival of Gardens and Hanging Baskets.

In order to comply with the Government’s Neighbourhood Planning Regulations, Devonshire Park Residents’ Association has established the Devonshire Park Neighbourhood Planning Forum, to take forward the preparation of the Devonshire Park Neighbourhood Plan. The application to designate the Devonshire Park Neighbourhood Planning Forum and Neighbourhood Area on 30 November 2012 was subject to public consultation and was confirmed by Wirral Council on 30 April 2013.

2. National Context for the Neighbourhood Development Plan

The Devonshire Park Neighbourhood Development Plan was initially brought forward in the context of the Government’s Neighbourhood Planning ‘Front Runner’ project. Whilst its planning policies must be developed under the Government’s Neighbourhood Planning Regulations and the National Planning Policy Framework, this Neighbourhood Development Plan is a statement of the community’s aspirations for their neighbourhood, reflecting the freedoms introduced by the Government.

Spatial planning is a process of place shaping and delivery. The National Planning Policy Framework states that spatial policy should:

1. “be genuinely plan-led, empowering local people to shape their surroundings, with succinct local and neighbourhood plans setting out a positive vision for the future of the area. Plans should be kept up-to-date, and be based on joint working and co-operation to address larger than local issues. They should provide a practical framework within which decisions on planning applications can be made with a high degree of predictability and efficiency”;

2. “not simply be about scrutiny, but instead be a creative exercise in finding ways to enhance and improve the places in which people live their lives”;

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3. “always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings”; and

4. “take account of the different roles and character of different areas…”;

2.3 These four principles are taken from the twelve core land-use principles that the National Planning Policy Framework says should underpin both plan making and decision taking within the planning system.

2.4 This document therefore sets out the community’s vision for the future of Devonshire Park over the next fifteen years. It is based on evidence of existing conditions, community derived objectives and the community’s sense of the local distinctiveness of the Plan Area. The proposed policies are intended to create a framework for private investment that will promote the economic, environmental and social wellbeing of Devonshire Park.

2.5 The Devonshire Park Neighbourhood Planning Forum therefore considers that this Neighbourhood Development Plan is consistent with national planning policy.

3. Wirral Development Plan Context

3.1 The statutory Development Plan for Wirral currently consists of the Wirral Unitary Development Plan (adopted February 2000) and the Joint Waste Local Plan for Merseyside and Halton (adopted July 2013).

3.2 Appendices 4.1 and 4.2 to the Basic Conditions Statement that accompanies this Neighbourhood Development Plan show how the Plan is in general conformity with the strategic policies of the existing Development Plan. The Neighbourhood Plan will, in particular, provide additional local context to assist in the application of Policy HS4 - Criteria for New Housing Development, Policy HS7 - Sheltered Housing, Policy HS8 - Nursing Homes/Residential Care Homes, Policy HS13 - Self-Contained Flat Conversions and Policy HS14 - Houses in Multiple Occupation from the Wirral Unitary Development Plan and will operate alongside Policy WM8 - Waste Prevention and Resource Management and Policy WM9 - Sustainable Waste Management Design and Layout for New Development, in the Joint Waste Local Plan for Merseyside and Halton.

3.3 Once confirmed following local referendum, the Devonshire Park Neighbourhood Plan will also become part of Wirral’s statutory Development Plan.

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6 National Planning Policy Framework, paragraph 17 (CLG, March 2012)
4. Wirral Core Strategy Local Plan

4.1 Wirral Council is preparing a Core Strategy Local Plan, to replace the strategic policies in the Unitary Development Plan. A Proposed Submission Draft was consulted on in December 2012 and proposed modifications were consulted on in July 2013 and December 2014. Although the emerging Local Plan currently carries limited weight, more weight will attach to the Core Strategy as it advances further towards adoption.

4.2 Appendix 4.3 to the Basic Conditions Statement that accompanies this Neighbourhood Plan shows how the Plan is considered to be in general conformity with the strategic policies of the emerging Core Strategy Local Plan, including the Spatial Vision, Strategic Objectives, Broad Spatial Strategy and Proposed Submission Draft policies, Policy CS6 - Priorities for Suburban Birkenhead, Policy CS21 - Criteria for New Housing Development, Policy CS23 - Criteria for Specialist Housing, Policy CS42 - Development Management and Policy CS43 - Design, Heritage and Amenity.

4.3 The Neighbourhood Plan will, where appropriate, also supplement the remaining policies of the Unitary Development Plan until they are replaced in a site-specific Local Plan.

5. Evidence and Neighbourhood Plan Issues

Historical Development

5.1 At the beginning of the 19th Century, the emerging economy of both Liverpool and Birkenhead produced not only magnificent civic buildings but also a massive increase in housing needed specifically for the labour force, reflected in the increase in population in Birkenhead from 100 in 1800 to 2,500 by 1830. Although these terraced and 'dock cottages' had every amenity they were criticised for their lack of space. It was decided in the 1830's a new type of development was needed, that of the 'Villa Estate', particularly for the merchants and professional classes, who could cross the River Mersey using the new steam ferries.

5.2 The Villa Estates immediately improved the character and appearance of Birkenhead and became much sought after dwellings. These spacious family homes were built from high quality local brick and sandstone, and the estates were often gated (although these gates now only survive at Rock Park and Egerton Park). The Villa Estates not only acted as an impressive adjunct to Birkenhead's on-going improvements, but acted as a foundation for community life.

9 The policies of the emerging Core Strategy Local Plan can be viewed online at http://dru7.wirral.gov.uk/planning-and-building/local-plans-and-planning-policy/local-plans/core-strategy-local-plan
5.3 Devonshire Park was developed from the 19th Century as one of a series of five Victorian ‘Villa Estates’ in Wirral (Parkfield, Rock Park, Egerton Park, Clifton Park and Devonshire Park). Devonshire Park became the last ‘Villa Estate’ to be built, with rapid development from 1877.

5.4 The status of Rock Park (dating from the 1830’s) and Clifton Park (dating from the 1840’s) has been reflected by their designation as Conservation Areas (designated in 1979 and 2004 respectively).

House Types

5.5 Devonshire Park had 654 dwellings in 2011, with a vacancy rate very similar to that for Wirral (4.3% in Devonshire Park from 2011 Census data for the Park and surrounding Lower Super Output Areas10 and 4.4% in Wirral11). However, the type of housing in Devonshire Park is markedly different from the pattern across Wirral:

Table 1 – Provision of flats, maisonettes and apartments including in converted or shared houses and above commercial property

<table>
<thead>
<tr>
<th></th>
<th>Devonshire Park</th>
<th></th>
<th>Wirral</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number 2011</td>
<td>% 2011</td>
<td>Number 2011</td>
<td>% 2011</td>
</tr>
<tr>
<td>Total dwellings</td>
<td>654</td>
<td>100%</td>
<td>145,693</td>
<td>100%</td>
</tr>
<tr>
<td>All flats</td>
<td>281</td>
<td>43.0%</td>
<td>25,548</td>
<td>17.5%</td>
</tr>
<tr>
<td>of which are…</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purpose-built flats</td>
<td>56</td>
<td>8.6%</td>
<td>17,222</td>
<td>11.8%</td>
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<tr>
<td>Flats – part of a</td>
<td>220</td>
<td>33.6%</td>
<td>6,317</td>
<td>4.3%</td>
</tr>
<tr>
<td>converted or shared</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>house</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flats above commercial</td>
<td>5</td>
<td>0.8%</td>
<td>2,009</td>
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</tr>
<tr>
<td>property</td>
<td></td>
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Source: Devonshire Park - Property Count from Council Property Records 2011; Wirral - 2011 Census (ONS) Table KS401EW

5.6 The proportion of flats/bed-sits is very high, at 43% of the total 2011 stock. Of the 8.6% of purpose-built flats, 30 are within the sheltered housing scheme at Maritime View in Stuart Road and 12 in the flatted scheme at 1-23 Stuart Road.

10 2011 Census data is derived from Lower Super Output Areas constituting Devonshire Park (ONS Table QS417EW)
11 The Wirral dwelling vacancy rate is taken from the Council’s HSSA return to Government
5.7 The proportion of properties converted from large single dwellings to flats/bed-sits is now estimated at over 33%. Due to the Lower Super Output Area boundaries used in the 2011 Census, it is not possible to precisely calculate the proportion of dwellings by category within the Plan Area from the Census alone. The counts of dwelling types within Devonshire Park at 2011 are therefore absolute, based on Council land and property records.

5.8 The distribution of dwelling types within Devonshire Park differs markedly from Wirral as a whole, with a lower rate of purpose-built flats than in Wirral but a rate of converted flats eight times greater than in Wirral as a whole.

**Age Structure**

5.9 The age structure of Devonshire Park is similar to Wirral Borough, although the proportion of young adults (20-29 years old) and 30-44 years old adults is higher than the proportion across Wirral.

### Table 2 – Age Structure in Devonshire Park

<table>
<thead>
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<th>Age</th>
<th>Devonshire Park</th>
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<tr>
<td></td>
<td>Number 2011</td>
<td>% 2011</td>
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<tr>
<td>Total residents</td>
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<tr>
<td>0-4</td>
<td>73</td>
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<td>5-9</td>
<td>62</td>
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<td>10-14</td>
<td>83</td>
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<tr>
<td>15-17</td>
<td>67</td>
<td>4.7%</td>
</tr>
<tr>
<td>18-19</td>
<td>33</td>
<td>2.3%</td>
</tr>
<tr>
<td>20-24</td>
<td>103</td>
<td>7.3%</td>
</tr>
<tr>
<td>25-29</td>
<td>92</td>
<td>6.5%</td>
</tr>
<tr>
<td>30-44</td>
<td>283</td>
<td>19.9%</td>
</tr>
<tr>
<td>45-59</td>
<td>325</td>
<td>22.9%</td>
</tr>
<tr>
<td>60-64</td>
<td>78</td>
<td>5.5%</td>
</tr>
<tr>
<td>65-74</td>
<td>117</td>
<td>8.2%</td>
</tr>
<tr>
<td>75-84</td>
<td>82</td>
<td>5.8%</td>
</tr>
<tr>
<td>85-89</td>
<td>14</td>
<td>1.0%</td>
</tr>
<tr>
<td>90+</td>
<td>8</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Source: 2011 Census (ONS) Table KS102EW
Notes: Devonshire Park % 2011 from constituent Lower Super Output Areas
Household Structure

5.10 Whilst Devonshire Park’s age structure is broadly similar to that for Wirral as a whole, the concentration within the dwelling stock of flats and bed-sits is reflected in the household structure.

5.11 There is a markedly higher proportion of single non-pensioner households than in Wirral as a whole (26% in Devonshire Park compared to 19% across Wirral in 2011).

5.12 Family groups (couples and lone parents) are under-represented in Devonshire Park, compared to the pattern across Wirral.

5.13 The only group of households apart from adult single person households to have a higher representation are the ‘other households’ group, which consists of non-related adults living together and sharing dwellings (often in flats and bed-sits) (8% in Devonshire Park compared to 5% across Wirral in 2011).

Table 3 – Household Structure in Devonshire Park

<table>
<thead>
<tr>
<th>Devonshire Park</th>
<th>Wirral</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number 2011</td>
<td>% 2011</td>
</tr>
<tr>
<td>Total households</td>
<td>635</td>
</tr>
<tr>
<td>One person - pensioner</td>
<td>91</td>
</tr>
<tr>
<td>One person - other</td>
<td>166</td>
</tr>
<tr>
<td>One family and no others - all pensioners</td>
<td>30</td>
</tr>
<tr>
<td>One family and no others - couple - no children</td>
<td>87</td>
</tr>
<tr>
<td>One family and no others - couple - dependent children</td>
<td>88</td>
</tr>
<tr>
<td>One family and no others - couple - no dependent children</td>
<td>45</td>
</tr>
<tr>
<td>One family and no others - lone parent - dependent children</td>
<td>54</td>
</tr>
<tr>
<td>One family and no others - lone parent - no dependent children</td>
<td>22</td>
</tr>
<tr>
<td>Other households - other</td>
<td>52</td>
</tr>
</tbody>
</table>

Source: 2011 Census (ONS) Table KS105EW
Notes: Devonshire Park % 2011 from constituent Lower Super Output Areas
Townscape Character

5.14 Devonshire Park is set on the western side of the Tranmere ridge to the south of Birkenhead Town Centre. The street pattern is predominantly north-south, with cross streets climbing up the hill completing the grid.

5.15 The grid layout to the Villa Estate was set in the 1870’s and pairs of houses were placed within it. By the 1890’s a large number of pairs of semi-detached villas were completed, setting the space standards of the estate, with front-to-front elevation distances of between 22 and 25 metres, together with the form of front garden walls and gate-piers.

5.16 At that time, land to the west of Borough Road was undeveloped, although the tramline ran along Borough Road to Prenton Road West (finishing just before the present Tranmere Rovers football ground).

5.17 The majority of dwellings in the Plan Area are 2-3 storey Victorian/Edwardian semi-detached villas. A short terrace of cottages in Willowbank Road, which pre-date the main building of the Estate, have long front gardens set above the street. A two storey block of more modern flats is at the top of Stuart Road, opposite a Maritime Housing Association sheltered housing scheme built in 1984 on the site of a water reservoir.

5.18 The eastern end of Stuart Road has a tighter form of layout than the rest of the Estate, with dwellings set closer together and front elevation distances of 18 metres. The shorter front gardens in this area and the steepness of the street enhance this tighter feel.

5.19 Only North Road and Prenton Road East have long views, up to the Tranmere Ridge. Elsewhere, east-west views are shorter, as streets such as South Road and Clarence Road terminate at Willowbank Road. The north south streets are curved at their northern ends, leading the eye towards North Road.

5.20 The Plan Area is therefore visually contained and there are few views out of the Estate to the wider area. There is however, a view north from Heathbank Road, which is close to the top of the Tranmere ridge, towards Birkenhead Town Centre.

5.21 There are no formal areas of public landscaping or greenspace in the Estate and the character of the Plan Area is given by landscaping of individual residential plots. The Residents’ Association has encouraged garden and boundary wall maintenance, through ‘Best Kept Garden’ and ‘Hanging Basket’ competitions. Mersey Park and Victoria Park are nearby and provide open space for the Estate’s residents.
5.22 The boundary treatments to buildings within the Plan Area are varied, from brick and stone walls, sometimes with formal capping, to timber fences and hedges on some elevations. A variety of heights and materials, together with instances of neglect and poor repair give some parts of the Plan Area a poor appearance. In some cases, front walls have been demolished to allow for off-street parking, although gate piers may still be in place. Flat conversions often have unsuitable tarmac car parking areas taking up a large proportion of the site.

5.23 During the initial consultation exercise, carried out by the Residents’ Association in the summer of 2011, many residents commented on the loss of historic pavement materials, where York stone slabs have been replaced by tarmac.

Building materials

5.24 Most of Devonshire Park’s dwellings are of brick, with some stone or terracotta detailing on the Victorian and Edwardian property. Roofs were originally of slate and many were consequently steep-pitched. Windows were originally large sash of timber construction.

5.25 The only listed building in the Plan Area is St Joseph’s Church but the character of the Plan Area is given by the homogeneity of many of the dwellings, in spite of some unsympathetic redevelopment. Modern houses are of brick with concrete roof tiles.

Negative Factors

5.26 The Residents’ Association questionnaire responses highlighted the problem of the high proportion of flat and bed-sit conversions, which have often resulted in detrimental impacts on the built environment and social character of the Plan Area.

5.27 In physical terms, the conversion to flats has involved the demolition of front garden walls and the laying of tarmac across front gardens for off-road parking, with a consequent loss of mature trees and shrubs.

5.28 In social terms, the lack of interest shown by absentee landlords has resulted in poor property and garden maintenance, with for some properties a damaging effect on the quality of the landscape.

5.29 The Plan Area is predominantly residential and disturbance can be caused by the behaviour of some, particularly short-term residents, who tenant some of the flats and bed-sits.
6. Devonshire Park Neighbourhood Plan Aims

6.1 Based on clear values and aspirations, Devonshire Park is a community seeking to take a lead in regeneration, achieved through the continued development of a thriving and sustainable community with a strong sense of civic pride and investment in the Plan Area.

6.2 Preservation of the unique character and heritage of the Plan Area, based around preserving the character of the original Villa Estate, is key to local engagement, pride and identity of community.

6.3 This, along with the encouragement of appropriate complementary development will, over time, restore the balance of housing so that the proportion of single dwellings within the Plan Area is consistent with the local average.

6.4 The availability of affordable family housing as part of the overall housing mix will enable long-term stakeholders to remain and/or settle in the Plan Area, reducing transiency and assisting in the development of a strong and sustainable community with a long term investment in the future of Devonshire Park.

6.5 The following aims are considered integral to the future viability and character of Devonshire Park:

1. Building a thriving, sustainable, resident community to invest in the long term future of Devonshire Park

2. Maintaining the remaining stock of larger family sized housing and encouraging the development of new family sized housing where redevelopment and conversion opportunities arise

3. Providing a safe, secure, neighbourly environment for residents and visitors

4. Protecting the environment through conservation of the area’s trees, walled gardens and green spaces

5. Preservation or enhancement of the fabric and architectural features that combine to provide Devonshire Park with its unique aesthetic and social character

6.6 The community holds that preservation or enhancement of the current stock of family housing is essential to a sustainable future for Devonshire Park; in
order to encourage families into the Plan Area and to promote a sustainable and balanced community.

6.7 The predominance of families and family housing is considered to be a fundamental aspect that contributes to the unique character of the Plan Area in terms of its peaceful and aesthetic environment.

6.8 This is therefore the statement and vision for our Neighbourhood Plan for the next fifteen years, as designed and articulated by residents.

6.9 Any proposals for development within Devonshire Park can be discussed with the Devonshire Park Neighbourhood Planning Forum, who can be contacted at http://devonshirepark.wordpress.com/

7. Neighbourhood Development Plan Policies

Building a Sustainable Community in Devonshire Park

7.1 Both the Unitary Development Plan and the emerging Core Strategy Local Plan seek to promote urban regeneration and environmental enhancement. The objectives for the emerging Core Strategy include meeting local housing needs while preserving and enhancing locally distinctive characteristics and the Broad Spatial Strategy, in particular, seeks to ensure that new development makes a positive contribution to local character and amenity and maintains and enhances local character.

7.2 This Neighbourhood Development Plan seeks to contribute towards the wider regeneration of the area by promoting the provision of new family housing, re-establishing a high quality residential area and controlling the concentration of properties in multiple occupation within the Neighbourhood Area. The overall objective is to promote a more balanced housing stock that will support a more sustainable mixed community, with a long-term commitment to the Area and a pattern of land use and development that will better reflect the character of the Villa Estate.

7.3 The Neighbourhood Plan will also contribute to the delivery of the wider strategy for the area by providing the additional local detail that should be taken into consideration in Devonshire Park, to maintain the distinctive character of the Neighbourhood Area, alongside the other policies of the Development Plan.
Devonshire Park Policy 1 – Re-Establishing a High Quality Residential Environment

A The provision of dwelling houses, through new development or through the conversion or change of use of existing buildings, will be supported within the Neighbourhood Plan Area, subject to the design criteria in Part B being satisfied.

B All development within Devonshire Park will be required to meet the following design criteria in order to restore and preserve the predominant character of the Villa Estate:

(1) front and rear separation distances, building heights, plot frontages and set-backs should reflect those of plots in the immediate locality; and

(2) frontages and boundary treatment should reflect those in the immediate locality; and

(3) development should respect the local distinctiveness of its surroundings through sensitive design and detailing, including appropriate siting, orientation, scale, materials and landscaping.

The definition of a dwelling house will be the same as in the Town and Country Planning (General Permitted Development) (England) Order 2015 (SI 2015 No. 596) and does not include a building containing one or more flats or a flat contained within such a building.

Policy Justification

7.4 The Devonshire Park Villa Estate contains a number of large Edwardian and Victorian villas and semi-villas, of which a high proportion has been converted into bed-sits and small flats. These conversions have often had a detrimental effect on the character of the neighbourhood, with front garden walls demolished to provide paved parking areas on former front gardens. The additional households also result in high levels of on-street parking, particularly as the neighbourhood is also close to the Tranmere Rovers Football ground, which on match days generates a lot of non-resident parking.

7.5 The overall level of converted flats in Wirral is 4.3%\(^{12}\), whilst there are 220 flats in converted buildings in Devonshire Park, representing over 33% of the total dwellings in the area\(^{13}\). This level of over-development has been

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\(^{12}\) 2011 Census, ONS, Table KS401EW - flat, maisonette or apartment; part of a converted or shared house (including bed-sits)

\(^{13}\) See Table 1 above
highlighted as a problem by 69% of respondents to the area-wide consultation carried out over the summer of 2011 and the community holds that preservation or enhancement of the current stock of family housing is essential to a sustainable future for Devonshire Park, in order to encourage families into the Plan Area and preserve the residential family balance.

7.6 The principle of re-introducing family housing into the Plan Area has been highlighted as desirable by the majority of respondents to the Residents’ Association questionnaire. Re-use of existing buildings for family housing will help to restore the balance of households within Devonshire Park. Some buildings have already been converted back from bed-sits to single family dwellings and this is to be encouraged.

7.7 Part B of Policy 1 sets out the design principles necessary in order to restore and preserve the character of the Villa Estate. Planning applications will need to show how all future development will relate well with surrounding properties and to demonstrate that provision is made for preserving or enhancing the quality and setting of existing buildings of local character or historic and archaeological interest in accordance with the relevant adopted Development Plan policies for Wirral. St Joseph’s Church, a grade II listed building with distinctive early English-style exterior in ruabon red brick, terracotta dressings, lancet widows and arched braced roofs, together with high quality features and fittings throughout, is worthy of special protection in its own right.

7.8 Developers will also be required to address other relevant adopted Development Plan policies for Wirral, along with any additional statutory responsibilities for the prevention of groundwater contamination and the appropriate management of surface water run-off.

7.9 Development which may result in a likely significant effect on an internationally important site must be accompanied by sufficient evidence to enable the Council to make a Habitats Regulations Assessment. Adverse effects should be avoided, or where this is not possible they should be mitigated, to make sure that the integrity of internationally important sites is protected. Development which may adversely affect the integrity of internationally important sites will only be permitted where there are no alternative solutions and there are imperative reasons of overriding public interest, and where compensatory provision has been made. This also applies to sites and habitats outside the designated boundaries that support species listed as being important in the designations of the internationally important sites.
Devonshire Park Policy 2 – Controlling the Concentration of Multiple Occupation

Applications for additional flats, maisonettes or apartments, including converted or shared houses, will only be permitted within the Neighbourhood Area where the following criteria are met:

1. a clear local need within Devonshire Park is demonstrated for small flatted accommodation and houses in multiple occupation where planning permission for a change of use is required; and
2. the proposals comply with the design criteria set out in Policy 1; and
3. the development proposed would not detract from the unique character of the Villa Estate; and
4. the development proposed would not harm the living conditions for occupants of neighbouring properties.

Policy Justification

7.10 Residents are concerned to uphold the residential character and living environment of the Neighbourhood Plan Area. The use of properties for multiple occupancy, whether they are apartments or houses in multiple occupation, is significantly different to that of a family dwelling. More intensive use and greater activity would be likely to increase the noise and disturbance for neighbouring occupiers. There are also concerns from residents and from Merseyside Police about community safety issues which may arise as a consequence of the further addition or change of use of housing to provide for houses in multiple occupation.

7.11 The community holds that the preservation and enhancement of the current stock of family housing is essential to a sustainable future for Devonshire Park, in order to encourage families into the Plan Area and preserve the residential family balance.

7.12 The overall level of converted flats in Wirral is 4.3%, whilst there are 220 buildings converted into flats in Devonshire Park, representing over 33% of the total dwellings in the Plan Area.

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14 Uses falling within Use Class C4 of the Town and Country Planning (Use Classes) Order 1987 (as amended) and sui generis uses for which no Use Class is specified
15 2011 Census, ONS, Table KS401EW - flat, maisonette or apartment; part of a converted or shared house (including bed-sits)
16 See Table 1 above
7.13 Responses to the Residents’ Association questionnaire highlighted the problem of the high proportion of flat and bed-sit conversions, which have often resulted in detrimental impacts on the built environment and social character of the area.

7.14 In physical terms, the conversion to flats has involved the demolition of front garden walls and the laying of tarmac across front gardens for off-road parking, with a consequent loss of mature trees and shrubs. In social terms, the lack of interest shown by absentee landlords has resulted in poor property and garden maintenance, with for some properties a damaging effect on the quality of the landscape. The Plan Area is predominantly residential and disturbance can also be caused by the behaviour of some, particularly short-term residents, who tenant some of the flats and bed-sits.

7.15 As there is already an apparent over-provision of this type of property within the Plan Area, compared to the Borough average, applicants will need to demonstrate that a clear local housing need exists within the Plan Area before any additional provision requiring planning permission will be approved.

7.16 The Borough average for the provision of flats, maisonettes or apartments including converted or shared houses and houses of multiple occupation will be calculated from nationally published datasets for the Borough, such as the 2011 Census (Table KS401EW or equivalent).

7.17 The proportion of flats, maisonettes or apartments including converted or shared houses and houses of multiple occupation within the Plan Area, will be calculated from the Council’s Local Land and Property Gazetteer, supplemented by local survey information, where available.

7.18 The figures in Table 1 above will be held to apply until equivalent alternative figures are made available.
Devonshire Park Policy 3 – Controlling the Concentration of Residential Institutions and Hostels

Applications for residential institutions or hostels will only be permitted within the Neighbourhood Area where the following criteria are met:

1. a clear local need within Devonshire Park is demonstrated for residential institutions and hostels falling within Use Class C2 and C2A; and
2. the proposals comply with the design criteria set out in Policy 1; and
3. the development proposed would not detract from the unique character of the Villa Estate; and
4. the development proposed would not harm the living conditions for occupants of neighbouring properties, in particular by giving rise to noise and disturbance.

Policy Justification

7.19 A number of properties within the Plan Area are used by residential institutions or provide supported or sheltered accommodation. Although the balance of uses has not yet significantly eroded the Area’s overall character, which remains that of a residential family area, there are concerns from residents about the further concentration of such properties within the Plan Area.

7.20 The use of properties by a residential institution or for supported or sheltered accommodation is significantly different to that of a family dwelling. More intensive use and greater activity would be likely to increase the noise and disturbance for neighbouring occupiers. There are also concerns from residents and from Merseyside Police about community safety issues which may arise as a consequence of the further addition or change of use of housing to provide for residential institutions or hostels.7

7.21 The community holds that the preservation and enhancement of the current stock of family housing is essential to a sustainable future for Devonshire Park, in order to encourage families into the Plan Area and preserve the residential family balance. Residential institutions or hostels requiring planning permission will therefore only be approved where it can be demonstrated that a clear local need exists within the Plan Area.

17 Uses falling within Use Classes C2 and C2A of the Town and Country Planning (Use Classes) Order 1987 (as amended) and sui generis uses for which no Use Class is specified
7.22 The definition of a residential institution or hostel will be the same as in the Town and Country Planning (Use Classes) Order 1987 (SI 1987 No. 764, as amended).

8. Delivery, Monitoring and Review

8.1 Once the Neighbourhood Plan has been ‘made’ by Wirral Council, the Devonshire Park Neighbourhood Development Plan will carry weight as part of the statutory Development Plan for Wirral and will provide additional local detail to be taken into consideration alongside other adopted policies.

8.2 The Council will determine all planning applications, pre-application enquiries and other proposals in the light of the policies set out in the Devonshire Park Neighbourhood Development Plan alongside other relevant policies in the Wirral Unitary Development Plan and the Council’s emerging Core Strategy Local Plan. The Devonshire Park Residents’ Association and Neighbourhood Planning Forum will look to actively promote the delivery of the Neighbourhood Plan and apply the Neighbourhood Plan’s policies in its own decision making. Applicants will be expected to demonstrate in their applications how their proposals conform to the Neighbourhood Plan policies.

8.3 Devonshire Park Neighbourhood Planning Forum and Wirral Council will work together to monitor progress on the Neighbourhood Plan. They will bring forward proposals to review the Plan as necessary during the plan period following procedures for review as may be set out in Neighbourhood Planning Regulations applying at that time. The need for review, for example, will be considered once the Wirral Core Strategy Local Plan is adopted.

9. Conclusions

9.1 The Devonshire Park Neighbourhood Plan aims to achieve the objectives of the Devonshire Park Neighbourhood Planning Forum to preserve and enhance the character of Devonshire Park, which is one of the historic Villa Estates in Birkenhead. These objectives have been formulated by engagement with the local community and reflect the objectives of the National Planning Policy Framework for Neighbourhood Plans.

9.2 The Neighbourhood Plan is consistent with the policies of the Council’s Unitary Development Plan; particularly Policy HS4, which requires new housing development to comply with all of its policies, including that the proposal does not result in a detrimental change in the character of the area; and with the Vision, Objectives, Broad Spatial Strategy and local priorities of the Council’s emerging Core Strategy Local Plan, including Proposed Submission Draft Policy CS21 – Criteria for New Housing Development.

9.3 The accompanying Sustainability Assessment Report shows that the Neighbourhood Plan would support sustainable development by continuing to
provide for the beneficial use of land and property while promoting a more balanced population structure, without causing significant harm to other local objectives.

9.4 The Neighbourhood Plan is particularly likely to have a positive impact on environmental protection and enhancement and on quality of life and on the character of the Plan Area, by introducing additional controls on certain forms of higher density residential development, which have often resulted in increased disturbance and detrimental impacts on the built environment of the Villa Estate.

9.5 The accompanying Strategic Environmental Assessment Screening Report indicates that the Neighbourhood Plan is not likely to have significant environmental effects and the accompanying Habitats Regulations Assessment Report indicates that the Plan is not likely to have a significant effect on any European Site.

9.6 The Neighbourhood Plan is compatible with the European Convention on Human Rights and complies with the requirements of the Localism Act 2011 and the prescribed conditions of the Neighbourhood Planning (General) Regulations 2012\(^\text{18}\).

\(^{18}\) Statutory Instrument 2012 No. 637 (in force from 6 April 2012, as amended)
Figure 1 - Neighbourhood Plan Area
Figure 1 - Devonshire Park Neighbourhood Plan Area

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Figure 2 – Wider Context
Appendix – Devonshire Park Residents Association Goals and Objectives

Devonshire Park Residents Association Goal:

“Preserving the unique environmental character and heritage of Devonshire Park and promoting the sustainable balance of community.”

The Residents Association has six objectives:

1. To create and sustain a stable and supportive community consistent with national norms in terms of modes of occupation of properties to preserve the character of the area; working together, to ensure developments are compatible with the historical nature and ambience of the estate.

2. To pursue as a matter of first priority the interests of those residents with a long-term investment in the community but also to give transient and temporary residents a stake in the maintenance of standards of good neighbourliness, care for properties and respect for the environment in general.

3. To engender a meaningful community spirit and supplement the valued efforts of the Local Authority and the professional support services on a voluntary basis by:
   - establishing points of contact and support for the vulnerable, isolated and lonely;
   - preventing crime and providing support for those in fear of crime and anti-social behaviour;
   - fostering, through community activity, a sense of involvement for the disengaged and disaffected – in particular young residents;
   - producing information on matters relevant to the community on a regular and accessible basis;
   - actively fostering pride in the cleanliness, maintenance and appearance of all of the public and private areas of the Estate and in standards of behaviour in and around the area; and
   - co-ordinating, harnessing and maximising the capacity of people in the community to improve the lives of fellow residents.

4. To maintain the diverse nature of our community, within Devonshire Park we will seek to preserve or enhance our:
   - 2 centres of religion
   - social care housing (from nursing to outreach)
   - homes with from 1 to 8 bedrooms
   - a convent
   - small business
   - a medical centre
   - properties aged from 20 to 150 years old
5. To contribute to the wellbeing of Wirral as a whole by establishing modes of local co-operation that may be successfully copied elsewhere.

6. To conserve and enhance the fabric and architectural features that combine to provide Devonshire Park with its unique aesthetic and social character.

The Residents’ Association continues to develop ties with other bodies within the wider area and further a-field. Close contact has been developed with other Associations within the wider area to assist with their own issues and the Residents’ Association was identified by CLG as a national ‘Front Runner’ for the implementation of the Localism Bill, to help local communities, local authorities and the Government gain insight into how neighbourhood planning was to work in practice.

Through the powerful medium of the Residents’ Association, Devonshire Park residents have also formed a strong partnership with local agencies and services.

The Residents’ Association has a designated Community Safety Officer and has nurtured a positive relationship with the local police team.

Most residents believe that Devonshire Park is a relatively safe place to live, due mainly to the residential family balance of the area and a relatively settled population.

In recent years, the Devonshire Park Community Safety Officer has worked closely with the Police Community Support Officers, to allay residents’ anxiety and fear in relation to crime and incidents that at times have occurred. Every effort has been made to assist with the needs of vulnerable members of the community. Residents and Police make a connection between levels of crime and flats/bed-sits, a link verified by Home Office statistics.
1 EXECUTIVE SUMMARY

1.1 Wirral Evolutions is a new Local Authority Trading Company. Cabinet originally agreed to the development on 19 March 2014 as a response to shrinking resources, and concerns about the sustainability of day services for people with Disabilities. Services were down sized to increase efficiency and reduce costs. There was however, a strong user and carer voice that these services were very highly valued and that they could contribute to both the design and running of an alternative more cost effective model.

1.2 The service links strongly to the following Wirral Plan Pledges; enabling people with disabilities to live independently, realising the personal assets that people with disabilities have and working directly with them to release their full potential. Greater job opportunities for Wirral, Wirral Evolutions have based their business plan on growth which will increase employment opportunities, “Best Bites” and other employment schemes enable people to develop the skills that they need to get into employment rather than care.

1.3 This report brings together progress in relation to creating Wirral Evolutions. It covers the formal arrangements and key documents that have been developed in order for the company to effectively operate, and for the commissioner (DASS) to move from direct provider to a client of the service.

1.4 There have been challenges and changes relating to the original financial assumptions that were taken into account by cabinet in 2014. These are covered in the report to provide a contemporary view. The 5 year formal Business Plan, developed by the company is a key document that sets out confirmation of the companies plan for viability, sustainability and growth. “It has been subject to review and challenge from the Council client side and Section 151 Officer. A copy of this can be found at Appendix 1 of the report (exempt).
1.5 Cabinet are asked to note the progress made, to support the approach taken to business planning, and the formal transfer and company start date of 1 December 2015.

1.6 Exempt Information

This report contains exempt information at Appendix 1 as defined in Schedule 12A of the Local Government Act 1972. It is in the public interest to exclude the press and public under Paragraph 3 ‘Information relating to the financial or business affairs of any particular person (including the authority holding the information)’ the information contained in the appendix is commercially sensitive.

2 BACKGROUND AND KEY ISSUES

Progress to date

2.1 Following Cabinet approval in 2014, an Internal Challenge process and an Independent Review of the Strategic Business Case were undertaken. The outcome of the Internal Challenge was that the model was approved by the Cabinet Portfolio Holder for Governance, Commissioning and Improvement and the Chief Executive.

· The company was developed as the most viable option because it could achieve savings and generate income from other sources such as direct payments, private funders and potentially other contracts from outside of the Council. This will help drive services to become more commercial and more efficient

· Has the potential to provide leadership in a relatively disparate market which could help to manage quality issues in the external market. This ensures that the Council can continue to meet its legal obligations in the event of market failures.

2.2 In April 2015 an independent review was carried out by Capita who were commissioned by the Strategic Director for Transformation & Resources and Head of Legal Services. The final report from Capita was accepted by the Strategic Leadership team as confirmation of the feasibility and sustainability of the business case and concluded the following:

‘This is now a robust decision making document, because it demonstrates where you have derived evidence and includes sufficient metrics to make the case for the establishment of next steps in your journey. It also makes clear that there are areas of work to be developed before the company can become fully fledged, which I know you had already recognised and were building a programme of work to deliver’

2.3 In September 2015 the contract value was established to cover the core cost of company operation. This has enabled the company to establish a profit and loss account, which forms a vital part of the 5 year business plan. A service contract agreement for the provision of day services has been developed (Appendix 3) the remainder of planned efficiencies as well as to set out key expectations in relation to how the company will deliver the service on behalf of Adult Social Care
2.4 The Company was registered with companies house on 15 May 2015 and will be subject to an annual audit of its accounts. The Articles of Association sets out the board and key appointments;

- The Board of Directors includes two Executive Directors a chair and two Non-Executive Directors
- Executive Directors - Company Director (Christine Beyga) and Finance Director (Sandra Thomas), both secondments from DASS.
- Chair (Carey Bamber)
- None Executive Directors (Mike Naden) independent businessman, and (Councillor Phil Davies)

The first formal statutory board meeting took place on Friday 19 May, as required this confirmed Articles of Association, incorporation, appointment of statutory directors etc

2.5 Project Implementation Board and Workstreams

A Project Implementation Board has been in place and active since 14 January 2014. This has cross Council attendance and participation including Trade Unions. Four workstreams report into the project board, these are:

- HR (including pensions)
- ICT
- Finance
- Asset Management

Status reports generated for each board meeting which are then fed into DASS SLT meetings and SSG meetings. The board has achieved the following outcomes:

- Developed robust leasing arrangements and contracts in relation to buildings and premises that will be used by the company
- Formulated arrangements for the TUPE transfer of 145 staff from the Council into Wirral Evolutions
- Supported Wirral Evolutions to develop new independent financial systems
- Supported Wirral Evolutions to identify and implement an ICT infrastructure suitable to meet the needs of a small to medium sized enterprise
- Developed support services specifications for Finance, Legal, HR and IT services and identified future requirements and ‘buy back’ requirements of the company

The Project Implementation Board will continue to meet post transfer to oversee the remaining transition arrangements; it will cease to meet after December 2015.
2.6 **Shareholder Scrutiny Group**

Has been established and meeting monthly, membership is as follows:
- Strategic Director Transformation and resources (Chair);
- Strategic Director families and Wellbeing
- Portfolio Holder
- Section 151 Officer
- Director of Adult Services
- Council’s Monitoring Officer
- Strategic Commissioner/Director of Public Health
- Two Parent/Carer representatives

Terms of reference were established and agreed. The Shareholder Scrutiny Group (SSG) will operate across phases to do the following:
- To oversee the establishment of the LAC (April to December 2015)
- To provide overview and scrutiny of the company as the sole shareholder (from December 2015 – March 2019)

At the end of this period The SSG will cease to function and the Council will move into a commissioning and partnership agreement/function with the company.

2.7 **Council/Client Implementation Group**

A ‘Council side’ implementation group was formed to progress practical arrangements from the client side perspective. This is chaired by the Director of Adult Social Services and included officers from finance, legal services, HR and change team.

2.7.1 **Purpose and Function**

- To maintain a clear grip on the development of the Local Authority Company
- To represent and protect the Council’s interests
- To take day-to-day decisions in relation to support and resources for the company
- To develop proposals and recommendations for further decisions making by either Benefits Realisation Group or Shareholder Scrutiny Group as appropriate
- To develop and embed an effective client function

2.7.2 **Key responsibilities**

- Review and challenge proposals developed by the company in relation to the business plan and operating model.
- Secure resources required to implement the Local Authority Company
- Review and challenge how risks are identified, defined, evaluated and managed, including the plausibility of mitigating actions.
- Strengthen accountability for use of resources across the Local Authority Company.
2.8 Management Posts (Secondments)

The task of setting up of a Local Authority Company (LAC) for Day Services and Daytime Opportunities was a new and innovative change of direction for the Council. A dedicated management team was put in place this included seconding an Acting Managing Director and Acting Head of Finance. These roles were key to the success of the initial setting up of the company, ensuring it is fit for purpose and offers a sustainable business model.

Both roles were appointed to on a temporary basis from 7 April 2015. Wirral Evolutions Board will consider longer term arrangements post transfer with a focus on what the company’s requirements are from 2016 onwards.

2.9 Marketing and branding

Work was commenced earlier this year to develop a brand identity for Wirral Evolutions, working closely with the Codesign reference groups and the staff group. Social Media channels are now well developed using Twitter, Facebook and LinkedIn. All social media channels are functioning and performing well with a growing following. The Company website is in production and will go live in late November. In addition the company will be working to a marketing plan and associated growth strategy to develop the business going forward. Historically the services available have never been publicised or marketed as there has not been an impetus to extend the customer base outside of those in receipt of Council funding. The business plan is predicated on such growth in order to achieve a sustainable model going forward.

2.10 Workforce Development

Wirral Evolutions has a commitment to all staff; the Wirral Evolutions Employee Charter clearly states the commitment to its workforce as an ethical employer (see Appendix 2 of this report) The charter sets out the commitment to the living wage, access to pensions, staff representation and reasonable terms and conditions. In addition the company is committed to an apprenticeship scheme which will provide employment opportunities for local people including people with disabilities currently accessing services to provide them with an employment pathway previously not available to them.

In addition Wirral Evolutions is currently in the process of becoming an accredited Living Wage Service Provider through the Living Wage Foundation; this is a national recognition and benchmark showing best practice in employment.
2.11 Development of Centre’s of Excellence

The Council’s capital programme has an amount of £615,000 for the transformation of day Services. In addition £1.2M has been set aside in the 2016-17 programme in order to improve and extend facilities at the Pensby Wood Centre. Pensby currently provides services for people with profound and multiple disabilities. This grant will enable increased capacity for high quality services and a broader more integrated offer at Pensby. Planned improvements include an upgraded hydrotherapy pool/spa therapeutic facility, extension and enhancement of existing facilities including a large conservatory and access to a sensory garden and improved outside area to provide more physical activities.

Other recent improvements and investments made by the Council to improve people’s experience of support include:

- Extensive improvements at Eastham Centre including a new roof, kitchen and windows
- Development of a brand new service at Oakenholt to provide a touch base service in the Moreton Community enabling the old building to be demolished and the site cleared.
- Extension of facilities at Dale Farm and Royden Park to provide outside classrooms to enable greater engagement and access

3.0 RELEVANT RISKS

3.1 The company business plan identifies key risks and strategies to manage risk including an exit strategy and business continuity plans. Risks include:

- **Appropriate and proportionate funding for services from Council at a time when available resources are reducing**
  - The Business Plan reflects the outstanding efficiency reduction of £500,000 and assumes the current contract funding will continue over the life of the plan. In addition, future profitability of the company will secure further cost reductions for the Council. Significant changes from this position may impact on viability and the anticipation of Council funded growth of £1.2m over the life of the contract remains high risk.

- **The ability of the company to attract new customers and access markets.**
  - The Company strategy is to become sustainable through growth, to expand into new markets and to ensure that the business offer is flexible enough to broaden the range of customers. The Business Plan (appendix 1) (exempt) is a key document setting out the relevant markets to be exploited, expected growth levels and assumptions in relation to new business and income. The plan shows analysis of the market and trends, together with an outline of how growth is expected to be achieved, based on demand through demographic change and new market opportunities. Whilst the potential income from expansion into new markets is not included in the Business Plan it does anticipate growth through self-funders and other users of £1m over 5 years. The risks associated with this cornerstone of the plan mean that growth must be actively promoted and kept closely under review.
3.2 **Market competition and alternative provision.**

The market is relatively fragmented and there are few alternative providers. The customer base has remained relatively consistent with ongoing annual new demand for provision. The block service contract agreement (appendix 3) reflects the Commissioners commitment to the budget for the next three years which gives the company opportunity to develop its offer and to begin to compete with the sector on a more equal basis. This approach reduces risks giving a predictable contract value for 3 years.

3.3 **Increased costs as a result of the National Living Wage and pension arrangements for staff.**

The Living Wage has already been implemented by the Council, whilst this is an issue that is being considered by all care sectors, the changes are not thought likely to distort the business plan in the short term. Proposals for dealing with additional pension costs are dealt with later in this report.

4.0 **OTHER OPTIONS CONSIDERED**

4.1 Previous reports to Cabinet have identified and completed full options appraisals, concluding that the LAC model was the most appropriate and proportionate response given that Wirral Council, like other Councils, faces the challenge of ensuring the quality of adult social care provision amid increasing and more complex demand and severe financial constraints. There are a number of reasons why the current model of service delivery for the services within scope is not an option. These are listed and briefly outlined below:

- Demographic pressures means that services cannot stay the same
- Financial constraints means these services have high MTP commitments
- The Company model enables new markets to be exploited outside of the requirements of adult social care the new delivery model offers greater scope than direct service provision through adults.

5.0 **CONSULTATION**

5.1 Staff, carers and people that use services have been very closely involved in service design through a staff forum focussed on innovation in practice. A co-design reference group made up of users and carers is closely involved in agreeing future direction and key aspects of service provision that they see as critical.

5.2 Formal Consultation has been undertaken with all staff and Trade Unions in relation to the company model and the TUPE transfer and will continue.

5.3 Wirral Evolutions will recognise Trade Unions.

6.0 **OUTSTANDING PREVIOUSLY APPROVED ACTIONS**

6.1 None arising as a direct result of this report.
7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 No negative impacts arising as a direct result of this report.

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

8.1 Following the decision to create the company, the acting Managing Director and Acting Director of Finance have led the development of a business plan.

8.2 Business Plan
The business plan demonstrates a viable business going forward with anticipated turnover of £5.5m growing to £7m over a 5 year period. There are some material updates to assumptions since the original Business Case was drafted including a revised staffing structure, contract efficiencies and assumptions about growth in income. The changes that have been incorporated into the business plan are being brought back to Cabinet for final approval.

8.3 The following table provides a high level comparison between the original financial projections in the Business Case and those now presented in the Business Plan.

<table>
<thead>
<tr>
<th>Retained Profit/(Loss)</th>
<th>Year 1 £</th>
<th>Year 2 £</th>
<th>Year 3 £</th>
<th>Year 4 £</th>
<th>Year 5 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Business Case – September 2014</td>
<td>21,611</td>
<td>241,261</td>
<td>489,954</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Business Plan – October 2015</td>
<td>(256,600)</td>
<td>(113,400)</td>
<td>60,200</td>
<td>193,800</td>
<td>325,600</td>
</tr>
</tbody>
</table>

8.4 The key points from this financial analysis are:
- Evolutions are expected to be profitable and to break even by its 3rd year.
- The surpluses generated have reduced to reflect revised estimates of the company’s costs base and income growth but still show a positive return by year 3.

The main changes from the original Business Case are:
- Revised staffing costs and structures
- Changes in Pensions, National Insurance and pay awards
- Revised assumptions about Support Service costs and savings
- The exclusion of service user transport
- Revised / increased income projections
- Changes in the operation of some services since the business case
- The inclusion of cash flow and pension bond costs
8.5 **Cash Flow**
As is common with new Council owned companies Evolutions will require support from the Council in the form of a loan / overdraft arrangement to underpin its cash flow over its early years. At present it is anticipated that the overdraft / loan could be up to £300k in the second year, decreasing over the remaining life of the Business Plan. The company will be charged a commercial interest rate for this facility, which is reflected in the Business Plan.

8.6 **Support Services**
Existing Council services operate on a full cost recovery basis, parts of which are in support of Day Services. The creation of Evolutions exposes the Council to a potential cost unless this contribution is maintained by the company. In response to this Evolutions have agreed to continue to buy back support services (currently £458,400) for a period of 3 to 5 years. The services provided form part of a service contract agreement for Finance, Legal, HR, IT support. The current value of this support has been reflected in the service contract. As the company develops and may choose to purchase support services from the market rather than the Council, but this will be a business decision made by Wirral Evolutions going forward in partnership with the Council.

8.7 **Budget provision / Contract value**
In 2012, in anticipation of developing a new delivery vehicle for day services an overall saving of £2m was agreed for day services, this was a predicated on a model of downsizing and reduction. The model has been revisited, revised and modified but in summary the following performance has been achieved over the last three years:

- **£1.5m** budget efficiencies over last 3 years (2013/14, 2014/15, 2015/16)
- Total budget reduction of **28%** over last 3 years (£7.6m to £5.5m)
- **30%** reduction in workforce (full time equivalent) from 179.6 fte to 126.2 fte

8.8 Of the original £2m saving target, £500K is still to be achieved through day service savings. It has not been possible to make this in 2015, the saving has therefore slipped into 2016. The contract value reduces in 2016 by 500K in order to ensure that the company carries forward the requirement to deliver this efficiency as set out in the table below.

In year 1 2016-17 the contract value is £4,635,800.

8.9 **Anticipated contract growth**
Over the life of the business plan it is anticipated that demands on the services provided will continue to increase annually. The business plan includes an expectation of additional demand for placements by the Council for service users that by 2020-21 totals an additional £1.2m. This additional pressure will be reflected in financial planning decisions for the Adult Social Care budget within the Council’s Medium Term Financial Plan.
8.10 The company has incurred start-up costs including staff costs funded by DASS to be funded through the Transformation Fund of £250,000.

8.11 **Pensions**
The Company’s pension arrangements are based on a fully funded transfer (where deficits on previous pensionable service for employees transferring to the company will remain with the Council.)

8.12 Information from the Merseyside Pension Fund’s actuary indicate that the transfer will increase pension contributions rate from 13.6% to 17.2% if the scheme remains open, or 20.2% if the scheme is closed. The rates are based on the actuary’ assessment of staff transferring into the company and the recent and future levels anticipated for investment performance. Overall the additional costs are £132,000 pa for an open scheme and £177,000 pa if the scheme is closed.

8.13 A formal admission agreement for the company will be drawn up with MPF. The Council will be required to guarantee any potential unfunded liabilities for deferred benefits or early retirement strain costs, for which the company will pay the equivalent of a commercial bond rte.

8.14 A possibility that was considered was to pool the company’s pension rate with the Councils. This would give the company the advantage of a lower initial cost. However whilst these are the pension costs for staff who are currently included within Wirral this option is not recommended. The rate is significantly below the rate determined by the actuary and therefore would be seen as an unfair and anti-competitive subsidy.

8.15 The option that is recommended is to close the local government pension scheme to new employees. This is initially a more expensive proposal; however over time as the workforce changes costs will reduce bringing the company’s pension arrangements more in line with the external market.

8.16 New employees will be placed in a Qualifying Workplace Pension Scheme, with contributions both from the employer and the employee. The scheme will meet all minimum statutory requirements for a workplace pension. Being less costly to the employer it will reduce future liabilities both for the company and the Council. However this is also reflected in the final pension benefit package for staff. Overall company pension costs will increase by £177,000 in year 1 and this will be reflected in the contract with Evolutions. Previous budget assumptions for the Council anticipated that workforce pension costs will increase from 2017-18, this brings forward part of that change into next year’s budget, where an appropriate provision will need to be made.
9.0 LEGAL IMPLICATIONS

The European rules prohibiting state aid to the company will not apply to the extent that the company is only competing for local business and with competitors based in the UK and not in other European countries. UK legislation prohibits local authorities from subsidising the costs incurred by companies which they control. The company will also be subject to the equal pay legislation as it will be associated with the Council by virtue of the latter’s control and its employees will be able to choose as comparators employees of the opposite sex employed by the Council in appropriate cases.

9.1 TUPE

TUPE applies in two sets of circumstances:

i. When there is the transfer from one organisation to another of an economic entity that retains its identity. An economic entity is defined as “an organised grouping of resources which has the objective of pursuing an economic activity, whether or not that activity is central or ancillary”;

and / or

ii. Where a specific employee or dedicated group of employees provide a service to a client, and the identity of the service provider changes. The change in service provider may be from ‘in house’ to a third party provider (which may include another public sector body); from one third party provider to another; or from a third party provider back ‘in house’.

9.2 TUPE generally applies where a public authority outsources its service delivery, provided the conditions set out in paragraph 2 above are satisfied. As there is a dedicated group of employees working on the activities to be outsourced then TUPE will apply.

9.3 As pension rights that relate to old age, health or survivors do not transfer under TUPE, the Best Value Authorities Staff Transfer (Pension) Direction 2007 compels the local authority to ensure the contract with the new service provider requires that each transferring employee has rights to acquire pension rights that are the same as those prior to transfer.

9.4 The Operational and legal process for Wirral Evolution to gain admittance to Merseyside Pension Fund to participate in the LGPS is in progress in compliance with this statutory requirement.

9.5 Growth assumptions have been made on the basis of the company remaining Teckal compliant, initially the service contract agreement is in the form of a block contract with the company moving onto the standard day service framework after 3 years.
9.6 Agreement has been reached for the lease of assets and buildings. A service contract agreement is in place for all repairs and maintenance.

10.0 EQUALITIES IMPLICATIONS

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

(a) Yes and previous impact review is attached.

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 None identified.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 None identified.

13.0 RECOMMENDATIONS

13.1 It is requested that Cabinet:

a) Note the contents of this report and acknowledge the progress made by officers to develop and establish Wirral Evolutions as a sustainable and viable alternative delivery model for services previously provided directly by the Council.
b) Approve the Business Plan of Wirral Evolutions
c) Approve the contractual position set out in the service contract agreement
d) Approve staff transfer into Wirral Evolutions and company start date of 1 December 2015.
e) Agree to receive further annual reports to the Council as shareholder of the company
f) Agree the decision regarding pensions, delegating final arrangements to the Section 151 Officer
g) Support the use of the re-modelling reserve to meet set up costs

14.0 REASON/S FOR RECOMMENDATION/S

14.1 Cabinet is requested to support the recommendations of this report in order to achieve a solution that is mutually supportive and acceptable to both the Council and the company and that will provide a future sustainable delivery model for day services.

REPORT AUTHOR: Name: Graham Hodkinson
               Designation: Director of Adult Social Services
               telephone  (0151) 666 3650
               email     grahamhodkinson@wirral.gov.uk
APPENDICES
Appendix 1 – Wirral Evolutions 5 Year Business Plan (Exempt)
Appendix 2 – Wirral Evolutions Employee Charter
Appendix 3 – Service Contract Agreement

BACKGROUND PAPERS/REFERENCE MATERIAL

BRIEFING NOTES HISTORY

<table>
<thead>
<tr>
<th>Briefing Note</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td></td>
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</tbody>
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SUBJECT HISTORY (last 3 years)

<table>
<thead>
<tr>
<th>Council Meeting</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cabinet</td>
<td>20 December 2012</td>
</tr>
<tr>
<td>Health &amp; Wellbeing Overview &amp; Scrutiny Committee</td>
<td>4 December 2012</td>
</tr>
<tr>
<td>Health &amp; Wellbeing Overview &amp; Scrutiny Committee</td>
<td>14 January 2013</td>
</tr>
<tr>
<td>Cabinet</td>
<td>18 February 2013</td>
</tr>
<tr>
<td>Council (Budget)</td>
<td>5 March 2013</td>
</tr>
<tr>
<td>Cabinet</td>
<td>10 December 2013</td>
</tr>
<tr>
<td>Cabinet</td>
<td>13 March 2014</td>
</tr>
<tr>
<td>Cabinet</td>
<td>19 June 2014</td>
</tr>
</tbody>
</table>
Wirral Evolutions Employer/Employee Charter

As an ethical employer, Wirral Evolutions (WE) aspires to work together to provide an environment that encourages people to take pride in what they do and to be inspired to improve the lives of people they work with and for.

The WE staff charter

The WE charter expresses our organisational values. The charter describes what the WE commits to as an organisation, and what is expected of staff to make sure we meet this organisational commitment.

The WE values are embedded within the WE competency framework, which outlines the behaviours that are essential for effective performance in our organisation. The framework forms the basis of our people management processes (recruitment and selection, performance management and development) and provides a common language for how we go about our daily work.

Staff commit to:

Leadership and accountability:

- Focusing on delivering the best possible outcomes and value for money for people at all times.
- Striving to improve their own performance and suggesting improvements for team and organisational performance.
- Giving constructive feedback, engaging fully with organisational development and taking responsibility for their actions.

Collaboration:

- Collaborating with colleagues, working efficiently and flexibly to cut out duplication and share knowledge.
- Being open to giving and receiving constructive feedback and thanking colleagues for their contribution.
- Being responsive, efficient and polite when dealing with colleagues, partners and stakeholders to build trust in the organisation.
Fairness and integrity:

- Treating everyone with professional and personal respect, promoting fairness and recognising the value of diversity.
- Showing integrity through honesty, ethical behaviour and open communication.
- Challenging inefficient processes and inappropriate behaviours which act as barriers to improvement.

WE commits to:

Leadership and accountability:

- Providing a clear strategic vision and priorities supported by a strong, inspiring leadership team.
- Being an organisation that empowers and develops staff, maximising talent, skills and experience.
- Managers leading by example, celebrating successes, recognising everybody’s roles and contributions, and addressing underperformance.

Collaboration:

- Consulting and informing staff, families and other stakeholders about WE priorities and plans, with clarity about what is expected of staff in delivering them.
- Clear lines of accountability and responsibility.
- An open and constructive joint working relationship with elected politicians and political appointees.

Fairness and integrity:

- Working to build trust both internally and with partners and stakeholders.
- Communicating in an open, transparent and honest way with staff, partners and stakeholders.
- Respecting and considering the diverse needs of all staff and ensuring their wellbeing.
Dignity and inclusion at work

We want to provide a workplace where every employee is treated with respect. We also want WE to be free from bullying and harassment. All staff will, as standard, attend a course equipping them to understand what diversity and inclusion means within their own role as well as how to recognise and challenge inappropriate workplace behaviour.

We take allegations of bullying and harassment very seriously. We will investigate all complaints promptly, fairly and in strict confidence. If complaints are upheld, we take action according to our disciplinary procedures and our Dignity at Work policy.

Code of ethics

WE employees are expected to meet the highest standards of conduct. These are set out in our Code of Ethics and Standards for Staff, which includes:

- Being professional, politically impartial, respecting confidentiality and complying with the law;
- Using public money efficiently and effectively;
- Promoting equal opportunities and stopping discrimination;
- Meeting high performance standards;
- Fair treatment and disciplinary and grievance procedures;
- A healthy and safe working environment.

The Social Care Commitment

As a responsible employer, WE is fully signed up to the Social Care Commitment\(^1\)

The Social Care Commitment is the adult social care sector's promise to provide people who need care and support with high quality services. It is a Department of Health initiative that has been developed by the sector, so it is fit for purpose and makes a real difference to those who sign up. Made up of seven statements, with associated ‘I will’ tasks that address the minimum standards required when working in care, the commitment aims to both increase public confidence in the care sector

\(^1\) [https://www.thesocialcarecommitment.org.uk/](https://www.thesocialcarecommitment.org.uk/)
and raise workforce quality in adult social care. Making the commitment involves agreeing to the seven statements and selecting tasks to help put those statements into practice. Tasks cover activities such as recruiting the right staff, having a thorough induction, ensuring a strong culture that values dignity and respect and effective communication. Doing the tasks provides an official record of work done, which can raise job satisfaction and increase staff confidence.

The Seven Employer Statements are as follows:

1. I will take account of potential employees’ values, attitudes and behaviours when recruiting new staff.
2. I will provide thorough induction for all new staff and for those changing job roles.
3. I will provide timely, appropriate and accessible education, learning and development opportunities to enable my employees to develop and strengthen their skills and knowledge.
4. I will encourage everyone I employ to sign up to the Social Care Commitment and to commit to any codes, standards or registration systems applicable to their job role.
5. I will take responsibility for the values, attitudes and behaviours that my employees display at work, including upholding and promoting equality, diversity and inclusion.
6. I will regularly monitor the skills and behaviour of everyone I employ, ensuring that feedback is encouraged from anyone they support or have direct contact with, including families and carers.
7. I will work to ensure a positive culture and working environment where all employees are supported to do what they’ve said they will as part of their Social Care Commitment.

The Seven Employee Statements are as follows:

1. I will always take responsibility for the things I do or don't do
2. I will always promote and uphold the privacy, dignity, rights, health and wellbeing of people who need care and support.
3. I will work co-operatively with others to ensure the delivery of safe, high-quality care and support.
4. I will communicate in an effective way to promote the wellbeing of people who need care and support.
5. I will respect people’s right to confidentiality, protecting and upholding their privacy and dignity.

6. I will improve the quality of the care and support I provide by constantly reflecting on and updating my own knowledge, skills and experience.

7. I will promote equality, diversity and inclusion by treating all people fairly and without bias.

The WE Competency Framework

Wirral Evolution’s competency framework outlines the behaviours that are essential for effective performance in our organisation. The framework forms the basis of our people management processes and provides a common language for how we go about our daily work (while performance objectives describe the what we do)\(^2\)

The framework comprises four clusters (working with others, leadership, delivering results and organisational context) and each cluster contains three competencies. Between five and eight competencies have been assigned to each role profile to identify the essential behaviours for effective performance in each role.

Alongside the technical requirements for a role, we also assess behavioural competencies at the application and interview stages to help ensure that our selection processes are focused on the behaviours that are important for success in the role.

**Fair pay**

The WE supports the principal of implementing the Living Wage for all of its employee’s and other fair pay policies. We believe that there is clear evidence that employers benefit across a wide range of areas - recruitment and retention, improved worker morale, motivation, productivity and reputational impacts of being an ethical employer and WE aspire to achieve all of these principles.

\(^2\) Details are set out in the competency framework guidelines
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Service Contract Agreement for the provision of Day Services

Made between Wirral Borough Council (the Council) and Wirral Evolutions Limited (the Company)

1. **Introduction**

1.1 This agreement is effective from **1st December 2015** and sets out the conditions for Day Services to be provided to the customer either in a building based setting or in the community.

1.2 It is intended to help foster a culture of partnership between the Council, the Company and customers who need and are eligible for support and their Carers.

1.3 The Company must demonstrate an alignment with the Council’s 2020 Vision and meet all the conditions set out in this specification.

1.4 This specification intends to encourage a business relationship with the Company built on trust and shared values in respect of achieving positive outcomes for customers who may be vulnerable and who need support in Wirral.

1.5 This agreement will be the governing contract between the Council and the Company and therefore will be referred to as the Contract throughout the document.

2. **Glossary of Terms**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorised Officer</td>
<td>The person responsible for letting, managing and supervising the Contract on behalf of the Council and who shall until further notice be the Director of Adult Social Services who may act through designated representatives.</td>
</tr>
<tr>
<td>Block basis</td>
<td>An arrangement whereby the company is engaged to deliver day services under the terms of this Agreement to a group of Customers for an agreed price.</td>
</tr>
<tr>
<td>Carer</td>
<td>A person, paid or unpaid, who supports someone who uses this service.</td>
</tr>
<tr>
<td>Customer</td>
<td>A person who uses this service.</td>
</tr>
<tr>
<td>Customer Service Specification</td>
<td>The details of the service to be delivered by the Company to a Customer as set out in their Personal Support Plan and correspondence between the Council and the Company.</td>
</tr>
<tr>
<td>Direct Payment</td>
<td>A method of discharging a Personal Budget to a Customer who has chosen to arrange their own personal support by transferring cash resources from the Council to a separate bank account managed by the Customer to be used to fund the services detailed in the personal support plan that meets the outcomes specified within it.</td>
</tr>
<tr>
<td>Personal Budget</td>
<td>An allocation of funding made available by the Council based on an assessment of a Customer’s support needs.</td>
</tr>
<tr>
<td>Personal Support Plan</td>
<td>A written agreement between the Council and the person using the service which sets out the support that is required to deliver the outcomes agreed in a Support Plan. It forms part of this Agreement insofar as it sets out the specific tasks and support that is required to be provided to a customer by the Company.</td>
</tr>
<tr>
<td>Self-Directed Assessment</td>
<td>A statutory assessment of a Customer’s needs undertaken by themselves, with or without the assistance of a third party and approved by the Council.</td>
</tr>
<tr>
<td>Session</td>
<td>The provision of a service to a single customer for a period between 4-8 hours and a half session shall be such a period of up to 4 hours.</td>
</tr>
</tbody>
</table>
Service Specification

<table>
<thead>
<tr>
<th>Services</th>
<th>Details of the service provided under this Agreement as set out in Appendix 2. The services to be provided by the Company for Customers under this Contract.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wirral Wide</td>
<td>Circumstances where the service will be delivered throughout Wirral and not located in a specific area.</td>
</tr>
<tr>
<td>Worker</td>
<td>A person who on behalf of the Provider provides help and support under this Contract to a Customer (including employees, agency workers and agents and sub-contractors).</td>
</tr>
</tbody>
</table>

3. **The Service**

3.1 This Agreement is for the provision of the service which provides Day Services and Day Time Opportunities for Wirral residents.

3.2 The Company will be providing day services which includes building based and community based activities.

3.3 The service will be provided in accordance with the Service Specification (Appendix 2) appended to this agreement.

4. **Service Delivery**

4.1 The Company will deliver the outcomes for Customers as stipulated in their Support Plans.

4.2 The Company will be required to demonstrate that they have met the Council’s Key Performance Indicators as set out by the Council for monitoring the contract. They will also need to demonstrated that they have contributed to the Wirral pledges as set out in the Councils 2020 Vision.

5. **Contract and Performance Management**

5.1 The Company must comply with all the monitoring and evaluation arrangements set out in this Contract and Service Specification and will:

5.1.1 Allow the Council to attend the services in order to monitor the Standards which will include carrying out spot checks.

5.1.2 Ensure that there is a documented system of Quality Assurance including provision for quarterly reviews to ensure the service offered to Customers meets this specification.

5.1.3 Operate a system whereby the views of the Customers about the service provided or to be developed are sought and taken account of.

5.1.4 Provide to the Quality Assurance Team of the Council reasonable access to employee rotas, incident books and other relevant records and documents relating to the service, except where this conflicts with any overriding duty of confidentiality or the information is commercially sensitive and disclosure is to be limited to those employees of the Council who have a need to know.

5.1.5 Provide to the Council reasonable access to all data and other records relating to the cost of delivering the Services for the purpose of satisfying itself that the Services are being delivered efficiently and at a reasonable cost to the Council.

5.1.6 Inform the Council of any serious event that affects or might affect the well-being or safety of a customer.
5.1.7 Allow the Council to interview employees who deliver the service for or on behalf of the Company.

5.1.8 As part of the contract monitoring process, the Services will be monitored by the Council at a minimum of once per year. This will also include an annual report (containing information agreed with the Council) which will be provided to the Council.

5.2 If either party seek to make changes to the required service levels and standards set out in this agreement, the Council and the Company must be prepared to enter into negotiations to discuss the contract and service changes and come to a mutual agreement about any changes.

5.3 The Council may at its discretion share information with Customers or prospective service users and their families about the Company in so far as it relates to the provision of services covered by the agreement in order to assist them making an informed choice about which service they will attend.

5.4 The Company will have a named person who will be responsible for the day to day contract performance, who will liaise with the Council, and who will be of sufficient seniority to make executive decisions on behalf of the Company.

6. Quality Assessment and Assurance Framework

6.1 The Company must have a robust Quality Assurance System in place to cover:-

6.1.1 The outcomes for Customers using the service, clearly defining the standards and indicators that need to be achieved and monitored on a continuous basis to ensure the service is run in accordance with the best interests of the person using the services.

6.1.2 A documented system for monitoring, recording and acting on the views of Customers using the service regarding activities offered.

6.1.3 The standards required, the method of attaining these, and the audit procedure.

6.1.4 Customer feedback, which is analysed and measures the success of the service in meeting the outcomes for Customers using the service.

6.1.5 The Quality Assurance System report summary must be routinely available to Customers and the council on request.

6.1.6 A defined process for consulting regularly with Customers and their carers or representatives about the service and mechanisms for taking account of feedback to improve service delivery and achievement of positive outcomes for them.

6.1.7 Various means and support arrangements for Customers to give feedback on the services they receive (e.g. questionnaire, interview, phone call, service review etc) and a range of different formats (language, pictorial, font size, etc).

6.1.8 When written feedback, both complimentary and constructive, is received the Company will provide a formal response to the person giving feedback noting its receipt and the action that will follow.

6.1.9 The Company will be required to complete monitoring information for the Council as agreed from time to time but not less than each and every quarter. The information that is to be provided will be determined by the Council (acting reasonably)
6.1.10 The Company must produce documented procedures for the delivery of the Services in addition to any other requirement as mentioned in Policies and Procedures (Appendix 1)

6.1.11 As part of the Quality Assurance process, the Company will work with the Council to develop a Contingency Plan to ensure that processes are in place to cover provider failure.

7. **Cost of the service**

7.1 The funding that will be provided to the Company from the Council is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year 1 £</th>
<th>Year 2 £</th>
<th>Year 3 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Contract Value</td>
<td>4,635,800</td>
<td>4,626,300</td>
<td>4,536,300</td>
</tr>
</tbody>
</table>

7.2 The above funding is based on the provision of 164320 sessions annually

7.3 Additional sessions will be paid for at a cost per session to be agreed between the Council and the Company and determined on the basis of eligible assessed needs for that additional session.

8. **Financial Arrangements**

8.1 On the 10th day of each and every month the Company will receive payment from the Council for the services provided under this Contract being the proportion of the annual contract sum calculated by dividing the total number of days in the month by the number of days in the year.

8.2 In respect of any additional services the Company will invoice the Council four weekly in arrears for services it has provided under the terms of this Agreement. Invoices must be in an electronic format acceptable to the Council.

8.3 The Council will pay invoices by BACS within 28 days of the invoice date except where an invoice is considered to be in error or not reconcilable with service additions whereupon the Council shall make appropriate enquiries and then reach a decision on payment within a reasonable period of time after it has obtained all reasonably available and relevant information.

9. **Unit cost for the service**

9.1 The Council and the Company will agree a unit cost for the services during the initial three years of this contract and from the commencement of the fourth year of the Contract or such later date as may be agreed the Council will pay for the service at the agreed unit cost for sessions that are delivered. In default of agreement, the Council may terminate the Contract on giving the Company not less than 12 months’ notice in writing.

10. **Number of Sessions**

10.1 Additional placements above the sessions agreed as part of the block contract, may be commissioned by the Council on a sessional basis, at the cost that is agreed by the Council and the Company.

10.2 If Customers who are provided with a service under the block contract leave the service, their sessions will be allocated to an individual/s that the Council commission under this block contract on the basis of eligible assessed needs.
11. **Staffing**

11.1 The Company must ensure that they have the appropriate staffing levels to deliver the service and ensure the safety of the Customers.

11.2 The Council will not be responsible for the payment of redundancy of staff.

12. **Insurance and Indemnity**

12.1 The Company will indemnify and keep indemnified the Council against any liability as regards the death of or injury to any person or the loss of or damage to any property connected with the provision of the service or any act of the Company except and to the extent that it may arise out of a negligent act of the Council, its employees or agents not being the Company or employed by the Company. The Company must:-

12.1.1 Comply with all relevant and any future legislation that might apply to the services defined in this Agreement.

12.1.2 Maintain Public Liability Insurance in the minimum sum of £5 million for any one claim or series of claims arising out of one event.

12.1.3 Maintain Employers Liability Insurance in the minimum sum of £10 million for any one claim or series of claims arising out of one event.

12.1.4 Maintain comprehensive insurance cover for any motor vehicle used in connection with any part of the service that complies with the Road Traffic Act 1972 and is adequate for the type of use being made in connection with the service.

12.1.5 Procure and maintain the above mentioned insurance(s) with a reputable company or companies approved by the Council.

12.1.6 Make available to the Council upon request copies of the above mentioned insurance policies together with receipts for current premiums relating to their requirements.

13. **Termination**

13.1 Either party may terminate the Contract at any time by giving not less than 12 months’ notice in writing expiring on the anniversary of the commencement of the Contract.

13.2 Without prejudice to the exercise of any other rights and remedies a party may possess, one party may terminate the contract with immediate effect or by giving notice if the other party:-

13.2.1 Is persistently in breach of its obligations under the terms of the agreement, or

13.2.2 Commits a material breach of any of its obligations under the contract or

13.2.3 Where a breach is capable of being remedied, fails to remedy such breach within the period of time specified in a notice served in accordance with Clause 16

13.3 The Company’s persistent failure to provide all or part of the Service in accordance with this Contract during the period of the Contract will (without limitation) be regarded as a material breach of Contract, and the Council shall be entitled to recover reasonable costs resulting from any such failure that are directly attributable to obtaining services from an alternative Provider.
13.4 The following reasons shall entitle the Council to terminate the Contract with immediate effect if the Company, or worker acting on behalf of the Company (in relation to 13.4.3, 13.4.4, 13.4.5, 13.4.6),

13.4.1 Becomes bankrupt, or becomes subject to any application or arrangement or process under the Insolvency Act 1986, including liquidation, administration or receivership

13.4.2 Is convicted of a criminal offence having a direct bearing on the fitness to carry out the Company’s obligations under the Contract,

13.4.3 Takes advantage, financial or otherwise, of the relationship with the Customer, their Carer, or other member of their family,

13.4.4 Offers, gives, or agrees to give to any person any gift or consideration of any kind as an inducement or reward for doing or not doing any action in relation to the execution of the Contract,

13.4.5 Gives or offers any gift or consideration whatsoever as an inducement or reward to any employee or Member of the Council for doing or forbearing to do any action in relation to this or any other Contract with the Council,

13.4.6 If there is evidence of any other corrupt practice on the part of the Company its agents or sub-contractors including any offence under the Bribery Act 2010.

13.5 Where notice of termination is served for any of the reasons described above in Clauses 13.2 to 13.4 and the termination takes effect, the server shall be entitled to recover from the other party the reasonable amount of any loss resulting from such termination and any loss directly attributable to any breach of this Contract which preceded the termination.

13.6 Termination of this Contract, for whatever reason, shall not affect the liability of either party for the payment of any sums arising under this Contract prior to the date of its termination.

13.7 In the event of there being served any notice to terminate the Contract in accordance with any provision of the Contract either party may dispute the proposed termination and such issue may be determined in accordance with a procedure for Resolution of Disputes and for Mediation to be agreed by the parties.

13.8 In the event that this Contract is terminated, the Provider must continue to supply the Service up to and including the date of termination or until such time as arrangements are made to transfer ongoing personal support arrangements to an alternative provider. The Company shall render all reasonable assistance to and cooperation with, the Council in the implementation of the arrangements for the transfer of the personal support arrangements to any alternative provider or to the Council.

14. **Assignment and Sub-contracting**

14.1 The Company may not assign the benefit or advantage of this Contract or the specified services without the previous written consent of the Council. The Company may enter into subcontracts for the delivery of the Services with the prior written consent of the Council such consent not to be unreasonably withheld. Such consent if given:

14.1.1 Will involve the vetting of any potential sub-contractor by the Council

14.1.2 Will not relieve the Provider of any liability or obligation under the contract

14.1.3 Will not relieve the Provider becoming liable for the acts, defaults or neglect of its sub-contractor or its agents or employees.
14.2 The Council may not assign the contract except where there may be statutory succession. Upon any such assignment all obligations and responsibilities imposed by this contract shall be released except for liabilities connected to any antecedent breaches, and except as provided for in relevant legislation.

15. **Variation**

15.1 Subject to Clause 15.2, variations to this Contract may not be made unless they are made by agreement in writing and by mutual consent.

15.2 Notwithstanding Clause 15.1, variations to the Personal Support Plan and the Customer Service Specification which reflects the changing needs of the Customer as determined by the Council’s statutory assessment of need may be made by the Council and communicated to the Company. The Company shall deliver the service in accordance with such variations.

16. **Default**

16.1 Where either party fails to comply with any of the provisions of the Contract the party not in default may serve notice in writing stating the provision of the contract with which the party is considered to be non-compliant and requiring remedial action (if practicable) within a specified period of time.

16.2 When notice of default is issued to the Company it is required to:

16.2.1 Submit an action plan within 5 working days with reasonable time scales identifying what action will be taken to address the default in the provision of the contract. Failure to do so will be a material breach of contract.

16.2.2 The Company will be invited to attend a meeting with the Council following the receipt of the action plan for scrutiny and determination by the Council of reasonable time scales, for carrying out the remedial action it requires.

16.2.3 Not used

16.2.4 The Council may serve a further notice on the Company which determines the time scales within which the defaults identified by the Council at the meeting referred to above or otherwise shall be remedied.

16.3 If the Company fails to meet the required standards of Services pursuant to the Contract, then without prejudice to any other right or remedy the Council may have, and without terminating the Contract, the Council may:

16.3.1 Itself provide or procure the provision of the relevant part of the Service from a third party not specified in this Contract until the breach has been remedied to the reasonable satisfaction of the Council and recover the reasonable costs thereof from the Company.

16.3.2 Deduct from any sums due or otherwise charge to the Company the reasonable cost of any Service so provided together with relevant administration costs.

16.3.3 Stop or suspend all further referrals to the Company until satisfied that the default has been remedied.

16.4 Where the Council is in default under the terms of the Contract the Company will be entitled to recover reasonable costs from the Council that are directly attributable to the default referred to in the notice, but only if the Service Provider has served notice of Default on the Council specifying the breach and a reasonable period within which it is to be remedied and the Council has failed to comply with that notice.
17. **CONFIDENTIALITY**

17.1 Subject to clause 17.2, the Parties shall keep confidential all matters relating to this Deed and shall use all reasonable endeavours to prevent their representatives from making any disclosure to any person of any matters relating hereto.

17.2 **Clause 17.1** shall not apply to any disclosure of information:

17.2.1 required by any applicable law, provided that clause 18.2 shall apply to any disclosures required under the FOIA;

17.2.2 that is reasonably required by persons engaged by a Party in the performance of such Party’s obligations under this Deed;

17.2.3 where a Party can demonstrate that such information is already generally available and in the public domain otherwise than as a result of a breach of clause 17.1;

17.2.4 which is already lawfully in the possession of the receiving party, prior to its disclosure by the disclosing party;

17.2.5 by the Council or Wirral Evolutions to any other department, office or agency of the Government; and

17.2.6 by either Party with the other Party’s prior written consent.

18. **FREEDOM OF INFORMATION**

18.1 Each Party acknowledges that the other is subject to the requirements of the FOIA and each Party shall assist and cooperate with the other (at its own expense) to enable the other Party to comply with its Information disclosure requirements.

18.2 Nothing in this Deed shall prevent either Party from disclosing any Information it holds whether relating to this Deed or otherwise which either party in its absolute discretion considers it is required to disclose in order to comply with FOIA and any other statutory requirements whether or not existing at the date of this Deed. However, in the case of Information relating to this Deed the Party receiving the Request for Information (the “Receiving Party”) shall consult the other Party (the “Consulting Party”) as soon as practicable after receipt of the request before disclosing any Information.

18.3 The Consulting Party shall respond to the Receiving Party pursuant to clause 18.2 as soon as reasonably practicable and in any event within five Business Days by either;

18.3.1 consenting in writing to the disclosure; or

18.3.2 providing the Receiving Party with written representations as to why it believes the Information is covered by an exemption or exception under the FOIA.

18.4 The Receiving Party shall take the Consulting Party’s views into account when considering whether it has a duty to disclose the Information under the FOIA and shall notify the Consulting Party of its decision prior to disclosure. If a Receiving Party shall at any time notify the other (the “Notified Party”) that it has received a Request for Information in respect of which the Receiving Party requires the assistance of the Notified Party then:

18.4.1 the Notified Party shall at its own cost provide and procure that any of its sub-contracts (if any) provide all necessary assistance required by the Receiving Party in order to allow that party to comply with the Request for Information within the period or periods when it is obliged to respond to the Request for Information;
18.4.2 without limitation to the foregoing the Notified Party shall at its own cost within five Business Days of request supply and procure that any of its agents, servants, employees or sub-contractors (if any) supply to the party such Information and documents as it holds on behalf of the Requesting Party as requested by that party in such form as reasonably prescribed by that party; and

18.4.3 the Notified Party shall ensure that all Information produced by the Notified Party or any of its agents, servants, employees or sub-contractors in the course of performing any of its obligations under this Deed is retained for disclosure and shall permit the party to inspect such records as required from time to time.

18.5 In the event that a Receiving Party shall at any time receive any Request for Information relating to this Deed or any activities or business of the other party which the Receiving Party does not hold then the Receiving Party shall transfer the Request for Information to the other party as soon as reasonably practicable and in any event within two Business Days of receipt.

19. DATA PROTECTION

19.1 The Parties will comply with any notification requirements under the DPA and both Parties shall duly observe all their obligations under the DPA, which arise in connection with the Deed and/or any Personal Data to be processed in connection with the Deed.

19.2 Notwithstanding the general obligation in clause 19.1, where Wirral Evolutions is processing Personal Data as a Data Processor for the Council, Wirral Evolutions shall:

19.2.1 only process such Personal Data for any purposes connected with the management of the Transferring Employees, for the purposes for which such information was originally collected or for any other lawful purpose and on instructions received from the Council from time to time;

19.2.2 ensure that it has in place appropriate technical, organisational and contractual measures to ensure the security of the Personal Data and to prevent the accidental or unlawful destruction of or accidental loss of, alteration to, unauthorised disclosure of or access to Personal Data as required under the Seventh Data Protection Principle in Schedule 1 to the DPA;

19.2.3 not cause or permit the Personal Data to be transferred outside the European Economic Area (as defined in the DPA) without the prior written consent of the Council;

19.2.4 provide the Council with such information as the Council may reasonably require to satisfy itself that Wirral Evolutions is complying with its obligations under the DPA;

19.2.5 promptly notify the Council of any breach of the security measures required to be put in place pursuant to clause 19.2; and

19.2.6 not do or omit to do anything which places the Council in breach of the Council’s obligations under the DPA.

19.3 The provisions of this clause shall apply during the continuance of the Deed and indefinitely after the Transfer Date.
20. **NOTICES**

20.1 Any notice to be given under this Deed shall either be delivered personally or sent by facsimile or sent by first class post or electronic mail. The address for service of each Party shall be as set out in clause 20.3 or such other address as each Party may previously have notified to the other Party in writing. A notice shall be deemed to have been served if:

20.1.1 personally delivered, at the time of delivery;
20.1.2 sent by facsimile, at the time of transmission;
20.1.3 posted, at the expiration of 48 hours after the envelope containing the same was delivered into the custody of the postal authorities; and
20.1.4 if sent by electronic mail, at the time of transmission and a telephone call must be made to the recipient warning the recipient that an electronic mail message has been sent to him (as evidenced by a contemporaneous note of the Party sending the notice) and a hard copy of such notice is also sent by first class recorded delivery post (airmail if overseas) on the same day as that on which the electronic mail is sent.

20.2 In proving such service, it shall be sufficient to prove that personal delivery was made, or that the envelope containing such notice was properly addressed and delivered into the custody of the postal authority as prepaid first class, or that the facsimile was transmitted on a tested line or that the correct transmission report was received from the facsimile machine sending the notice, or that the electronic mail was properly addressed and no message was received informing the sender that it had not been received by the recipient (as the case may be) and a contemporaneous note of the telephone call warning the recipient that the electronic mail message has been sent to him was made.

20.3 The address for service of notices as referred to in clause 20.1 shall be as follows unless otherwise notified to the other Party in writing:

20.3.1 if to the Council, addressed to the [insert details];

   Tel: [insert details]

   Fax: [insert details]

   E-Mail: [insert details]

20.3.2 and

20.3.3 if to Wirral Evolutions, addressed to the [insert details];

   Tel: [insert details]

   Fax: [insert details]

   E-Mail: [insert details]

21. **FORCE MAJEURE**

21.1 Force Majeure Event means any circumstance not within a Party's reasonable control including, without limitation:

21.1.1 acts of God, flood, drought, earthquake or other natural disaster;
21.1.2 epidemic or pandemic;
21.1.3 terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations;

21.1.4 nuclear, chemical or biological contamination or sonic boom;

21.1.5 any law or any action taken by a government or public authority, including without limitation imposing an export or import restriction, quota or prohibition;

21.1.6 collapse of buildings, fire, explosion or accident; and

21.1.7 any labour or trade dispute, strikes, industrial action or lockouts; and

21.1.8 interruption or failure of utility service.

21.2 Provided it has complied with clause 21.4, if a Party is prevented, hindered or delayed in or from performing any of its obligations under this Deed by a Force Majeure Event (the “Affected Party”), the Affected Party shall not be in breach of this Deed or otherwise liable for any such failure or delay in the performance of such obligations. The time for performance of such obligations shall be extended accordingly.

21.3 The corresponding obligations of the other Party will be suspended, and its time for performance of such obligations extended, to the same extent as those of the Affected Party.

21.4 The Affected Party shall:

21.4.1 as soon as reasonably practicable after the start of the Force Majeure Event, notify the other party of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under the Deed; and

21.4.2 use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

21.5 If the Force Majeure Event prevents, hinders or delays the Affected Party’s performance of its obligations for a continuous period of more than 12 weeks, the Party not affected by the Force Majeure Event may terminate this Deed by giving four weeks’ written notice to the Affected Party.

21.6 If the Force Majeure Event prevails for a continuous period of more than 6 months, either Party may terminate this Deed by giving 14 days’ written notice to the other Party. On the expiry of this notice period, this Deed will terminate. Such termination shall be without prejudice to the rights of the parties in respect of any breach of this Deed occurring prior to such termination.

22. RIGHTS AND REMEDIES

22.1 Except as expressly provided in this Deed, the rights and remedies provided under this Deed are in addition to, and not exclusive of, any rights or remedies provided by law.

23. SEVERANCE

23.1 If any term of this Deed is found by any court or body or authority of competent jurisdiction to be illegal, unlawful, void or unenforceable, such term will be deemed to be severed from this Deed and this will not affect the remainder of this Deed which will continue in full force and effect. In this event the parties will agree in accordance with clause 15 a valid and enforceable term to replace the severed term which, to the maximum extent possible, achieves the parties’ original commercial intention and has the same economic effect as the severed term.
24. **NO WAIVER**

24.1 A delay in exercising or failure to exercise a right or remedy under or in connection with this Deed will not constitute a waiver of, or prevent or restrict future exercise of, that or any other right or remedy, nor will the single or partial exercise of a right or remedy prevent or restrict the further exercise of that or any other right or remedy. A waiver of any right, remedy, breach or default will only be valid if it is in writing and only in the circumstances and for the purpose for which it was given and will not constitute a waiver of any other right, remedy, breach or default.

25. **THIRD PARTY RIGHTS**

25.1 The parties do not intend that any term of this Deed will be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person.

26. **ENTIRE AGREEMENT**

26.1 This Deed constitutes the entire agreement between the parties and supersedes any prior agreement or arrangement in respect of its subject matter and:

26.1.1 Neither Party entered into this Deed in reliance upon, and it will have no remedy in respect of, any misrepresentation, representation or statement (whether made by the other party or any other person and whether made to the first party or any other person) which is not expressly set out in this Deed; and

26.1.2 nothing in this clause 26 will be interpreted or construed as limiting or excluding the liability of any person for fraud or fraudulent misrepresentation.

27. **COUNTERPARTS**

27.1 This Deed may be executed in any number of counterparts, each of which will constitute an original, but which will together constitute one deed.

28. **GOVERNING LAW AND JURISDICTION**

28.1 This Deed (including any non-contractual obligations relating to it) will be governed by and interpreted in accordance with the law of England and Wales.
Appendix 1

Policies and Procedures

The Provider must be able to produce on request by, and to the satisfaction of, the Council the following records and documented procedures in addition to any other requirement of any other clause in this Agreement:-

1. (a) Statement of Purpose, incorporating the Company's aims and objectives,
2. (b) Complaints and compliments procedure
3. (c) Record of complaints and outcomes
4. (d) Customers Consultation process
5. (e) Staff Training and Development Plans
6. (f) Review records
7. (g) Risk assessment documents
8. (h) Risk assessment records
9. (i) Guidance for all staff on safety precautions to be taken following assessment of risk, including written procedures on Fire prevention, First Aid, Safe use of Electricity, Food Safety and Hygiene, Safe Moving and Handling, Control of Infection and reporting Infectious Diseases, self-management of medication, reporting of injuries, diseases, accidents and dangerous occurrences;
10. (j) Moving and handling training records
11. (k) Staff rotas
12. (l) A staffing structure and scheme of delegation of the organisation, indicating managerial relationships between staff, and how information can be effectively communicated throughout the organisation
13. (m) Staff supervision records
14. (n) Policies relating to equality, diversity and anti-oppressive practice
15. (o) Policies to illustrate that information for Customers and their families can be made available in an appropriate range of formats and languages
16. (p) Policies regarding confidentiality and access to records
17. (q) Log of requests to access records
18. (r) Register of gifts, bequests accepted and refused from Customers
19. (s) Policy relating to the transmission of blood borne viruses such as HIV, AIDS and Hepatitis B
20. (t) Record of emergency service documentation received prior to commencement of service

21. (u) Financial policies and procedures

22. (v) Safeguarding Policies and Procedures

The Council will make available to Company on request copies of its own policies and procedures as amended from time to time which shall be the acceptable minimum standards.
Appendix 2

Day Opportunities for Adults who use Services
Service Specification

1. Introduction

1.1 Wirral Council currently commissions a range of day opportunities for adults who use services. There is a commitment by the Local Authority to work in partnership with all stakeholders to reconfigure services so that they continue to meet both current and future needs within the resources available.

1.2 It has been recognised that the way services are commissioned and provided for people who use services will continue to evolve, and Wirral Council is fully committed to a person-centred and self-directed approach to service commissioning.

1.3 Guiding Principles

- An understanding that changing the way in which organisations and professionals work can improve outcomes for people who use services and their families/Carers.

- People who use services and their families have natural authority and are best placed to be their most powerful and enduring leaders, decision makers and advocates.

- Families, friends and personal networks are the foundations of a rich and valued life in the community.

- People who use services and their families are in the best position to determine their own needs and goals and to plan for the future.

- Individuals and their families will directly commission the support they receive if they wish to.

- Communities are enriched by the inclusion and participation of people who use services, and these communities are the most important way of providing friendship, support and a meaningful life to people who use services, their families and Carers.

- The lives of people who use services are enhanced when they can determine their preferred supports and services and control the required resources, to the extent that they wish.

- Partnership between individuals, families and Carers, communities, local government, service providers and the business sector are vital in meeting the needs of people who use services.

- People are supported to gain the skills, development and progression in order to be as independent as possible.

1.4 In the light of growing demand for support and the limitations on public funding that are a feature of the current economic downturn, it is more important than ever that public services make best use of resources by securing the right day opportunity and support services for people who use services. At the same time there are opportunities to secure better outcomes whilst targeting our spending at the right things. This requires a model of support that concentrates on enablement and self-actualisation rather than dependency on long-term care.
1.5 An effective Adults Day Opportunity Service should provide a service for adults with the aim of ensuring they can participate in and help steer the services required, taking into account their specific needs. Day opportunities should also enable people to make informed decisions and choices.

2 Definition

2.1 Day Opportunities

2.1.1 For the purpose of this Day Opportunities delivery specification, a day opportunity is defined as a support and activity service provided during the day (including evening and weekends) for the purpose of delivering outcomes specified in the attendee’s support plan and to provide respite for the Carer of a person who uses services.

2.1.2 A day opportunity would ordinarily be utilised to enhance a person’s life through social interaction, opportunities to be independent and experiences to encourage self-realisation. They might also specifically offer a safe environment for a vulnerable person and/or a means of providing personal care. It is expected that day opportunities would normally take place away from the home environment.

3 Purpose of the Service

3.1 The purpose of Day opportunities is to support the person who uses services in improving their quality of life. Day opportunities should assist the person who uses services to lead an independent and fulfilling life, help them to maintain a healthy lifestyle, and to promote and enhance effective personal support networks. This supports Wirral Council’s commitment to helping people live safely and independently, and be socially included within their local communities.

3.2 A successful day opportunity should support the person who uses services to take greater control of their own life and encourage them to remain as independent as possible within their own home, the community and within their chosen way of life.

3.3 The person who uses services must be at the centre of all decisions about how they are supported. The Service Provider should provide services in such a way that the person who uses services is able to feel secure, confident and included in all decisions regarding the service provided to them.

4 Aims of the Service

4.1 The intention is to commission day opportunities for adults who use services that meet future service demands, and to develop services in line with the national and local agendas including high level partnership working and promotion of independence and self-actualisation.

4.2 Day Opportunities for adults who uses services aims to provide:

- Faster and efficient access to a choice of appropriate help and support for people who use services delivered in a person-centred and individual way.
- More choice and control for individuals and their Carers.
- A more consistent and equitable service to a greater number of local people who use services.
- A more evidence based approach to service delivery.
- Ensuring best service quality and value for money.
- An increase in the number of people who use services who achieve increased independence through paid employment.
4.3 **Expected key outcomes include:**

- Improved user experience and satisfaction.
- Improved Carer experience and satisfaction.
- To provide social contact and stimulation.
- To offer meaningful activities which maintain and enhance physical and mental wellbeing.
- To provide a place where people who use services can be helped to access universal services.
- To provide (or provide access to) education and training opportunities.
- To maintain/restore and develop independence including basic life-skills.
- Care and monitoring of highly dependent or frail and vulnerable adults.
- Low level support and monitoring for adults at risk.
- Support and advice for Carers including respite care.
- To assist recovery and rehabilitation after a critical episode.
- An improved level of social inclusion.
- Increased levels of independence and self-actualisation.
- Significant reduction in overall service operational costs.

4.4 **Objectives of the service**

- Provide services that are person-centred and meets individual needs.
- Provide support for people who use services and their Carers.
- Promote re-enablement model of support.
- Promote community engagement.
- Increase the amount of choice and control users and their Carers have in their lives.
- Use a quality assurance framework to measure the quality of outcomes and further develop day services.

4.5 **Core Values**

4.5.1 Wirral Council has determined the following values to be paramount when commissioning day opportunities for adults who use services.

- Treating people who use services as individuals and promoting their dignity, independence and self-determination. People who use services will be valued for their own individual skills, abilities and strengths. This means listening and responding to people who use services, in an effort to understand their unique position. It also means being open to learning as each individual has a valuable contribution to make.
- Responding flexibly to a change in a person’s circumstances.
- A commitment and ethos of consulting and involving people who use services.
- People who use services will have opportunities to make independent choices as individuals.
- People who use services have a right to friendships and relationships. This increases independence and reduces reliance on publicly funded services.
- Seeking to achieve a balanced approach to risk, which gives people who use services control and the right to make mistakes without serious implications for their security and safety.
- In all aspects of service provision and employment, no employee or people who use services control and the right to make mistakes without serious implications for their security and safety.
- In all aspects of service provision and employment, no employee or people who use services should receive less favourable treatment than another on grounds of race, sexuality, age, ability, etc.
- Promoting fair access and aim to ensure that the service reflects the needs of Black and Ethnic minority communities.
- Assisting people who use services to realise personal aspirations and abilities in aspects of daily life, focussing on assisting people who use services to realise their potential and aspirations in the context of maintaining their independence and participation in the community.
- Every people who use services, regardless of their circumstances, is a unique and intrinsically valued human being. An active awareness of this shall be
demonstrated by all services, particularly in areas where dignity may be most at risk.

- Reduce social isolation, promoting social inclusion and integration.
- People who use services, irrespective of their living situation will retain all their rights, entitlements and responsibilities when they enter services and shall be helped to preserve and exercise them.
- Working with people who use services to achieve realistic and achievable goals and outcomes.
- The day opportunity service recognises that the quality of services will be measured against national and local standards, but will also be measured against the expectations of people who use services and Carers.

4.5.2 Where they are ready to do so, people who use services should be supported to seek paid employment in the open market.

5 The Nature of the Service

5.1 Under this Specification, the nature of a Day Opportunity is the provision of services away from the Service User’s home during waking hours.

5.2 Day Opportunities are about providing opportunities for people to learn new skills through further and adult education, spending time with friends and most important of all the chance to get a real job. This also includes taking part in a wide range of social and leisure activities that do not necessarily need to be undertaken within a day centre setting.

5.3 Day Opportunities need to reflect the future need of people who use services, ensuring that there is increases in the real choices people have over how they spend their days. There should be an agreement about how to achieve the outcomes disabled people have identified; making sure the right support is in place at the right time.

6 Eligibility for the service

6.1 Wirral Council is currently required, for Adult Social Care Services; to apply eligibility criteria based on the Local Authority Circular LAC (2002) 13 "Fair Access to Care Services – Guidance on Eligibility Criteria for Adult Social Care”.

7 Service Levels

7.1 The Provider will produce clear concise information that is accessible to the intended Service User group describing the core elements of the service to be delivered and the cost of these.

7.2 If the service is not able to accommodate any particular care/support needs these should be stated.

7.3 Where there are additional/optional service elements available at additional cost these should be described and the cost stated.

7.4 When quoting for costs for core level of service these must be expressed as either:

- A cost per hour
- A cost per half session (a period of up to 4 hours)
- A cost per full session (a period between 4-8 hours)
- A cost for evening or weekends

7.5 Refreshments throughout the day should be provided regardless of the length of the session (this may be costed separately).
When quoting costs for additional/optional service elements this must be expressed as the total cost for the additional/optional element.

8 Monitoring of Changing Needs

8.1 People using the service, their families, friends and advocates will be involved in the monitoring process.

8.2 The Provider will feedback to the Department any information relating to any change in circumstances in the needs of the person (be this an increase/decrease in support required) using the service.

9 Performance Management and Monitoring

9.1 Quality Assurance

9.1.1 Performance of the Provider will be measured using the agreed Quality Assurance Framework as referenced in the terms and conditions of the contract.

9.2 Monitoring and Review

9.2.1 The Provider will maintain an appropriate management information systems, that will enable the provider to evidence the quality and compliance in all areas of the service and will present this information for the purposes of monitoring and contract compliance.

9.2.2 The Provider will complete and submit as a minimum an annual self-assessment that will be validated by visits in a variety of venues, and will have themed focus areas:

9.2.3 The provider will meet with the Contracts Lead officer at a frequency prescribed by the Contracts Lead.

10 Key Performance Indicators

10.1 Also see Terms and Conditions for the Minimum Dataset

10.2 People who use Services being Valued Members of the Community

10.2.1 The Provider will be required to evidence that people who use services have access to and are able to participate in the multitude of resources and social experiences which make up community life.

10.2.2 The Provider will be required to evidence that the Day Opportunity supports people who use services aspirations in everyday community life; from supporting and participating in various activities including leisure, to assisting the person who uses services to become part of their community.

10.3 People who use services realising their Aspirations

10.3.1 The Provider will be able to evidence that the person who uses services is encouraged to define and realise their own goals and aspirations.

10.3.2 The Provider will also be able to demonstrate that the Day Opportunity assists people who use services in their aspirations by supporting long-term learning or social opportunities; or shorter-term activities

10.3.3 The Provider will be able to demonstrate that the Day Opportunity offers people who use services focused encouragement, motivation and support in order to achieve these aspirations, and any practical assistance necessary for their facilitation.
10.4 People who use services have a Social Life

10.4.1 The Provider will be able to evidence that the people who use services have chosen how they will spend their time and who they will socialise with.

10.4.2 The Provider will be able to demonstrate that the Day Opportunity has assisted the people who use services to visit, utilise, contribute to and be a valued member of any facilities in ordinary places that define local community life.

10.4.3 The Provider will be able to evidence that through facilitating this process, the person who uses services feels more confident about facing the challenges that accompany new social experiences.

10.4.4 The Provider will be able to demonstrate that the person who uses services feels confident to access social opportunities without the need for support.

10.4.5 The Provider will be able to demonstrate that the Day Opportunity has supported people who use services to maintain personal relationships and cultural issues which they may face in day to day life.

11 Delivery of the Service

11.1 Location

11.1.1 Where services are community based, there need not be a specified building from which to deliver these services. However, where an activity could be affected by external issues such as weather conditions, a suitable alternative should be provided. Contingency plans must be made available if the service cannot be delivered from the usual site. Community bases and activities should be available to people with all levels of need and consideration should also be given to accessibility, with disabled access provided wherever possible.

11.1.2 Where an accommodation base is provided, it/they will be of sufficient and flexible size to accommodate the number of people using the facility, having quiet space for people who wish to take a break.

11.1.3 The Provider will ensure that bases are maintained in good order and have suitable facilities/equipment to meet the assessed needs of the people who use services accessing the service. Bases will meet the Disability Discrimination Act requirements and all requirements of legislation in respect of Health and Safety, Fire Precautions and Environmental Health will be satisfied.

11.1.4 Service bases must be suitable in terms of toileting and changing facilities and accommodate those who cannot use a standard disabled toilet. In exceptional circumstances another facility nearby can be accessed for toileting and changing (e.g. a local health centre). Toileting and changing areas should not be unisex.

11.2 Equipment

11.2.1 The Provider will possess all necessary equipment appropriate for the services being delivered, excluding personal items which the person who uses services would be expected to possess. Equipment will be maintained in accordance with Health and Safety legislation and the manufacturers’ guidance, supervised by suitable trained staff when in use and stored safely when not in use.

11.2.2 Providers should also ensure that they have appropriate administrative resources including email, phone, photocopying etc, to support the needs of the services being delivered.

11.2.3 This service will be delivered across Wirral and allocation will be through the Care Arranging Team.
11.2.4 The service should always take place in a location that promotes independence and least removes the person in receipt from their local community and social support networks.

11.2.5 The Provider will advise the Council of the days and times that the Service will operate. Where a Service operates on Bank Holidays no enhanced payment will be made by the Council for attendees.

12  **Risk Taking**

12.1 The Provider will ensure that where a risk assessment is needed, they will communicate with families, Carers, Advocates and practitioners to collate relevant information.

12.2 The Provider should acknowledge that all people who use services are entitled to take risks, but should ensure that all information and the consequences of actions are given to the person to enable them to make an informed choice.

12.3 The Provider will need to ensure that there are contingency plans in place so that the person able to take the risk in a safe and positive way.

12.4 The Provider is required to make any necessary assessment of the risks to their own employees in relation to lone working.

12.5 The Provider will promote, adopt and comply with Wirral Council’s ‘Positive Risk Taking Policy’.

13  **Confidentiality**

13.1 The Provider will have a written policy on confidentiality which must be accessible and available to all the people who use the service.

13.2 The policy should ensure that any personal information disclosed to the Provider in the course of its work must be treated as confidential and should only be disclosed with the consent of the person who uses services concerned.

13.3 There is a requirement, on request that the Provider shares relevant information about the people who use services to the commissioners.

14  **Legislation and Guidance**

12.1 The provider will comply with any relevant legislation, indicators of good practice and policy objectives that are contained in:

12.2 Mental Capacity Act (2005) and Deprivation of Liberty Safeguards

12.3 Dignity in Care/Respect Agenda


12.5 Valuing People Now (2009)

12.6 Valuing Employment Now (2009)

12.7 Putting People First (2007)

12.8 A Life Like Any Other (2008)

12.9 Healthcare for All (2008)
12.10 Department of Health Guidance – ‘No Secrets’
12.11 Independent Living Strategy (2008)
12.12 Our Health, Our Care, Our Say (2006).
12.14 Think Local Act Personal (2010)
By virtue of paragraph (a) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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