WIRRAL

Cabinet

Date:	**Thursday, 24 September 2009**
Time:	**6.15 pm**
Venue:	Committee Room 1 - Wallasey Town Hall

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AGENDA

1. **MINUTES**

   The minutes of the last meeting have been printed and published.

   RECOMMENDATION: That the minutes be approved and adopted.

2. **DECLARATIONS OF INTEREST**

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

REGENERATION AND PLANNING STRATEGY

3. **RESPONDING TO THE RECESSION (Pages 1 - 14)**

5. **FUTURE JOBS FUND (Pages 15 - 22)**

FINANCE AND BEST VALUE

6. **GOVERNANCE REVIEW - CONSULTATION ARRANGEMENTS (Pages 23 - 28)**

7. **ANNUAL REVIEW OF THE COUNCIL'S CORPORATE PLAN FOR 2010/11**

Report to be circulated separately.

Report to be circulated separately.

COMMUNITY AND CUSTOMER ENGAGEMENT

CHILDREN'S SERVICES AND LIFELONG LEARNING

20.   **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.

REGENERATION AND PLANNING STRATEGY

CORPORATE RESOURCES

29.   **ANY OTHER BUSINESS - ADULT SOCIAL SERVICES CHARGING POLICY - "IN-HOUSE" SUPPORTED LIVING UNITS**

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

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WIRRAL COUNCIL

CABINET – 24TH SEPTEMBER 2009

REPORT OF THE DEPUTY CHIEF EXECUTIVE/ DIRECTOR OF CORPORATE SERVICES

RESPONDING TO THE RECESSION

1.   Executive Summary

1.1   This report outlines the latest impact of global economic conditions on Wirral's economy, and identifies the steps taken by the Council and its partners to respond to the recession through the development of a Recovery Plan. This Plan will contain measures to mitigate the impact of the recession but at the same time maintain momentum on our Investment Strategy.

1.2   Cabinet is asked to:
   i.)   Note the contents of this economic update
   ii.)   Agree the development of a Recovery Plan, aimed at minimising the impact of the recession on Wirral residents and businesses, and planning for future recovery.
   iii.)   Approve the allocation of £200K from the Working Wirral programme to support the THINK BIG 2009/10 scheme

2.   Background

2.1.   The key element of responding to the recession is good intelligence. Members will be aware that the Council and a range of partners have been meeting regularly since January 2009 to gather intelligence and develop responses to support Wirral residents and businesses in the current situation.

2.2.   Wirral Officers are continuing to measure local impact and collate a range of data and indicators.

2.3.   In recent months, the Council has held a series of strategic partner meetings to ensure a co-ordinated and comprehensive response to the current economic climate. Feedback from partners is being collated in a systematic and co-ordinated way, including:
   •   through monthly meetings between the Council and business leaders;
   •   across the Council, through a key officers group;
   •   with strategic partners through the LSP; and
   •   through a series of wider partnership meetings

2.4.   Strong partnership working at an operational level is being supported and developed by the WEDS partnership which is receiving regular updates on the downturn and partners share organisational intelligence and policy updates. Officers are also participating in Merseyside meetings to look at the effects of the recession, and agree some co-ordinated responses.

2.5.	The aim is the development of a Recovery Plan based on a robust evidence base including key economic indicators as well as qualitative feedback from partners about the impact of the recession. This intelligence is then used to inform the investment decisions made by Wirral Council and local partners, and to aid the design of appropriate interventions.

2.6.	The underlying principle of responses is based on good economic intelligence and policy, with an understanding of business fundamentals and long term strengths. There is a need to maintain a long-term focus on skills, innovation and regeneration and it is important to keep a longer term strategy ready for when recovery starts.

## 3.	Key Indicators

### 3.1.	Labour market data
It is important to note the limitations of many official data sources. For example, data may not be available at the Wirral district level or lower. Furthermore, much of the data has a significant time lag – thereby not accurately reflecting more recent economic conditions. Notwithstanding that, the following is a summary of key indicators:

### 3.2.	Employment rate
Despite the current economic conditions, Wirral's Employment Rate is increasing. Latest data to December 2008 shows that Wirral's rate has gone up by 0.4% points to 68.7%. Wirral's upward trend compares favourably with a national decrease in the Employment Rate over the same period.

### 3.3.	Worklessness
Latest data for July 2009 indicates that Wirral's Job Seekers Allowance (JSA) rate now stands at 5.7%. This represents 10,476 people. However it is important to note that high numbers of people continue to flow off the JSA register each month, indicating that the labour market remains fairly buoyant. For example, data from Job Centre Plus (JCP) indicates that in June 2009, 1963 people flowed off the JSA register. This was higher that the June 2008 number of 1452 people.

### 3.4.	Homelessness
Data compiled by Merseyside Information Service (MIS) indicates that Wirral has seen a significant reduction in the numbers of people presenting themselves as intentionally homeless over the last year. This is largely due to the Council's increased support and approach to tackling homelessness.

## 4.	Feedback from partners

As outlined above in section 2.3, Wirral Council is also co-ordinating a wide range of feedback and evidence from our partners in order to gain a comprehensive profile of impact. Current evidence includes the following:

4.1. **Impact on Young People**

The Director of Children's Services reports that there is a fall in children's centre income as a result of reduced child care take up. The presumption is that more people are trying to save money by using family members to provide child care. There has also been an increase in child referrals particularly in south and west Wirral with the age profile suggesting a link to family stress. There is also some evidence of some out-of-school clubs for younger children showing a drop in numbers as a result of children being withdrawn. There is an increased demand for free school meals, and a reduction in the number of paid meals, resulting in higher costs of delivering this service. There has been an increase in contractors seeking information on payments, tender submissions, etc. There has also been issues relating to contractor failure at primary school which has led to disruption and increased costs.

Feedback from Greater Merseyside Connexions [1] highlights that the recession is likely to impact on post-16 retention in education and training. Some young people experiencing financial difficulty themselves or as members of families experiencing financial difficulty are likely may drop out of education or training joining the NEET group.

Retail has been one of the sectors most affected in the early stages of the current recession. The other sectors that have been most effected are construction and financial services.

The LSC 2006 Greater Merseyside Skills Assessment identified that 56% of young people aged 16 to 19 who were working were employed in the retail and hospitality and catering sectors. The high percentage is partly accounted for by sixth formers and college students working in these sectors, which offer part-time employment opportunities less likely to conflict with school or college attendance.

Consumer spending is widely reported in the media to be down, and this will reduce the availability of part-time work in these industries for young people.

A reduction in the availability of work in these sectors is likely to impact on retention and increase the likelihood that some school and college students will for financial reasons drop out of education and into the NEET group while seeking employment. These should add to the NEET 'churn' rather than the 'inactive' or 'unavailable' NEET.

4.2. **Benefits** (Housing & Council Tax Benefits plus Local Housing Allowance)

The increase in Housing Benefit (HB) claimants continues, with an increase of 334 in the last month. HB claims now stand at 39,709. Current schemes have increased by 8% over same time last year.

4.3. **Housing Market.**

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[1] '*The Impact of the Recession on the Employment Prospects of the Young People of Wirral'* (April 2009) Carolyne Kershaw: Great Merseyside Connexions Service.

Feedback from Housing colleagues suggests that, in certain areas of Wirral, numbers of sales appear to be increasing. Generally West Wirral appears to be more buoyant than East Wirral.

There is increasing evidence of private sector landlords running into financial difficulties and having properties repossessed. Availability of mortgage finance is still very constrained with around 85% loan currently being the norm. People who are self employed or in temporary employment are finding it more difficult to obtain mortgage finance. Feedback from Housing Associations indicates that as they approach their head room limit financiers are imposing higher interest rates.

4.4. **Business Rates (National Non Domestic Rates) & Council Tax**

The impact continues to be felt with year on year collection of business rate at 31st May 2009 showing a 3% downturn which is similar to that seen over the previous year. Council Tax collection from domestic charge payers remains at previous year's rates which is nationally well above average and shows thus far no decline although it continues to be carefully monitored.

4.5. **Adult Social Services**
Feedback from Wirral's Adult Services suggests that the impact of the recession is being felt. Examples include an increasing number of people applying for an extension to the 12 week exemption period. (it is assumed that people will be able to sell their houses within 12 weeks); and more claims for additional allowances for people with a disability.

4.6. **Impact on the Third Sector**
Wirral CAB is reporting a significant increase in contact from Wirral residents seeking support for a variety of reasons. Debt rose by 21% and Benefit advice by 17% respectively when comparing 2007/08 to 2008/2009.

The VCAW & WVCSN conference evaluation reported an increase of the affects on the sector due to the recession.

4.7. **JOB CENTRE PLUS (JCP)**
JSA benefit 'On and Off' Flows
- June 08 on flow 1779
- June 09 on flow 1944

- June 08 off flow 1452
- June 09 off flow 1963

Vacancies notified
- June 08 1669
- June 09 802
(*As a national average, Jobcentre Plus (JCP) has around half of the nationally available vacancies. However, that percentage rate can vary considerably when its gets down to regional and local levels*)

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4.8. **Merseyside Fire and Rescue Service**
The recession is having a varying set of impacts in relation to the Merseyside Fire & Rescue Service. Historically commercial fires increase as businesses fail, and there is often an increase in vehicle fires. Domestic fires are known to increase as statistically and anecdotally unemployed people become at more risk from fires in the home. Anti social behaviour fires can be tracked to SOA's experiencing higher levels of multiple deprivation.

4.9. **NHS Wirral**
NHS Wirral commissions Wirral Citizens Advice Bureau (CAB) to provide an advice service for patients within general practice premises. Anecdotal evidence suggests that the take-up of this service has increased and in particular from the non- affluent areas of Wirral. Anecdotally, the demand for mental health services, particularly some of the services offered through the voluntary sector, is increasing.

The NHS, both locally and regionally, are continuing to consider how the NHS can mitigate the impact of the recession through health inequalities prevention activities, service provision and corporate citizen role, e.g. recruitment and workforce and procurement.

4.10 **Business Link**
Feedback from the Business Link Advisers indicates that most businesses are taking more prudent measures with costs and many are looking for assistance with marketing. A number of the smaller businesses are moving out of business accommodation and into their domestic residence.

On a positive note feedback suggests some positive signs, with a fair number of businesses reporting steady state or growth.

5. **Wirral Responding to the Recession**

5.1. The Council and its partners continue to meet to agree the best ways to support Wirral residents and businesses in the current situation. The interventions outlined below detail some of the existing and planned opportunities, developed in response to our detailed understanding of the impact.

5.2**. Liaison with the Chamber of Commerce and the Federation of Small Businesses (FSB)**
Monthly meetings continue between the Council, Wirral Chamber of Commerce and the Federation of Small Businesses (FSB). These meetings have proved to be an excellent vehicle for gathering intelligence about developments within the local economy and have also provided an opportunity for the Chamber and the FSB to have a direct input to the Council's policy response to the Recession.

Latest information from organisations representing business suggests that whilst things were not getting any better, at this stage they did not seem to be getting any worse. The willingness of banks to lend seems to be improving slightly. However, the terms and conditions attached to loans are still more

onerous than was the case in the past. Feedback also suggests that there is still a significant level of interest in investment despite economic downturn.

The FSB has recently asked the Council to consider signing the Small Business Engagement Accord (a copy of this is attached as appendix 1 to the report). The Accord contains 14 principles almost all of which the Council is already undertaking. It is therefore suggested that the Council formally agrees to sign up to the FSB Small Business Engagement Accord.

5.3 **Business Support**

Cabinet is aware from previous reports - a structured package of support to businesses has been developed and launched. This has received considerable interest from businesses. Two meetings of the grants panel have taken place to decide on applications up to £20,000. To date a number of awards have been approved, safeguarding 67 jobs.

In addition, a number of Think Big Grants for amounts in excess of £20,000 have been awarded. The support awarded to these businesses will result in the creation of 96 new jobs.

A special two day event was held at Invest Wirral offices as part of European SME week. Several Wirral based companies made appointments to participate in a series of face-to-face meeting with business advisory agencies, such as The Manufacturing Institute, Business Link Northwest, National Apprenticeship Service, and Wirral Council. Following the sessions all of the agencies are now continuing to work closely with the companies.

5.3**. Employment Support**
Key partners (Wirral Council, Jobcentre Plus and the Learning and Skills Council) continue to co-ordinate activity through the Wirral Economic Development and Skills (WEDS) Partnership.

5.4. **Apprenticeships**
The Apprenticeship Programme has now moved into delivery, with marketing to businesses taking place through the Business Networks.

This has resulted in a large number of businesses showing considerable interest in the programme. A wide range of apprenticeship opportunities have come forward with the majority from local SMEs who have never accessed the apprenticeship system before. Of the 100 opportunities, the project has had 156 employers come forward seeking assistance and a further 21 since the closing date.

The City Employment Strategy (CES) recently made available an unallocated £275,000 of ESF Complementary Strand and asked City Region partners to identify potential projects. Wirral proposed that the allocation should be used to fund an additional number of 17 apprenticeships for the Wirral Apprenticeship Programme with a focus on SMEs with no previous history of employing apprenticeships. Officers are pleased to report that Wirral's proposal was

approved by the CES Board and that this additional ESF resource will enable funding of an additional 17 apprenticeships.

The implementation process for the Apprenticeship Programme continues and further information will be brought back to members at a future meeting.

5.5. **Future Jobs Fund**
A separate report on this issue was discussed at Cabinet on 25th June. Wirral is working with City Region partners to develop a Future Jobs Fund proposal. This was submitted to Department of Work and Pensions (DWP) on 30th June. In early August, DWP confirmed that the Liverpool City Region application to the Future Jobs Fund has been successful. See DWP website for list of successful applications: http://research.dwp.gov.uk/campaigns/futurejobsfund/

The contractual details and overall level of funding granted to the partnership has yet to be determined and there are a number of further discussions to be had before we will be able to clarify the detail of the award. We expect to meet with City Employment Strategy lead officers in the next fortnight to discuss the implications of this announcement and to understand the timeline for agreeing contractual detail with DWP and Knowsley Borough Council (as the lead authority in the city region bid). Further information will be brought back to Members in a future report.

6.   Conclusions
6.1.   Wirral partners continue to take forward a co-ordinated and coherent response to the economic situation. The Council is co-ordinating regular meetings with key partners to develop effective and timely responses to the recession.

6.2   Since the onset of the recession the Council and its partners have worked hard to ensure that we properly understand how the recession is impacting on the local economy and in response have launched a number of initiatives aimed at mitigating the impact of the recession on the local community.

6.3   The Council's overall vision is to build a more prosperous and equal Wirral. Cleary the strategy being pursued by the Council of working with partners to mitigate the impact of the recession locally and at the same time continuing to prepare for and develop initiatives to ensure that Wirral is best placed to move forward when the recession is over, is of critical importance at this time. The importance of this issue is such that it is suggested that officers should draw up a formal Recovery Plan which clearly sets out :

-       how the local economy is being impacted upon by the recession;
-       the measures that we are and will be putting in place to combat this;
-       feedback on the effectiveness of these interventions;
-       details of the longer term initiatives essential to prepare for recovery.

This Recovery Plan would look at the impact of the responses across the whole range of Council (and partner) activities.

7.   Financial Implications

It was agreed by Cabinet in February that the THINK BIG fund criteria be amended to support businesses in accessing funds for larger scale projects particularly during the recession. Since the end of the first quarter in 2009, this has resulted in an over subscription against the current funds available (£300K per year to support such identified projects).

Cabinet is also asked to approve the allocation of £200Kfrom the Working Wirral programme to support the THINK BIG 2009/10 scheme.

8.   Staffing Implications
There are no staffing implications arising as a direct result of this report.

9.   Equal Opportunities Information
All of the activity outlined in this report promotes equal opportunities.

10.   Community Safety Implications
None as a result of this report

11.   Local Agenda 21 Implications
None as a result of this report

12.   Planning Implications
There are no planning implications arising as a direct result of this report

13.   Anti-Poverty Implications
None as a result of this result

14.   Human Rights Implications
None as a result of this result

15.   Social Inclusion Implications
None as a result of this report

16.   Local Member Support Implications
None as a direct result of this report

RECOMMENDATION
Cabinet is asked to:
- i.)   Note the contents of this update report.
- ii.) Agree the development of a Recovery Plan, aimed at minimising the impact of the recession on Wirral residents and businesses, and planning for future recovery.
- iii.) Sign up to the 14 principles of the FSB Small Business Engagement Accord.
- iv.) Approve the allocation of £200K from the Working Wirral programme to support the THINK BIG 2009/10 scheme.

J. WILKIE
Deputy Chief Executive/ Director of Corporate Services

![FSB logo] **federation of small businesses**
north west

small business engagement
accord

Introduction

Local authorities are increasingly being asked to identify new methods to develop more constructive relationships with their local business community. Too often businesses feel that decisions made by local authorities are being agreed behind "closed doors" and the consultation process is too complex and confusing.

The value of good local authority consultation with the business community must not be underestimated, poor consultation fosters mistrust amongst businesses and this in turn makes any future business engagement with local authorities very difficult.

Small businesses are not just a part of our local communities, they are the local community. They generate the wealth, employment and opportunity. The purpose of this Accord is to address the common problems that all too often serve to alienate the business community from the decision making process.

Purpose of Accord

The Small Business Engagement Accord is a voluntary code of practice for local authorities in the North West which seeks to encourage a more productive dialogue with local businesses. The Accord brings together various aspects of consultation best practice already produced, as well as specific proposals from the FSB designed to improve the level of participation by businesses in local democracy.

The Accord represents a commitment by local authorities to taking a proactive approach to engaging with businesses so that they are given the fullest opportunity to participate in the decision making process, and to fully understand the reasons behind the final decisions taken.

Local authorities need to adopt a leadership style that engages local partners, builds alliances and secures support for joint priorities. It should facilitate, advocate, arbitrate and influence rather than dominate.

NORTH WEST
ECONOMY

The North West Economy is worth £98 billion or 9.9% of the total Gross Value Added (GVA).

There are 230,000 businesses in the North West. 99.4% of these businesses have less than 50 employees, and are therefore classified as small businesses.

Source: Lyons Inquiry into Local Government

FSB Says...
KEEP TRADE LOCAL
PRACTICAL STEPS

SOUTH NORFOLK COUNCIL:
PARKING

In spring 2008 South Norfolk Council recommended that Harleston's town centre car parks should introduce charges. The dramatic effect that the introduction of charges would have on the town centre and on local shops was all too evident to residents. The FSB threw its weight behind a local resident's campaign to urge the district authority to rethink the proposal.

The campaign focused attention on how damaging these charges would be to local shops and the economic vibrancy of the town centre itself. When the case was made for the crucial relationship between parking policy and a successful town centre South Norfolk Council decided to rethink it introduction of car park charges.

ROCHFORD COUNCIL:
BUSINESS RATES

The FSB congratulated Rochford Council after helping businesses in the district claim an estimated £3,804,500 through business rate relief in the last year. Last year Rochford District Council had an impressive 59 per cent of eligible businesses in the Borough claiming Small Business Rate Relief but the latest figures show that the take up this year has rocketed to 81%. This means there are now an extra 130 businesses claiming up to half their business rates back from the Government which means up to £455,000 is now back in the local economy. That is good news not just for this year but until 2010 as the claims made this year will continue until the next revaluation takes place in three years time. The FSB will now be working with Rochford District Council to target those 189 businesses and encourage them to lodge their claims and get the money in their bank rather than leaving it with the Chancellor.

ESSEX COUNTY COUNCIL:
PUBLIC PROCUREMENT

Councils in Essex are finding that awarding contracts to small businesses in their area or within the county is cost effective, offers quicker turnaround time and greater flexibility while at the same time keeping the carbon footprint low as delivery distances are less. FSB research shows that more than £574 million is spent with local businesses by the councils in Essex during the last financial year – a massive boost to the local economy and as 83p in every £1 spent with a local business goes back in to the local economy it makes good economic sense, good business sense, good environmental sense and it keeps trade local.

Good consultation reaches out, actively recruiting participants rather than waiting for citizens to come forward

TAKING THE ACCORD FORWARD

The Accord is owned and operated by its signatories. Those in local government will already be aware of many of the principles and benefits of encouraging small firms to participate in local democracy and decision making.

This Accord is designed to ensure that effective consultation with the business community becomes a mainstream feature of all future consultations, rather than an optional extra.

Accord Principles

1. Councils should nominate representatives to be "business engagement champions" whose role will be to ensure that the views of the local business community are considered at every stage of any consultation exercise.

2. Council "business engagement champions" should be tasked with creating effective links with all sections of the business community.

3. Councils should identify business owners that can be "engagement champions" within their local business community.

4. Councils should look to "front load" consultations in order to ensure that engagement with the business community happens at the earliest stages of any consultation exercise.

5. Local authorities must use recognised business organisations when consulting with small businesses.

6. Councils must not regard consultation with just one business or business organisation as an adequate consultation.

7. Local, regional and central government should make consultation documents easier to understand and easier to respond to.

8. Consultation documents should use the correct language for the relevant audience.

9. Councils should employ a range of communication tools to promote better business engagement in consultations including for example utilising consultation documents, newsletters, information on web sites, text messages, local media, or staff directly working with businesses.

10. To increase attendance at consultation events councils should give greater notice periods in advance of any meetings.

11. Consultation with the business community should not be limited to formal consultation exercises but should be an ongoing dialogue. Councils should therefore look to hold at least one open meeting per quarter with local businesses and business organisations to encourage an open two-way exchange of information.

12. Councils should not underestimate the ability of the business community to deal with strategic issues and therefore there should be genuine consultation on an annual basis with small businesses to examine council spending plans for the following financial year.

13. Effective consultation should demonstrate to business owners the outcomes and the rationale behind the final decisions.

14. Councils should work with their Local Strategic Partnerships (LSPs) to ensure that they communicate and consult with their local small businesses and business representative organisations and take on board good practice examples from well run, existing LSPs.

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declaration of support for the small business engagement accord

The FSB wants to see all local authorities signing up to the Small Business Engagement Accord. The accord is voluntary; your signature represents your pledge to support the principles of the accord to guide your future engagement with the business community. For our part the FSB will continue to give our support to any council that signs up to the accord to work together to successfully engage with their local small business community to encourage greater business involvement in local democracy.

Local Authority Section

Name of your Authority:

Signed by:

Date:

Council position:

FSB Section

Region:

Signed by:

Date:

FSB position:

thank you for your support

Contact us

Roger Culcheth
FSB Local Government Chairman
localgovernmentaccord@fsb.org.uk
0207 592 8100

WIRRAL COUNCIL

CABINET – 24 SEPTEMBER 2009

REPORT OF THE DEPUTY CHIEF EXECUTIVE/DIRECTOR OF CORPORATE SERVICES

FUTURE JOBS FUND

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1.0   **EXECUTIVE SUMMARY**

1.1   On 25th June 2009, Cabinet authorised officers to work up proposals for Wirral Council as part of a Liverpool City Region bid to the national Future Jobs Fund. This report updates Members on the detail and subsequent outcome of the bid submission to the Department of Work & Pensions (DWP) and seeks authorisation to accept the Terms & Conditions of the Grant Offer.

1.2   At the time of writing this report the formal offer letter from Knowsley Council (as Lead Accountable Body for the Liverpool City Region Bid) is still awaited and the figures given in this report may change. It is anticipated that the offer letter will be received before the Cabinet date and the final figures will be reported at the meeting

2.0   **BACKGROUND**

2.1   The Future Jobs Fund is a new initiative of approximately £1 billion nationally to support the creation of jobs for long term unemployed young people and others who face significant disadvantage in the labour market. The Fund was announced in the 2009 Budget and is to be spent over the next two years up to March 2011. The fund is run by the Department for Work and Pensions (DWP) in partnership with the Department for Communities and Local Government (CLG). The Fund aims to create 150,000 jobs nationally aimed primarily at 18-24 year olds who are coming up to a year out of work. A further 50,000 jobs will be funded for the 25+ age group to specifically target unemployment 'hotspots'.

2.2   On 25th June 2009, Officers sought and received approval from Cabinet to support the principle of a Liverpool City Region bid to deliver Future Jobs Fund across the sub-region and additionally to support a local model of delivery of this initiative via an In-House Team. The Liverpool City Region (LCR) Future Jobs Fund bid was constructed around the themes listed below, with the potential to create up to 6,155 jobs across the LCR over an 18 month period.

- Apprentices – 145 opportunities at Liverpool City Council, Liverpool Community College and City Region placements at local businesses that reflect sectors with regional skills shortages, including retail, hospitality, tourism and passenger transport.

- Children and Young Peoples Workforce – 563 opportunities providing childcare (major barrier preventing parents returning to work), teaching assistants and youth-work.

- Enhancing capacity in the Third Sector – 2286 opportunities including community care, environmental services, construction and ground maintenance, warehousing, engineering, sports, financial services and recycling, supporting over 80 Third Sector organisations.

- Entry level experience – 1702 opportunities in construction, care and retail sectors in addition to administration roles and roles associated with the Visitor Economy and SuperPort.

- Environmental improvements – 1127 opportunities with Registered Social Landlords to improve the physical environments in which their properties are situated, creating a pool of environmental technicians and improving green and open spaces.

- Graduate internships – 15 internship and employment opportunities via a high quality career management programme.

- NHS Academy – 225 opportunities across various NHS Trusts with positions available in Estates, Administration, Ancillary and Health Care

- Supporting a low carbon economy – 92 opportunities around energy advice, domestic energy assessments and installation of energy efficient materials, giving opportunities for skills development in an anticipated growth sector.

2.3   In terms of the first round bid Wirral and its partners have sourced the largest proportion of opportunities that fall within the Children and Young People's workforce theme, fully supporting the aim of the LCR to ensure that delivery supports DWP's number one priority to eliminate child poverty. In addition to the pan sub-regional opportunities, 323 locally based jobs have been sourced to date as follows: 105 Third Sector; four Low Carbon Economy; nine Environmental; 56 Entry Level and 149 Children & Young People's Workforce. A second round of opportunities is expected to be created later this year and discussions will commence shortly on these. All the above themes will be fully explored in terms of future opportunities.

3.0   FIRST ROUND AWARDS

3.1   The first Future Jobs Fund Awards have now been announced. Nationally, DWP received 182 bids, of which 117 have been awarded funding to create up to 47,000 jobs. Of these 117 bids, 62 are local authority led. The others are from a mixture of public bodies, third sector organisations, social enterprises and private companies.

3.2   18 bids were received from organisations looking to create jobs in the Northwest (excluding national bids) and the regional assessment Board recommended nine bids.

3.3   There was great interest shown in the Future Jobs Fund across the Northwest, with the region accounting for the highest number of bids in the country outside of London. Successful North West bids will generate the greatest number of job opportunities of any region with 9,268 jobs, (4,780 in the first six months) plus further opportunities from successful national bids.

3.4   Successful national bids with opportunities in the North West include Groundwork/ National Housing Federation and Royal national institute for the Blind. Additionally, Wildlife Trust were successful nationally but are working with DWP to agree locations of jobs, some may be in the North West.

3.5   Three bids have been approved which cover the Liverpool City Region as follows:

- Furniture Resource Centre – to create 77 jobs (36 in the first 6 months) for 18-24 year olds and covering the 25+ age group in hotspots in the Liverpool and Oldham areas doing a range of roles in the furniture recycling sector.

- Liverpool City Region – to create 6,155 jobs over 18 months (2,570 over the first 6 months) for 18-24 year olds and covering the 25+ age group in hotspots doing a wide range of roles across the Local Authorities involved.
- Pentra Services Ltd – to create 90 jobs over 18 months (30 in the first 6 months), 60 for 18-24 year olds and covering the 25+ age group in Wirral hotspots in the ICT and transport sectors.

4.0 DWP GRANT OFFER AND TERMS & CONDITIONS

4.1 DWP has approved the Liverpool City Region bid and issued a formal offer of funding to Knowsley Metropolitan Borough Council as the Lead Accountable Body (LAB) amounting to £16,687,010. This is to create 2,570 jobs for long term unemployed young people on Jobseeker's Allowance. The Terms & Conditions of the grant offer are set out below.

4.2 DWP will only commit to the first 6 months of delivery targeted at job starts created before 31st March 2010. This is their approach across all the successful bids This accounts for 2,570 jobs across the Liverpool City Region. Of the 323 locally based jobs within Wirral this approval accounts for XXX starts prior to March 2010. The offer of subsequent Grant Awards for jobs profiled beyond March 2010 will be dependent on a formal review in early 2010 based on performance and delivery against profile in the preceding period. If the result of the review is satisfactory, DWP will commit to an additional award extension, subject to funding remaining available. Any additional award will be reported to Cabinet in due course.

Eligible Costs

4.3 At Cabinet in June, Members were presented with a number of scenarios outlining potential financial implications for Wirral Council as part of the bid submission to DWP. At that stage the DWP Guidance did not make clear what costs would be eligible for funding from the programme over and above the reimbursement of employers costs at National Minimum Wage rate. The Grant Offer defines eligible expenditure as payments made to support the creation of Future Jobs Fund jobs, the ongoing support costs related to these jobs and the employment costs of eligible individuals in line with the Jobstart Profile.

4.4 Subject to satisfactory performance and continuation of funds beyond March 2010, Wirral Council will therefore receive DWP funds to support the delivery costs of the programme over and above the wage reimbursement costs which will reduce the requirement for additional funds. Full details of the financial implications are presented at Section 6 of this report.

Eligible Individuals

4.5 The Grant Offer specifies that in all cases, Jobcentre Plus must confirm a customer's eligibility prior to a Future Jobs Fund start. All vacancies must be notified to Jobcentre Plus in line with the Jobstart Profile and they will hold responsibility for informing and referring eligible individuals to positions available. Feedback on unsuccessful and successful candidates must then be reported to Jobcentre Plus as must changes to the employment status of the individual throughout the six month Future Jobs Fund contract period. The grant offer requests that this Jobcentre Plus dialogue is processed solely via the Lead Accountable Body unless other arrangements are agreed at the local level.

4.6 Due to the scope and scale of the Liverpool City Region programme and the clear reliance on Jobcentre Plus as a recruiting agent, discussions are underway via the City Employment Strategy Lead Officers Group, of which Jobcentre Plus is a member, in order to agree an effective operational process model at the local level.

Data Storage

4.7 Due to the necessary interface with Jobcentre Plus and the handling of personal data pertaining to eligible individuals, data transmission will be strictly controlled in accordance with DWP's information security requirements, including the use of encryption where appropriate. Wirral Council will meet these requirements through use of the 'Government Connect' secured network.

Financial Management, Grant Accounting and Monitoring Requirements
4.8 The Grant Offer requires Knowsley Council as Lead Accountable Body, to ensure partners maintain sound systems of internal financial control including adequate measures to safeguard against fraud and theft. Reliable, accessible and up to date accounting records with an adequate audit trail must be maintained for all Future Jobs Fund eligible expenditure incurred, including retention of information for individuals employed under the Fund. All documents, data and information must be accessible to internal and external auditors, the Secretary of State or the Comptroller and Auditor General or any department or other public body that may reasonable require it for the purposes of audit or examinations into the economy, efficiency and effectiveness in use of the grant. Grant payments will be conditional on receipt of a satisfactorily completed Combined Monitoring and Claim Form (CMCF) which must be signed by the Section 151 Officer and submitted to DWP at monthly intervals scheduled in the Grant Offer Letter.

4.9 As recommended by Cabinet in June, Wirral Council will employ an In-House Team in order to ensure direct control over the ensuing finance, monitoring, quality assurance and legal requirements of the grant. Officers will design and implement paperwork and common systems jointly with partners in the Liverpool City Region in order to ensure compliance with the conditions of grant across the whole programme.

State Aid and Asset Lock Compliance
4.10 The DWP Grant must comply with European Union State Aid Legislation. In order to make grant payment directly to any non-public organisations, DWP will require evidence that the organisation has an appropriate legal status and structure eg: is a Charity or has Community Interest Company status with an appropriate asset lock to ensure that any assets obtained through grant funding continue to be used for purposes appropriate to the grant.

4.11 The Wirral submission element of the Liverpool City Region bid concentrated Future Jobs Fund creation within public sector and third sector organisations due to the guidance available at the time that all jobs must 'provide community benefit'. The grant offer makes clear the requirement to have regard to State Aid Legislation, therefore officers will work closely with Liverpool City Region partners, DWP and Government Office North West to clarify eligibility prior to any approach to potential private sector employers in any subsequent additional Future Jobs Fund job opportunity submissions to the Fund.

Breach of Conditions, Recovery of Grant and Termination
4.12 The main conditions under which the Secretary of State may reduce, suspend or withhold future grant payments or require the repayment of the whole or any part of grant monies fall within standard financial compliance conditions. However there is a list of conditions specific to this programme which would activate this clause as summarised here:

- Circumstances arise or events occur which are likely to significantly impact on the organisations ability to meet the Jobstart Profile;
- Where jobs are not created during the award period or performance falls below the tolerances:

- o   20% below profile = performance recovery action plan
- o   40% below profile = future payments may be suspended until improvement
- o   60% below profile = look to recover any funding which is deemed to have been overpaid

- Where jobs are created but not filled;
- Where jobs are created but filled by someone who is not an Eligible Individual;
- Where an eligible individual is confirmed as starting a Future Jobs Fund job but subsequently leaves the job early.

4.13   DWP reserves the right to end the agreement at any time without notice. Members are asked to note the risk that this presents and balance against the benefits of delivering the programme for Wirral residents.

4.14   Members are asked to note that partnership monitoring controls will be agreed through the City Employment Strategy to ensure that the Liverpool City Region programme as a whole meets the conditions outlined in paragraph 4.12. This will involve open negotiation and possibly some reprofiling in discussion with individual partners. This is a project implementation issue and Cabinet is asked to delegate authority to the Deputy Chief Executive/Director of Corporate Services for this task.

5.0   IMPLICATIONS FOR WIRRAL COUNCIL

Grant Award
5.1   DWP has issued a Grant Offer Letter directly to Knowsley Council as the agreed Lead Accountable Body for the Liverpool City Region grant. Knowsley MBC have subsequently applied the DWP Terms & Conditions of Grant to the contractual arrangements with each partner organisation within the bid and a formal offer letter from Knowsley Council is still awaited at the time of writing this report. It is anticipated that the letter will be received before the Cabinet date and the figures left blank below will be reported at the meeting. Wirral Council will receive £XXX for the creation of XXX jobs for long term unemployed young people on Jobseeker's Allowance. It is anticipated, subject to the formal offer letter, that the defined 'hotspot' area for the purpose of this programme is the whole of the Liverpool City Region, which translates to the Borough of Wirral for our contractual purposes.

Payment Model
5.2   Payment of grant will be made as follows:
- 20% of the total award payable on receipt of the signed acceptance letter;
- 20% per job payable in the month prior to the profiled start date in which that Future Jobs Fund job is intended to be filled;
- 60% of the remaining unit cost will be paid in six instalments of a maximum of 10% of the unit cost, paid in arrears upon receipt of the Combined Monitoring & Claim Form.

5.3   Where an individual leaves the Future Jobs Fund employment before the end of the 26 week period, the vacancy will not be opened up by Jobcentre Plus for the remainder of the 6 month period. In instances where jobs are determined by DWP to have been unsuitable for Eligible Individuals, then repayment of all or part of the funding for that job may be required. However, if the post is determined suitable, a new six month vacancy can be advertised using an accumulation of funding from a number of early leavers.

5.4   This payment model supports start-up and on-going delivery costs and provides working capital in order to meet regular Future Jobs Fund employee wage reimbursement payments.

5.5 A number of options for local delivery models were presented to Cabinet in June with approval granted for an In-House Team. Delivery under this option would be via an In-House Team taking responsibility for financial and monitoring responsibilities; reimbursement of participant costs; participant and employer support throughout the job period; and overall co-ordination and future development of the programme. An essential element of the Future Jobs Fund Team role will also be to ensure Wirral gets a proportionate share of sub regional job opportunities.

5.6 The Future Jobs Fund team will be located within Wirral Council's Regeneration Department and be responsible to the Head of Housing & Regeneration. A joint steering group has been set up with officers from the Corporate Services and Regeneration Departments to steer the implementation of the initiative. An Employers Forum will also be established when the initiative commences.

5.7 In addition to the requirement to report progress to the City Employment Strategy and DWP as partners in the Liverpool City Region programme, the progress of the Future Jobs Fund will be reported to Cabinet.

Marketing
5.8 As reported to the Liverpool City Region Chief Executives' meeting on 4th September 2009, all communications and publicity on Future Jobs Fund will be firmly set in the context of City Region working. The Wirral Future Jobs Team and the interim joint working arrangements will ensure that marketing materials comply with DWP and Liverpool City Region requirements whilst enabling Wirral to achieve a high profile in delivery achievements within local control.

Future Bidding Process
5.9 While work is underway to support the XX jobs due to start in the first grant award period, Wirral Officers are engaging partners in developing more Future Jobs Fund opportunities with a view to negotiating Liverpool City Region contract extensions to DWP over the coming months. DWP have verbally indicated that this will be how future submissions will be allocated to the Liverpool City Region as the overall delivery framework has been approved. Any such extensions will be reported to Cabinet for approval.

6.0 FINANCIAL IMPLICATIONS

6.1 The total project costs and available funding for Wirral Council for the 323 Future Jobs Fund jobs to be created between October 2009 and March 2011 is shown in the table below: The future jobs funding is still to be formally confirmed so the figures are indicative at this stage being based upon discussions that have taken place with DWP.

	2009/10	2010/11	Totals
Total Expenditure	**1,046,487**	**1,460,645**	**2,507,132**
Funding Breakdown			
Working Wirral	166,695	245,782	**412,477**
DWP Future Jobs Fund TBC	879,792	332,903	**1,212,695**
Round 2 **Indicative** DWP		881,960	**881,960**
Total Funding	**1,046,487**	**1,460,645**	**2,507,132**

6.2 As highlighted in paragraph 4.2, DWP will commit funds for jobs created prior to March 2010 only and will release indicative funding for jobs created beyond this date subject to completion of a satisfactory review and to funding remaining available.

6.3   As detailed in the June 2009 Cabinet report, Members authorised the use of Working Wirral to the maximum £1,005,970 in principle, subject to the return of a full application to the Working Wirral Programme when the DWP funding methodology had been provided.

6.4   A full application to the Working Wirral Programme has been approved through the Wirral Economic Development & Skills Partnership (WEDS) to a maximum of £412,477 in accordance with the latest DWP position as highlighted in the financial table above.

6.5   Future Jobs Fund vacancies offered within the Wirral Council delivery programme will be offered at a rate consistent with the salary level typically offered by the relevant employer for that job type. This approach has financial implications for the overall local programme expenditure as it is over and above the DWP requirement to support salaries at the National Minimum Wage. This salary model, along with the In-House Team support package, is the selected delivery model for Wirral Council in order to provide a quality 'real job' experience in preference to a standardised 'labour market programme' model.

6.6   Further applications to the Working Wirral Programme will be presented to WEDS for approval up to the maximum limit of £1,005,970 in accordance with any further emerging requirements as appropriate to the successful operation of the programme in Wirral.

7.0   **STAFFING IMPLICATIONS**

7.1   As reported and approved at Cabinet in June 2009, a Future Jobs Fund Team will be recruited as part of the support package for this project, consisting of:

- 1 x Manager PO10 (£35,079-37,665)
- 3 x Job Support/Development Officers PO2 (£28,353-30,546)
- 2 x FTE Financial/Monitoring Support Officers Band F (£19,427-21,306)

These posts are time limited funding. Costs are based upon full annual salary.

7.2   The posts will be established for a minimum of six months, or until 18 months until 31 March 2011 depending upon the funding from the allocated budget. The posts have been evaluated by the Head of Human Resources. Initial recruitment will be considered in line with the Council's redeployment policy or secondment of a current employee.

8.0   **EQUAL OPPORTUNITIES IMPLICATIONS**

8.1   The Future Jobs Fund aims to promote equal opportunities..

9.0   **COMMUNITY SAFETY IMPLICATIONS**

9.1   No implications arising as a direct result of this report.

10.0   **LOCAL AGENDA 21 IMPLICATIONS**

10.1   No implications arising as a direct result of this report.

11.0   **PLANNING IMPLICATIONS**

11.1   No implications arising as a direct result of this report.

12.0   **ANTI-POVERTY IMPLICATIONS**

12.1 The Future Jobs Fund aims to tackle social deprivation by creating job opportunities waged at 'national minimum wage' rate as a minimum to long term unemployed people who on are in receipt of Job Seekers Allowance.

13.0 **SOCIAL INCLUSION IMPLICATIONS**

13.1 The Future Jobs Fund will promote social inclusion.

14.0 **LOCAL MEMBER SUPPORT IMPLICATIONS**

14.1 No implications arising as a direct result of this report.

15.0 **BACKGROUND PAPERS**

15.1 The Future Jobs Fund Guidance and associated documents can be found at: http://www.dwp.gov.uk/campaigns/futurejobsfund/index.asp

16.0 **RECOMMENDATIONS**

16.1 Members are asked to:

i) accept the Grant Offer Letter and its terms & conditions for the Future Jobs Fund;

ii) delegate authority to the Deputy Chief Executive/Director of Corporate Services to respond within the scope of the DWP/KMBC Grant Offer Letter and Terms & Conditions to emerging issues as necessary for the implementation and delivery of the Future Jobs Fund programme;

J. WILKIE
Deputy Chief Executive/Director of Corporate Services

WIRRAL COUNCIL

CABINET   24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF LAW, HR AND ASSET MANAGEMENT

GOVERNANCE REVIEW-CONSULTATION ARRANGEMENTS

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1.   Executive Summary

1.1   The Local Government and Public Involvement in Health Act 2007 requires the Council to review its governance arrangements and move to either a new style Leader and Cabinet model of governance or a directly elected Mayor and Cabinet. Before drawing up its governance proposals, the Council must take reasonable steps to consult local government electors for, and any other interested persons, in the authority's area.

2.   Background

2.1   The Local Government and Public Involvement in Health Act 2007 requires the Council to review its governance arrangements and move to either a new style Leader and Cabinet model of governance or a directly elected Mayor and Cabinet The Council must undertake appropriate reasonable consultation and draw up and publicise proposals for new executive arrangements. The change can only be made by a resolution within the 'permitted resolution period'. For Metropolitan Districts including Wirral, that must be before 31st December 2009. There is a Council Meeting currently scheduled for 14 December 2009 which would be the final Ordinary Council meeting at which the formal resolution must be passed.

2.2   The Council is required to take reasonable steps to consult upon its proposed new governance arrangements but is not required to hold a referendum since its current arrangements were not approved by a referendum. Alternatively a referendum will be necessary if the Council receives a valid petition for the election of a Mayor. The Local Democracy Economic Development and Construction Bill, currently proceeding through Parliament, has clauses dealing with electronic petitions and petition schemes which may reduce the percentage of electors required to sign any petition. The current requirement is 5% which equates to 12,118 electors within Wirral

2.3   The guidance on consultation is not prescriptive but the emphasis is on giving the local community the opportunity to choose between directly Elected Mayors and indirectly Elected Leaders.

3. OLD-STYLE LEADER AND CABINET EXECUTIVE

3.1 Where a local authority is operating an old-style leader and cabinet executive, the authority can continue to operate such arrangements until the end of the transitional period. An old-style leader and cabinet executive means a leader and cabinet executive specified in Section 11 (3) of the Local Government Act 2000, which is the form of executive arrangements currently operating at the Council. The transitional period starts when Section 62 (5) came into force (31 December 2007) and ends with the third day after the Wirral Council election in May 2010.

4. NEW STYLE LEADER AND CABINET EXECUTIVE

4.1 Under the 2007 Act, the Executive Leader would be elected at the relevant annual meeting. This would be the first annual meeting to be held after the local authority starts to operate the leader and cabinet executive (England) arrangements. The term of office of the leader, where, as in Wirral, there are partial council elections, would start on the day of his/her election and end, when the Council holds its first annual meeting after the leader's normal day of retirement as a Councillor. The 2007 Act provides that the Council may make provision to remove the leader by resolution, although these provisions are subject to Regulations by the Secretary of State, which may require, for example, a Council resolution to be passed by a minimum number or a proportion of members present and voting. The Executive Leader would have power to appoint Councillors to the executive. (Section 11 (2A) Local Government Act 2000).The maximum number of executive members (including the Leader) remains at 10.

5. MAYOR AND CABINET EXECUTIVE

5.1 The alternative form of executive arrangements is for the Council to hold elections for a directly elected Mayor. A directly elected Mayor would hold office for a term of four years and would appoint his/or her own Cabinet of Councillors and allocate all executive functions. An authority may be required to hold a governance referendum on proposals for a move to a Mayor and Cabinet Executive, either by virtue of being petitioned by local people (as detailed above) or if directed or ordered by the Secretary of State.

6. OPTIONS FOR CONSULTATION.

6.1 There is no minimum period for the consultation to take place. It is anticipated that the consultation period will run during October and November. The Council must then draw up its proposals ensuring that the proposals, if implemented, would be likely to assist in securing continuous improvements in the way the Local Authority functions are exercised having regard to a combination of economy, efficiency and effectiveness .After drawing up proposals, there is a further requirement to publicise the final proposals in one or more newspapers circulating within the area.

6.2 The consultation needs to comply with the Code of Recommended Practice on Local Authority Publicity 1988. The current code of practice on Local Authority publicity is currently being reviewed. In the meantime the original code of practice remains in

force and should guide the Council's approach to issuing any publicity or consultation under the governance review. The code stresses the need for all publicity to be cost effective and lays down the following general guidelines:

- Publicity should not unnecessarily duplicate publicity produced by Central Government or other public body
- In determining the nature, scale and cost of the publicity it will be relevant to consider if the publicity is statutory or discretionary and the purpose to be served
- Any publicity describing Council policies and aims should be as objective as possible, concentrating on facts or explanations or both
- Publicity commenting or responding to policies and proposals of Central Government should be objective, balanced, informative and accurate
- If issues are controversial or if there are arrangements for or against views or policies this should be handled with particular care and should not ever simplify facts, issues or arguments
- Public funds should not be used to persuade public to hold a particular view on a question of policy
- Information of publicity must be made available to all who want or need it
- Leaflets and publicity distributed unsolicited from house to house is more intrusive than publicity available on application to the Council.
- Material containing controversial issues should only be distributed unsolicited if there is a strong case and no other equally effective method is available.
- Advertising is not generally an appropriate means of explaining policy or commenting upon proposals.
- Timing of publicity – particular care should be taken when issuing publicity immediately prior to an election

6.3   There are no prescribed methods of consultation and the following options are suggested:-
- Web Site – information on the Council's website with mention on the homepage for a defined period. Draft information is attached to this report at Appendix 1
- Public Notice – formal public notice within newspapers circulating in the area
- Press Release – formal press release/information provided to local newspapers
- Local Libraries / One Stop Shops – hard copy information will be provided to Libraries, One Stop Shops and Civic Buildings throughout the consultation period for those residents without access to the Council's website.
- Area Forums – Factual reports to Area Forums during the consultation period explaining the consultation arrangements

4.   Financial implications

4.1   The costs incurred in respect of the proposed consultation will be found from departmental budgets

5.   Staffing implications

5.1   There are none arising directly from this report

6.   Equal Opportunities implications

6.1   An equality impact assessment will be carried out on this report

7.   Community Safety implications

7.1   There are none arising directly from this report.

8.   Local Agenda 21 implications

8.1   There are none arising directly from this report.

9.   Planning implications

9.1   There are none arising directly from this report.

10.   Anti-poverty implications

10.1   There are none arising directly from this report.

11.   Human Rights implications

11.1   There are none arising directly from this report

12.   Social Inclusion implications

12.1   The proposed consultation will enable public participation in the proposed change in governance arrangements

13.   Local Member Support implications

13.1   New governance arrangements have relevance to all wards.

14.   Background Papers

14.1   Local Government and Public Involvement in Health Act 2007

15.   Recommendations

15.1   That Members note the report and approve the proposed consultation arrangements Including preferred options from Paragraph 6.3 of the Report

Bill Norman
Director of Law, HR and Asset Management

APPENDIX 1
Notice of consultation on governance arrangements

Local Government and Public Involvement in Health Act 2007

Leader or Elected Mayor for Wirral – What do you think?

By virtue of the provisions of this Act , Wirral Borough Council is required to make a change in its governance arrangements. Before drawing up its proposals the authority must take reasonable steps to consult people in its area.

The Council must choose between two forms of governance arrangements:

The options are:

> A Leader with Cabinet Executive (New Style)
> An Elected Mayor with Cabinet Executive

A Leader with Cabinet Executive (New Style)

The Council currently has a Leader and Cabinet Executive (Old Style) . Each May the 66 councillors choose a Councillor to act as Leader for the next 12 months. The Council appoints the nine other Cabinet Members and agrees what their portfolio or areas of responsibility will be. This system has been operating since 2001.

The main difference from the current system is that in future the Leader will be elected by the 66 Councillors for four years (although if there were any concerns it would be possible for Councillors to vote to replace him or her) and the Leader would be able to choose his or her own Members of the Cabinet. The seats on Cabinet could still be shared between Political Groups.

A Mayor directly elected by the electorate of Wirral

Under this option there would be a separate election process to elect a Mayor. This would mean that the electorate would get a vote for a person to lead the Council, rather than Wirral Councillors voting on a Leader.

The Mayor would be elected for four years and would be able to choose his/her Cabinet. However as he or she has been directly elected by the public Councillors would not be able to vote to replace him or her.

For more information please see the Communities and Local Government website. http://www.communities.gov.uk/localgovernment/360902/

Your views

The Council is consulting on whether to adopt a Leader and Cabinet Executive (New Style) model of governance or an Elected Mayor. It must make a decision on which option it prefers by no later than 31 December 2009, but before making a decision must take reasonable steps to consult local people in the area. It is also seeking views on whether the Council should have the power to remove the Leader during the four year term of office.

We would therefore be interested in hearing your views and <u>comments</u> If you wish to respond please send your comments either by post or email to: marianneduncan@wirral.gov.uk

This notice announces the start of the consultation. The formal consultation will run during late September, October and November 2009.

Your comments must reach us by 30 November 2009

Bill Norman
Monitoring Officer

WIRRAL COUNCIL

CABINET

24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF FINANCE

CUSTOMER ACCESS STRATEGY

1.   EXECUTIVE SUMMARY

1.1.   Members considered the Customer Access Strategy at Cabinet on 23 July 2008 (Min 141). The strategy has been reviewed and remains largely unaltered, amended only to update terms. Members are requested to agree the report.

2.   CURRENT SITUATION

2.1   The Customer Access Strategy was most recently approved at Cabinet on 23 July 2008. Since that time, work has continued to bring new services to the front of house via the Call Centre, One Stop Shops and Web. Since July 2008 Customer Services have maintained service levels while reviewing service access options on the basis of cost, as well as need with a focus on the use of the web for self-access.

2.2.   The main access channels are the Call Centre, One Stop Shops and Web. The One Stop Shop network currently has nine sites plus four smaller sites based in Job Centre Plus offices. These are complemented by six Information Points based in libraries. The Strategic Asset Review recommends that the One Stop Shops merged with Libraries to form the basis of the new Neighbourhood Centres. This project is being handled within the Strategic Asset Review programme of which the One Stop Shops are an integral part and progress of these developments is reported through this project.

2.3.   The Call Centre, based in the Cheshire Lines Building handles a wide variety of service calls and as the Neighbourhood Centres develop it will allow the work of these access channels to be linked closer together.

2.4.   The web-site has been re-launched and a Web Services Manager is in place to co-ordinate ongoing development. The Web Strategy was agreed at Cabinet on 3 April 2008 (minute 586) and remains integral to the success of the Customer Access Strategy.

2.5. The ongoing development of the Customer Access Strategy will need the support of a number of IT systems including legacy systems as well as document management and workflow systems. The main focus is the development of the Oracle CRM system to be expanded into a service delivery system. The service delivery system is more than the CRM and will include all systems and IT tools that surround the main system to make the work of contact with service users easier and more efficiently managed.

3. PRINCIPLES OF THE CUSTOMER ACCESS STRATEGY

3.1. The key principles of the Customer Access Strategy remain;
- Setting the Strategy as a key part of the overall change agenda.
- Change to focus on both front and back office to maximise efficiencies
- Setting out the clear need for resolution at first point of contact wherever possible to minimise repeat or avoidable contact.
- Ensuring that customer access channels handle service contacts
- Ensuring that all services that engage in change have improved.
- A clear focus on developing and utilising the web as a low cost self access and transactional contact channel providing efficiency and value for money as an outcome
- Providing customer choice whilst encouraging customers and service users to utilise the cheapest appropriate access channel.
- Equality & Diversity issues are addressed in all developments

3.2. It is essential that along with all corporate policies the principles in the Customer Access Strategy are not seen as optional but are always appropriately applied in all service areas. All departments continuing to work to its aims will maximise overall Council efficiency, specifically as resolution at first point of contact is a key tenet of service delivery allowing key service specialists to be used only where necessary.

3.3. Clear outcomes are identified in the individual Business Cases developed for new work areas focusing on identifying the reason for the change and the efficiency or service improvement (or both) that will be the outcome.

3.4. As each service is reviewed the use of the cheaper access channels is maximised, appropriate to the needs of the service. Importantly all such reviews are not just about moving service elements to the front of house but at the same time looking to deliver services in a more efficient and effective way. Although focus is primarily on reducing costs it is important to note that whilst Customer Services changes can help create efficiencies and identify areas for savings within departments it is for the department themselves to ensure that these savings are realised and reported though the agreed corporate mechanisms.

3.5. The Governance of the Customer Access Strategy has a stepped escalation policy which is used where issues cannot be resolved. There is a methodology in place for implementing the savings as real efficiencies are brought in.

4. STRATEGIC ACTIONS

4.1.   The Governance arrangements replicate those within the strategic change programme. A Customer Access Strategy project board has been established which represents the interests of the Authority, the services and the service user, and provides overall direction and management of the project. It is also responsible for ensuring that the project remains on course to deliver the desired outcome as defined in the Business Case.

4.2.   The Customer Access Strategy is closely linked with the development of Neighbourhood Centres given One Stop Shops integral role at each site. To address this project two major work streams have been identified as part of the implementation of the Neighbourhood Centres which link to Customer Access: Places which looks at the building design ensuring that the requirements of the One Stop Shop service are embodied as an integral part of each new centre; and People which addresses Human Resource issues around the merging of the One Stop Shop and Library service and the extension of hours across customer services.

4.3.   The vast majority of customer service staff have fully completed the Equality and Diversity focused Elumos training and feedback has been extremely positive. Improved levels of understanding on these issues are now clear. The Departmental Equality Group is a conduit for better communication and provides a supportive environment to discuss and plan strategies to ensure that collective targets are met which has been important for Customer Services given the requirements in this area.

5. CUSTOMER CARE STANDARDS

5.1.   The Customer Care Standards identify the specific standards to which staff are expected to deliver services and the Customer Charter outlines the standards the public can expect when contacting the Council. We monitor the standards to measure success and report on it. These link closely with the implementation of the Customer Access Strategy, were approved by Cabinet and were re-launched to all Council staff in 2008.

5.2.   To follow the relaunch a working party has been established that is progressing a more uniform approach to monitoring performance. This includes mystery shopping, peer auditing and proposals to maintain awareness through online training.

5.3.   The Customer Access Strategy has a key National Performance Indicator "Avoidable Contact" (NI14) which measures the levels of contacts in specified service areas that could have been avoided which encourages reviews of how the Authority can work smarter for the benefit of service users. The indicator was introduced in October 2008.

5.4.   NI14 has the capacity to support positive developments in customer services. Following an initial pilot within a number of service areas the Wirral Avoidable Contact National Indicator is 24.4%, compared to a national average of 22%. The real value is to be found in the lower level analysis (e.g. by channel; service; type of avoidability) which will guide service improvements and further reduce the percentage of avoidable contact.

5.5.   Given the flexibility of the guidance for this new indicator, 'best practice' has yet to be formulated across the 388 Councils responsible for providing evidence. It was not surprising that nationally, NI14 reports varied from 0.4% to 88.2%, with sample sizes ranging from 69 to 2.2 million contacts.

6.   FINANCIAL IMPLICATIONS

6.1.   By both improving customer service and maximising use of the cheapest appropriate access channel, cost can be reduced, service delivery to users improves, and the efficiencies lead to overall cost savings or reassignment of resources to key priorities.

7.   STAFFING IMPLICATIONS

7.1   There are no specific implications arising from this report, although transfer of services to the customer access channels will have staffing implications.

8.   EQUAL OPPORTUNITIES IMPLICATIONS

8.1   The Customer Access Strategy ensures by addressing equality and diversity issue that access to services is maximised.

9.   PLANNING IMPLICATIONS

9.1   There are no specific implications arising from this report.

10.   COMMUNITY SAFETY IMPLICATIONS

10.1   There are no specific implications arising from this report.

11.   HUMAN RIGHTS IMPLICATIONS

11.1   There are no specific implications arising directly from this report.

12. **LOCAL AGENDA 21 IMPLICATIONS**

12.1 There are no specific implications arising from this report.

13. **BACKGROUND PAPERS**

13.1 Customer Access Strategy – July 2008.

14. **LOCAL MEMBER SUPPORT IMPLICATIONS**

14.1 There are no specific implications for any Members or Wards.

14. **RECOMMENDATION**

14.1 That the Customer Access Strategy be agreed.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/214/09

WIRRAL COUNCIL

CUSTOMER ACCESS STRATEGY

September 2009

1.   INTRODUCTION

Wirral is a place of great contrasts with areas of extreme wealth and significant poverty. It has an ageing population and is becoming more and more culturally diverse.

As the local authority, Wirral Council is the largest organisation in the area, providing a broad range of services to 312,000 residents, 6,000 businesses and hundreds of thousands of annual visitors. Our aim is to improve the quality of life of Wirral people and work with our partners to deliver the best services we can, in the most efficient and effective way.

The Customer Access Strategy is the framework we will use to achieve this. It is a key corporate policy, which aims to ensure that our customers can contact us easily, through the most cost-effective channels.

Although resources have reduced in councils across the country, customer expectations continue to grow. People want to access more services, more conveniently than ever before and Wirral Council is rising to this challenge. We already place great emphasis on improving customer access and have an established network of One Stop Shops, library information points, a corporate call centre and a growing website. We will continue to develop further methods of contacting the council, including SMS text messaging and email, to make sure that everyone can get the advice and information they need.

Our customers will be encouraged to use the most cost-effective route to contact us, which will vary according to the type of enquiry. We will stay responsive by reacting to customers' views and will offer people a choice of how to access local services. Each option will be of a high quality, easy to use and joined up with other relevant services so that queries can be resolved quickly, avoiding unnecessary follow-ups. Working closely with our partners in other agencies and the voluntary and community sector, we will continue to reduce duplication and strive to deliver first-rate services to the people of Wirral.

Cllr Steve Foulkes   Steve Maddox
Leader of Wirral Council   Chief Executive

This strategy addresses the following issues:

Section	Title	What it does
2	**Why do we need a Customer Access Strategy**	• Explains why the strategy is central to the corporate priorities.
3	**Fundamental Principles**	• Lays down the principles which underpins the strategy
4	**Strategic Actions**	• Shows how the strategy delivers the vision on service transformation.
5	**Governance**	• Describes how we manage progress of the strategy
6	**Reducing Costs**	• Outlines the need to migrate to the cheapest access channel and reduce avoidable contact.
7	**Work plan**	• Highlights current and future work.

The Customer Access Strategy plays a key role in achieving the Council's corporate objectives. This is explained in Appendix 2 of this document.

2. WHY WE NEED A CUSTOMER ACCESS STRATEGY

2.1. The investment in the customer access channels is aligned to corporate aims, priorities and strategies. The strategy provides the framework for further developing the Councils interaction with the customer.   It is a living document which is reviewed and modified in accordance with local and central government priorities.

2.2. Central Government drivers set expectations of us in terms of:

- being available when customers contact us.
- providing joined up services.
- first time resolution.
- embracing new technology.
- delivering all in a more economical scale.

2.3. In order to assess the effectiveness of this strategy we will measure our progress against a set of metrics, these being:

- The cost of providing each service.
- Levels of customer satisfaction with each service.
- Volumes per access channel.
- Numbers of repeat contacts (Avoidable Contact).
- Numbers of fully resolved queries at first point of contact.

2.4. We are developing and will use a consistent set of measurements to help accurately measure progress. We will have local performance indicators in every service for each of these measures, as well as for each customer access channel and these will be regularly monitored by the cross departmental Customer Services Group and reported to Chief Officers and Members.

2.5. Wirral Council is committed to ensuring that all of its customers can access its services with ease, and has published a customer pledge, which underlines this commitment.

The pledge states:

We want to:

- Make it as easy as possible for customers to contact us.
- Deal with customer enquiries as quickly as possible.

Wherever and however customers get in touch with us we aim to:

- Resolve enquiries first time – although some issues need to be referred to specialist staff.
- Provide a consistent and high quality service.

We shall make our services available at times and places and in ways which are convenient to the customer:

- We expect that customers may want to contact us by a variety of means.
- We will make it easy for customers to talk to us directly by providing One Stop Shops and Information Points in places people can easily travel to.
- We will make it easy for customers to telephone us.
- We will make it easy for customers to deal with us electronically by providing our services via the internet with self access maximised.
- Encourage customers to use the cheapest most efficient access channel appropriate to their query.

2.6. Our Customer Care Standards identify the specific standards to which our staff will be expected to deliver services. In addition a Customer Charter outlines the standards our public can expect when contacting the council. We will monitor our standards to measure our success and report openly on it.

2.7. There are key messages that support and help drive the Customer Access Strategy forward to ensure it becomes a reality and remains a focus of service development. These are set out in Appendix 1.

3. FUNDAMENTAL PRINCIPLES

3.1. Customer Service is pertinent to everyone in the organisation. The following principles outline the reasons why the Customer Access Strategy is crucial.

3.1.1. **Setting the Customer Access Strategy is a key part of the overall change agenda as well as being one of the cornerstone projects of the drive for efficiency.**

Therefore:

- Ensuring the Customer Access Strategy and its actions form part of each department's ongoing efficiency plan.
- Due regard is paid to other corporate strategies including ICT, People, Accommodation, Equalities, Communications when working on this strategy.
- The HR Strategy will provide guidance for those staff whose role is changed or lost as a result of the migration of services to the front of house.
- Strategy implementation is a "no choice" option as its maximum benefits are achieved when all services are handled as much as possible through corporate co-ordinated access channels.

3.1.2. **Ongoing change will focus on both front and back office change to maximise efficiencies.**

Therefore:

- The Customer Services Development Team will work with Project Sponsors within departments to review end to end processes.
- Migrating appropriate elements of service to the corporate access channels.

3.1.3. **Setting out the clear need for resolution at first point of contact wherever possible to minimise repeat or avoidable contact**.

Therefore:

- Utilising appropriate systems for capturing repeat contacts and reviewing current processes to reduce these.

3.1.4. **Re-stating the ongoing drive to ensure customer access channels handle service contacts**

Therefore:

- All departments where there is customer contact should be delivered through the corporate access channels.

3.1.5. **Ensuring that all services that engage in change have improved efficiency and value for money as an outcome**

Therefore:

- Clear project planning principles including business cases are adhered to for all services migrated.
- Cost analysis is undertaken of existing and revised service delivery to highlight efficiencies realised.

3.1.6. **Clearer focus on developing and utilising the web as a low cost self access and transactional contact channel.**

Therefore:

- Enabling customers to change and update information automatically.
- Encouraging customers and service users to utilise the cheapest appropriate access channel for their enquiry.
- Providing 24/7 access to council services for customers from the environment of their increasing choice.
- Providing the primary information and transactional channel for customers with a single secure point of access.

3.1.7. **Providing customer choice and encourage customers and service users to utilise the cheapest appropriate access channel.**

Therefore:

- Recognising the ongoing need to provide customers with their preferred chosen access channel in relation to their specific enquiry.
- Recognising need to provide quality service standards via the web and call centre to encourage appropriate use of the cheapest available access channels.

- Recognising the need for face to face access providing a response to more complex enquiries and acting as a community hub for Wirral residents.
- Rationalising other face to face access points such as reception points.

3.1.8. **Equality and Diversity**

Therefore:

- Guided by the council's equality policy, we will ensure that services are equitable and meet the needs of our diverse population.
- Access points will meet DDA requirements.
- Equality Impact Assessments will be regularly reviewed.

4. STRATEGIC ACTIONS

4.1. The areas of strategic actions needed to deliver the Customer Access Strategy are:

- **Learning from citizens and businesses**
  Engaging with stakeholders to ensure that the service we deliver meets their requirements. We will continue to liaise with the voluntary and community sector via that sectors networks so that their views are represented in the way that we deliver our services.

- **Grouping services in a way that is meaningful to the customer**
  Offering integrated packages of services which respond directly to the issues that customers face in their day to day lives. With a timely response to immediate needs.

- **Rationalising services for efficiency and service improvement**
  All departments are responsible for rationalising their services in line with the Customer Access Strategy and engaging with Customer Service Development Team to work together in re-aligning their processes for service delivery. Providing a service framework which is simpler, clearer and more accessible by reducing the numbers of websites, front offices and processes which can be confusing for the customer.

- **Developing a web for easy information access and transactional use**
  Ensuring that the web presence is host to easily accessible information and allows easy self access and self resolution of enquiries maximising its use as well as a key support to other customer access channels.

- **Making better use of customer information held**
  Establishing a framework for data exchange and customer authentication within the guidelines of Government Connect.

- **Linking local and central government**
  Ensuring that public service delivery is joined up across both local and central government.

- **Engaging frontline staff**
  Listening to frontline staff views on improving customer contact. Providing processes and systems to enable them to simplify service delivery.

- **Measuring our success.**
  Establishing key performance indicators measuring customer satisfaction repeat contact and cost. We will report on these and use them to develop and refine strategy.

5. GOVERNANCE

5.1. The Chief Officers Management Team (COMT) recommends policy options and implications to Cabinet and is responsible for implementing Cabinet decisions. COMT delegates responsibility for delivery and progression of the Customer Access Strategy.

5.2. The Customer Services Board consisting of Sponsor (Alan Stennard), Director of Finance (Ian Coleman) and Head of Revenues, Benefits & Customer Services (Malcolm Flanagan) will ratify priorities and act as an arbitrator in response to escalations. This Board reports on their work to the Strategic Change Programme Board to ensure it links to the corporate programme.

5.3. The day to day responsibility for delivery and developments of these front line contact areas lies with the Call Centre Manager and Customer Service Manager.

5.4. Priorities requiring IT resource will be referred to the Information Strategy Group (ISG), on identification of cost savings and efficiencies.

5.5. The Customer Service Development Team is responsible for delivery of the agreed priorities in consultation with appropriate stakeholders.

6. REDUCING COSTS

6.1. We understand which the most costly access channels are, so the more information available via the internet and able to be concluded without intervention will lower the cost of providing the service.

6.2. Increased value is more likely to be achieved by transactional online services. For this change to be successful we need to gain customer trust in using our electronic self-serve provision for reassurance of its security, privacy, swift response and ease of use.

6.3. Efficiencies are also achieved by separating customer facing duties from skilled back office functions, allowing experts to concentrate on specialised work, and trained customer care operatives to deal with the public using their expertise.

6.4. There is a need to reduce avoidable contact which is defined as:

- Customers contacting us again as we have got it wrong or they are not satisfied with our response.
- Customers having to contact us regarding information we already hold.
- Repeat contact due to the customers not being told the length of time for resolution of their enquiry.

6.5. Reducing avoidable contact in turn reduces resource requirements and generates savings. Nearly all repeat contacts can be avoided by effective resolution at the first point of call. In addition a customer will tend to escalate an unsuccessful contact to a more expensive access channel.

6.6. Encouraging customers to access the Council's services by the telephone will further reduce costs. To ensure this we must ensure that that service is easily accessed and responsive. This is best achieved by maximised use of the authority's Call Centre.

6.7. We will continue to review each service to ensure where possible that transactions can be carried out and completed over the phone and on the Internet. We will use the appropriate systems to share information and evidence between departments, thus reducing the need for unnecessary paperwork.

6.8. In line with Varney Review we look to use face to face as a focus of linked public service, improving the overall service to local communities and minimising costs whilst using such sites to encourage self access and maximise their potential as staff hubs for agile working.

6.9. April 2008 saw the introduction of a key National Indicator "Avoidable Contact". This is in line with our aim to reduce repast contact and maximise First Time Resolution as much as possible.

7.   WORK PLAN

7.1. There is an ongoing programme implementing a range of work which underpins our Customer Access Strategy principles. A regularly reviewed update of new and ongoing service reviews is reported to Cabinet as part of the annual change programme in each October / November cycle of meetings.

KEY MESSAGES

1. We will help increase customer satisfaction and be responsive to internal and external customers.

2. We will have choice in access channels, which are joined-up and co-ordinated.

3. We will increase the number of services delivered by the Front of House.

4. We will increase partnership working.

5. We will be effective, efficient and value for money services.

6. We will help decrease duplication in working practices and help services cut overall costs.

7. We will have a fully accessible internet offering transactional services.

8. We will promote self-access to encourage the take up of cheaper channels.

9. We will exploit our Service Deliver System and increase integration of other IT systems.

10. We will increase first point of contact resolution.

11. We will rationalise public reception and access points.

12. We will continue to give full focus to received written communication.

FUNDAMENTAL PRINCIPLES

- Setting the Customer Access Strategy is a key part of the overall change agenda as well as being one of the cornerstone projects of the drive for efficiency.

- Ongoing change will focus on both front and back office change to maximise efficiencies.

- Setting out the clear need for resolution at first point of contact wherever possible to minimise repeat or avoidable contact.

- Re-stating the ongoing drive to ensure customer access channels handle service contacts.

- Ensuring that all services that engage in change have improved efficiency and value for money as an outcome.

- Clear focus on developing and utilising the web as a low cost self access and transactional contact channel.

- Providing customer choice and encourage customers and service users to utilise the cheapest appropriate access channel.

- Equality and Diversity.

STRATEGIC ACTIONS

- Learning from citizens and businesses.

- Grouping services in a way that is meaningful to the customer.

- Rationalising services for efficiency and service improvement.

- Developing the web for easy information access and transactional use.

- Making better use of customer information held.

- Linking local and central government as well as Voluntary Sector partners.

- Engaging frontline staff.

- Measuring our success.

The table below shows the role of the Customer Access Strategy in contributing and meeting the objectives and delivering the priorities of the Council.

Corporate Objective	Role of Customer Access Strategy
To create more jobs, achieve a prosperous economy and regenerate Wirral	
To create a clean, pleasant, safe and sustainable environment	
To improve health and well-being for all, ensuring people who require support are full participants in mainstream society.	
To raise the aspirations of young people.	
To create an excellent Council	The Customer Access Strategy primarily focuses on this objective by: - Promoting and improving Ease of contact/Dealing with contacts quickly/Resolving on first time contact/Providing a consistent high quality service. - Providing a variety of contact points (Web/OSS/Call Centre/ Information Points/Text SMS). - Encouraging use of cheapest appropriate channel for the contact being made. - Adhering to Customer Care Standards which publicly show our standards. - Linking this strategy to all the Authority's change plans. - Maximising efficiency through corporate front office access channel. - Reducing avoidable or repeat contact. - Ensuring all change shows improved efficiency and value for money. - Ensuring equality and diversity issues in Access to Services are met. - Grouping services in a way that is meaningful to customers. - Making better use of information held by us. - Linking to central government bodies, agencies and voluntary sector to maximise efficiency and service standards. - Engaging our frontline staff to improve as well as our citizens. - Measuring our success and learning from it. Through these activities our work will help achieve all the Council's key objectives with examples in each area

The table below shows examples of the Customer Access Strategy contributing and meeting the objectives and delivering the priorities of the Council.

Corporate Objective	Examples of Customer Access Strategy links

To create more jobs, achieve a prosperous economy and regenerate Wirral	• Improving services by making them more accessible and efficient makes Wirral a better place to live and work which leads to better prosperity.
	• Working Links is an organisation dedicated to getting the long-term unemployed back to work, and retain their employment, by matching people looking for work with businesses with recruitment needs. They use the sites to see clients and advisors are very proactive in referring customers onto them which has been very successful.
	• Four One Stop Shops are based in Job Centre sites with all the benefits collaborative working brings as well as Department for Work and Pensions Job Points based at two OSS's for local and national job advertising.
	• Following agreement with the DWP they have started to use Moreton and Rock Ferry OSS sites to meet with clients who are lone parents. It is envisaged that if they require this service can be expanded.
	• We recognise the current financial difficulties faced by a growing number of residents and are working in partnership with A4e in delivering the Financial Services Authority and Government backed "Money Made Clear" campaign. They will use a number of the One Stop Shop sites to deliver a free money guidance service, with no restrictions placed on who can access the service. It will provide impartial guidance on the money matters that shape everyday lives such as:
	  • debt
	  • helping to budget weekly or monthly spending
	  • saving and borrowing
	  • tax and benefits
	The service is not sales driven, and is aimed entirely at addressing the individual customer's needs.
	• Initial advice and referrals to Wirral Direct with regard to Business Start-up.
	• Our One Stop Shops assist in the delivery and promotion of Tourism on Wirral.
	• Wirral Change is a Black and Racial Minorities Outreach Service offering information, advice and guidance on jobs, education, training and self-employment, as well as signposting to other services for racial minority people on the Wirral. They use the Birkenhead One Stop Shop on an appointment basis to see clients.
	• Working with Reachout at our New Brighton site, a project that accesses with as many people in a neighbourhood as possible through a process of "listening surveys" by door knocking as well as meeting people in the street and at other venues.

To create a clean, pleasant, safe and sustainable environment	• Handling Streetscene enquiries have helped bulky item collection service improve its collection rate, supporting a reduction in fly tipping. Handling Alternative Weekly Collections enquiries has helped encourage recycling. • All sites audited in line with Environmental Management Systems (EMS). • Promotion of Road Safety initiatives at all sites. • Customer Services representation on the Race Hate Task Group. • Our work with the Local Police through the Neighbourhood Action Group and individual networks to assist with local policing issues raised by residents. • The Police continue to use some of our sites to run Community Surgeries. West Kirby One Stop Shop is used by the Police in a different way as it provides a specific "Police Point" staffed by both Police and vetted Police volunteers who provide a more visible presence within the area.
To improve health and well-being for all, ensuring people who require support are full participants in mainstream society	• Working with Age Concern that responds to the needs of older people in the community and promotes effective care standards across the care sector giving advice on financial issues, residential/nursing care, housing, energy efficiency bereavement counselling and a wide range of other issues. • Continued involvement in advertising and signposting customers to the 'Stop Smoking Services' with all staff within the One Stop Shops having an awareness of the service. This included involvement in promoting the Smoke Free Pledge campaign aimed at protecting families from the dangers of second-hand smoke and reducing the number of house fires associated with smoking in the home, and to support smokers who want to quit. • Continued hosting of The Pension Service at sites where they provide information on pensions and pensioner benefits, for those planning for the future, about to retire or already retired. • Closer working with our partners from NHS Wirral with surgeries provided at a range of One Stop Shops to help address health inequalities found in Wirral. The PCT's Health and Wellbeing service are using OSS sites to provide advice on healthy cooking courses and healthy eating and discussions are ongoing to expand this to as many of the sites as possible. • Health Trainers also work within the Health Action Areas and provide drop-in clinics and appointment sessions within OSS sites to reach those who want to adopt healthier lifestyles but have little contact with traditional health services. Our staff promote the availability of the service to customers to ensure as wide a group from our communities benefit from the service. • Hosting Arch Initiatives, a registered charity providing a range of services to people affected by drugs and alcohol.

To improve health and well-being for all, ensuring people who require support are full participants in mainstream society *(Continued)*	- Terence Higgins Trust - agreement made with the THT for them to use a number of our sites to meet with their clients with the first site in use at Moreton. General awareness training on the wider role of THT being provided to OSS staff. - Wirral Working 4 Health to start using a number of One Stop Shop sites initially on an ad hoc surgery basis. They provide support and effective interventions for 14 to 35 year olds. Wirral EIT has links with GP's, schools, colleges and other organisations that deal with young people. - Working in partnership with the Early Interventions Team (EIT) with the plan for them to use our sites on an ad hoc basis to see clients. They provide support and effective interventions for 14 to 35 year olds. Wirral EIT has links with GP's, schools, colleges and several other organisations dealing with young people. - Primary Care Advice Liaison Service (PCAL) is using OSS sites to see clients referred via their GP. PCAL surgery is appointment basis aimed at people who are suffering from a mild to moderate mental health problem. They are funded by Wirral PCT, and run by Wirral CAB in conjunction with Advocacy in Wirral, to provide specialist advice and support on issues such as debt, welfare benefits, employment, housing and consumer. The usage of the sites has been a great success highlighted by the take up of the use of the dedicated Polish Advice worker at Rock Ferry, New Brighton and Birkenhead. - Our continued attendance at Wirral Ethnic Help Advisory Group (WEHAG) demonstrates the value of this ongoing commitment to contribute in reducing health inequalities across the Borough. By raising awareness of services and partnerships delivered at the One Stop Shops all members of the community are able to benefit positively from the range of services available. WEHAG's Information and Resource File, relaunched in January 2009, included information about Wirral's Customer Services as an example of good practice. The file gives all staff working in the NHS, health related organisations and Local Authority social care services basic background information of the visible ethnic minorities from South Asian, Black and Chinese people in Wirral, as well as Irish and Irish Travellers, Romany peoples, Asylum Seekers and Refugees. It enables them to signpost on to organisations, including Wirral's Customer Services, which can best meet the needs of any particular individual.
To raise the aspirations of young people	- Development of the web site will help attract usage by the young to services and advice available. - OSS provides help and Advice with the completion of Student Support Applications. - The current project on use of SMS text messaging will assist in the engagement of youth groups by specific targeting to encourage take up of services. - Handling initial Anti Social Behaviour contacts by which the young are educated and encouraged to make Wirral a better place i.e. less graffiti.

To create an excellent Council	• Specifically via investment in customer access through the Call Centre, One Stop Shops and Web.
	• Ongoing work to achieve the Customer Service Excellence Standard and continue the improvements recognised by successive awards of the Chartermark held by Customer Services
	• Customer Services provide value for money via service re-engineering, call centre contingency support and collaborative working achieving a holistic approach to service delivery.
	• Our One Stop Shops remain at the forefront of collaborative working with external organisations such as PCT, NHS, DWP and Voluntary Sector.
	• Participation in the Community Engagement Task Group
	• Development of e-citizen access to Council tax and Housing Benefit information has begun our move towards extended on line access for residents an service users
	• Customer Service assistance in the development of mobile technology which leads to better information sharing and quicker response times. Highway inspectors receive road defects/inspection takes place/repairs undertaken/safer and accessible infrastructure maintained.
	• Customer Service involvement in the Strategic Asset Review.

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WIRRAL COUNCIL

CABINET

24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF FINANCE

MEDIUM TERM FINANCIAL STRATEGY

1.   EXECUTIVE SUMMARY

1.1   This is the annual update of the Medium Term Financial Strategy the latest of which was agreed by Cabinet on 23 July 2008. The aim is to give Cabinet a strategic overview highlighting the significant issues to be considered in financial planning and informing future priorities. It has been refined to reflect the information from the Chancellor of the Exchequer Budget report and the revised Corporate Plan agreed in April 2009.

2.   BACKGROUND

2.1   In order to deliver the objectives of the Corporate Plan effective service planning and financial planning are essential requiring strong links between the Corporate Plan and Medium Term Financial Strategy. This Strategy aims to provide a longer term overview of the financial issues to assist in the allocation of resources to deliver the Council objectives and priorities.

2.2   The Strategy draws together the financial requirements emerging from the various Council strategies including the Customer Access Strategy, the resource-based strategies covering Capital, Human Resources and Information Technology and the service strategies. It seeks to maximise the opportunities for delivering services from within the finite resources available.

2.3   The Council agreed the current Medium Term Financial Strategy on 23 July 2008 and it is subject to an annual review to take account of national and local changes.

3   FINANCIAL AND PERFORMANCE MANAGEMENT

3.1   The approach to corporate planning is based upon a hierarchical framework that seeks to integrate national and local priorities into a series of clear objectives. This is supported through the planning process, the Corporate Plan and Departmental Plans, identifying how the objectives are to be achieved. The Plans link to budget-setting as the priorities identified should indicate the resource issues and principles that shape the Council budget. By identifying current issues as well as potential developments / related issues the Plans inform future revenue and capital budgets.

4.   REPORTING AND MONITORING

4.1   For 2009/10 Cabinet on 9 April 2009 agreed further measures to integrate the financial and performance management arrangements. Processes for planning and monitoring performance underpin the cycle of continuous improvement. The planning element provides the framework for the Council to identify its priorities and targets for the future, whilst the monitoring element measures progress in relation to meeting the priorities and targets agreed for the current year. Equally the monitoring reports inform the ongoing planning process as it is by monitoring and reviewing performance, and the associated implications of that performance, that information is provided to develop future plans.

4.2   **ANNUAL REPORTS**

The annual Statement of Accounts is a legal requirement and has to be published by 30 June and is then subject to External Audit inspection the results of which have to be concluded before 30 September. The Statement is supported by additional reports to Cabinet on the revenue and capital finances for the year plus the Insurance Fund and Treasury Management annual reports. A summary Statement of Accounts leaflet is also available and commencing from 2007/08 an Annual Report has also been produced.

4.3   **MONITORING REPORTS**

From 2009/10 a presentation is made to Cabinet each quarter covering the areas of performance, finance, capital and risk. A summary report is placed within the Virtual Members Room to which is appended more detailed reports on each of the areas with the financial and risk reports also being presented to Council Excellence Overview & Scrutiny Committee and Audit & Risk Management Committee as appropriate.
(a)   Financial monitoring compares spend against the approved budget.
(b)   Capital monitoring summarises progress against the capital programme.
(c)   Performance monitoring provides an overview against the key issues identified in the Corporate Plan.
(d)   Risk monitoring identifies progress delivering actions in the Corporate Risk Register and on any recently identified risks.

4.4   **PLANNING REPORTS**

4.4.1   The key components of the planning process are service and financial planning. The former identifies how the Council delivers continuously improving services that meet the needs and priorities of the citizens of Wirral. The objectives and targets set inform financial planning. This enables the better alignment of resource requirements with service delivery and ensures that services are provided in the most cost effective and efficient manner.

4.4.2 Cabinet agreed the Vision for Wirral on 14 November 2007 which is articulated in the Corporate Plan. The Plan sets the overall strategic direction and identifies the aims and objectives of the Council and whilst covering three years is refreshed annually with the latest refresh being in April 2009. This approach is used for the other strategies including the Customer Access Strategy and resource strategies covering Human Resources, IT, Capital and Asset Management.

4.4.3 The Medium Term Financial Strategy considers financial issues at a strategic level. It is used to identify resources to deliver the Corporate Plan and informs the annual budget setting process. The budget has to be agreed by Council by 10 March each year with the projected budgets for subsequent years being regularly updated in reports presented to Cabinet.

5 RE-ALLOCATION OF RESOURCES TO PRIORITIES

5.1 The Council is committed to improving customer services with a change agenda that underpins the delivery of the Customer Access Strategy.

5.2 In meeting Government targets for delivering value for money and efficiency in local services the key requirement is for resources to be released into front-line services. The Council is committed to improving its priority areas as well as keeping Council Tax at affordable levels.

5.3 When setting the Council Tax for 2009/10 the agreed increase was 4.46% which was below the maximum level set by the Government of 5% and included actions to deliver further improvements in priority areas.

5.4 Wirral continues to improve performance management and service planning and to re-direct resources towards meeting the identified objectives. In terms of Council Tax and value for money the Wirral Band D Tax, which was the fourth highest amongst the 354 Metropolitan, London, Unitary and District Authorities in 2000/01 is now rated 184th highest.

6. MEDIUM TERM FINANCIAL STRATEGY

6.1 The Appendix contains the Strategy and encompasses:-
* National issues including the Comprehensive Spending Review.
* At a local level the agreed Council objectives and priorities are stated, progress reviewed, and key issues during the period highlighted.
* The Medium Term Financial Plan for the period which is regularly updated in reports to Cabinet.

6.2 Wherever a financial estimate can be made of likely events this has been included. Given the level of assumptions for any projection of this type, only significant items have been included. It must be stressed that the aim of this Strategy is not to give provisional budget figures, but rather to provide Members with a framework with which to support planning considerations for the medium term.

7. FINANCIAL AND STAFFING IMPLICATIONS

7.1 The financial implications are within the Financial Strategy.

8. LOCAL MEMBER SUPPORT IMPLICATIONS

8.1 There are no specific implications arising out of this report.

9. LOCAL AGENDA 21 STATEMENT

9.1 The Corporate Plan identifies a number of objectives relating directly to 'protecting and improving the environment.'

10 PLANNING IMPLICATIONS

10.1 There are no specific implications arising out of this report.

11. EQUAL OPPORTUNITIES IMPLICATIONS

11.1 The Corporate Plan identifies a number of objectives relating directly to 'continuously improving services.'

12. COMMUNITY SAFETY IMPLICATIONS

12.1 The Corporate Plan identifies a number of objectives relating directly to 'making Wirral safer.'

13. HUMAN RIGHTS IMPLICATIONS

13.1 There are no specific implications arising out of this report.

14. BACKGROUND PAPERS

14.1 Medium Term Financial Strategy 2009/12 – July 2008.

14.2 Corporate Plan and Departmental Service Plans 2009/12.

15. RECOMMENDATIONS

15.1 That the Medium Term Financial Strategy be approved.

15.2. That regular updates of the financial projections be reported to Cabinet and to the Council Excellence Overview & Scrutiny Committee.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/219/09

WIRRAL COUNCIL

MEDIUM TERM FINANCIAL STRATEGY

CABINET
SEPTEMBER 2009

1.0 EXECUTIVE SUMMARY

1.1 Introduction

1.1.1 Our vision for Wirral is of a more prosperous and equal Wirral, enabling all communities and people to thrive and achieve their full potential. This vision is clearly set out in Wirral's Sustainable Community Strategy and reflected in the Local Area Agreement, and the Council's Corporate Plan.

1.1.2 The Corporate Plan is supported by a series of five year aims and annual priorities which are refreshed on an annual basis and guide future actions. This helps prioritise the use of resources as the Council continues to operate in an increasingly complex and challenging environment and informs the way in which the Council works with its partners who share many of these aims.

1.1.3 The national priorities of the Government are aligned with local priorities as part of the Council's corporate and business planning process in order to prioritise available resources. Wirral remains committed to maximising the use of scarce resources and directing these towards priority areas whilst keeping Council Tax at an affordable level as evidenced by recent Council Tax rises.

1.2 Statement of aims

1.2.1. This Strategy aims to support the delivery of the Council Vision and the Corporate Plan. It seeks to indicate the resource issues and principles that shape the Council budget; to identify current issues and to consider potential developments / related issues that are likely to provide the basis for future budgets.

1.2.2 With insufficient resources to meet all aspirations the Medium Term Financial Strategy guides and shapes spending to maximise achievement of the Council's priorities, and seeks to achieve this, by:-
- Providing a framework for the management of financial resources to support the Annual Budget.
- Redirecting resources towards meeting the Council objectives.
- Subjecting spending plans to regular review to ensure that they are aligned with need and promote value for money and service improvement.
- Applying an overall risk assessment together with controls to ensure any impact is controlled.

1.3 Review

1.3.1 The Strategy's timescale has been extended to cover the period up to 31 March 2014. This aligns the Strategy with both the projected period covered by the Chancellor of Exchequer's 2009 budget and the intended life of the next Comprehensive Spending Review period. Whilst the Strategy will be valid at least until 2014 it will be annually reviewed to ensure it remains relevant. For 2009 the main changes reflect the economic projections from the Chancellor and the updated Corporate Plan agreed in April 2009. The annual Budget provides the detail of what is being done to implement this Strategy.

2.0   NATIONAL ISSUES

2.1   The National Economic Position and Impact of the Recession

2.1.1   The general global economic outlook remains poor and will impact upon the national economy with the high level of public debt likely to curtail Government manoeuvrability. This may be further restricted if the date of recovery and subsequent growth forecasts are not realised.

2.1.2   The UK economy is currently in recession and there are a number of likely financial consequences for all local authorities including:-
- Reductions in future government grant settlements to local authorities.
- Increases in demand for services particularly relating to welfare support.
- Additional demands to provide new services to deal with impacts of the recession on communities.
- Reduction in income from fees and charges.
- Reductions in level of capital receipts achieved.
- Negative impact on likely investment into regeneration based schemes

2.1.3   Wirral's Strategy and Plan reflect the latest forecasts and assumptions for the impact of the recession and will be the Plan will be regularly updated.

2.2   Comprehensive Spending Review

2.2.1   The Chancellor of the Exchequer published a combined Comprehensive Spending Review (CSR) and Pre-Budget Report (PBR) on 9 October 2007. The Chancellor's latest budget was presented on 22 April 2009 and contained a number of economic forecasts:-

2.2.2   The UK economy is forecast to return to growth of 3.5% in 2011 although the general economic situation has continued to deteriorate since the Pre-Budget Statement in November 2008 when the forecast for 2009 was of a reduction of only 1% for 2009. The inflation target remains unchanged at 2%.

2.2.3   The growth in real spending within the public sector will be reduced from the Pre Budget Statement forecast of 1.2% to 0.7% between 2011/12 and 2013/14. An additional £9 billion of efficiency savings for the public sector by 2013/14 was also announced along with indications that this may be returned to the Government. Spending on capital investment will fall from £44 billion in 2009/10 to £22 billion in 2013/14.

2.3   Local Government Finance Settlement

2.3.1   The Government announced the first Settlement covering three years following the Comprehensive Spending Review 2007 (CSR). This set out the indicative level of Government Grant for 2008/09 to 2010/11. It is reviewed each year and the Settlement for 2009/10 again confirmed the indicative figures for 2010/11.

2.3.2   The grant allocation comprises a series of elements based upon needs and resources that is adjusted to ensure that all authorities receive a minimum level of increase each year. It is available to support all Council services.

2.3.3   The next Government CSR is due in 2010 and will inform the level of Government Grant from 2011/12. The indications are that there will be a reduction in resources available to local authorities and that this will continue until at least 2017.

3.0 LOCAL ISSUES

3.1 Facts and Figures

3.1.1 Wirral's Sustainable Community Strategy and the Council Corporate Plan set out a clear understanding of the local issues facing the borough which is a place of enormous opportunity also of sharp contrasts.

3.1.2 The overall picture masks inequalities for local people as Wirral residents experience some of the country's most notable variations in economic and social well being. A substantial percentage of Wirral's population live within some of the country's most deprived areas, whilst there are also a large number that live in some of the country's most affluent areas.

3.1.3 Wirral's population has declined from over 355,000 during the 1970s to 310,200 in mid-2007. The population is skewed towards older age groups, with a lower proportion of younger adults and a higher proportion of older people than the averages for the rest of England and the North West. The fastest falling population categories are the 24 years and under age groups. With the availability of employment in the borough being lower than the national average a significant number are travelling outside for jobs.

3.2 The Wirral priorities

3.2.1 The approach to corporate planning integrates national and local priorities and the Council Corporate Plan contains the five corporate objectives set to achieve the Vision of a more prosperous and equal Wirral, enabling all communities to achieve their full potential:-

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

3.2.3 The Corporate Plan is supported by a series of annual priorities which are refreshed on an annual basis with the main emphasis being to use the available resources to reduce inequalities within the borough.

3.3 Allocation of resources to priorities

3.3.1 To create more jobs, achieve a prosperous economy and regenerate Wirral.

The Council has allocated revenue and capital resources to support working with private sector partners and Wirral Partnership Homes. This includes the Investment Strategy with developments within NewHeartlands, New Brighton and the Wirral Docklands area. The investment is complemented by the use of Working Wirral funding which includes the Apprenticeship Programme.

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3.3.2 To create a clean, pleasant, safe and sustainable environment.

Resources allocated to the streetscene contract and the Material Recycling Facility at Bidston have realised continued improvements in recycling rates. Actions over climate change and sustainability has seen investment in energy conservation measures that reduce the burden of future price rises, focussed on leisure centres and a programme for street lighting. Again the Newheartlands programme supports the delivery of this objective.

3.3.3 To improve health and well-being for all and in providing support for vulnerable people

Additional resources made available for Adult and Children Services. Within Social Services progress is being made with the transformation agenda and the availability of personal budgets. By responding to the pressures faced earlier intervention is essential to success, with the Children and Young People Plan key in delivering the Every Child Matters agenda.

3.3.4 To raise the aspirations of young people

The continued capital investment into schools including the Building Schools for the Future, Primary Schools and Academy programmes. This is supported by targeting funding to the needs of children in deprived communities.

3.3.6 To create an excellent Council

The Council Tax increase for 2009/10 of 4.46% showed the commitment to continuously improve services whilst keeping Council Tax affordable through the securing of value for money. Wirral's Council Tax the 4th highest in the country in 2000/01 is now the 184th highest. The increasing community involvement through Area Forums, the Parliaments for younger and older people was supported by Participatory Budgeting with funds made available for the Forums to allocate on projects or services.

3.4 Comprehensive Area Assessment (CAA)

3.4.1 The Audit Commission provides an external assessment of the Council against a national framework that considers how services are provided to the local area and how the Council and other local organisations work together to use the resources available to improve and provide better services.

3.4.2 Under the previous Comprehensive Performance Assessment the Council was assessed in 2008 as a score of 3 (good performance) with the same score being awarded for the Use of Resources.

3.4.3 From 2009 the CPA was replaced by the Comprehensive Area Assessment and the Commission assessment is expected in December 2009.

4.0 CAPITAL PLAN

4.1 Introduction

4.1.1 The Government allocates funding based upon what the Council is expected to invest in the areas of education, transport and social services. Under the Prudential Code for Capital Finance for Local Authorities additional spend on capital investment can be incurred as long as the plans are affordable, prudent and sustainable. This is measured by a series of indicators integral to the Treasury Management policy of which the key is the revenue cost.

4.1.2 The agreed Investment Strategy for Wirral sees the Council and our partners committed to encouraging focused and dynamic development while maintaining and enhancing Wirral's unique character and high quality of life. The Strategy will ensure Wirral continues to be a prosperous and sustainable place to invest in, live, work and visit.

4.1.3 The Council will increasingly work with the private sector to maximise resources in the continued regeneration of Wirral. The Capital Strategy identifies the links with the Corporate Plan and informs the programme of investment. With resources insufficient to meet all of the aspirations the programme is prioritised based upon criteria that take account of the priorities.

4.2 Capital Programme

4.2.1 The three year Capital Programme is agreed each December and any schemes considered for approval are subject to a Business Case submission and evaluated against the agreed priorities of the Council.

4.2.2 Under regeneration and housing the NewHeartlands initiative is a long term project, primarily focussed upon housing, to regenerate the east side of Wirral and is part of the wider area encompassing parts of Sefton and Liverpool and is again government grant funded. This funding is subject to regular review by Government and future allocations depend upon the progress being achieved.

4.2.3 The Local Transport Plan details the programme in respect of maintaining local transport routes and improving community safety. This includes the Bidston Viaduct scheme to which the Council makes a contribution. Whilst Wirral is the waste collection authority, the Merseyside Waste Disposal Authority (MWDA) provides the disposal facilities, investing in Bidston, with further initiatives planned as part of the Merseyside Waste Management Strategy. The cost of these initiatives is met by the constituent authorities through the MWDA levy.

4.2.4 Improving facilities available for use by the people of Wirral, includes the investment into the planned Neighbourhood Centres. The Council 'Invest-To-Save' projects include improvements to residential care arrangements and the continuing energy efficiency programme reducing our energy use and CO_2 emissions in Council buildings and street lighting.

4.2.5 In supporting young people the major spending areas are the Building Schools for the Future school for Woodchurch; the Primary School Programme including Poulton and Pensby and the Birkenhead Academy. In addition significant resources are also allocated for smaller school projects. Approximately 65% of the programme is funded by government grants.

4.2.6 Investment into the development of customer services is through the Neighbourhood Centres as part of the Strategic Asset Review which seeks to provide facilities that meet the aspirations of the people of Wirral.

Programme	2010/11 £million	2011/12 £million	2012/13 £million*	2013/14 £million*
Adult Social Services	0.5	0.1	-	-
Corporate Services	2.3	0.5	0.5	0.5
Children & Young People	49.8	24.9	15.0	15.0
Law, HR & Asset Management	8.2	8.1	8.0	1.5
Regeneration	15.4	13.9	14.0	14.0
Technical Services	12.0	10.7	10.0	10.0
Total programme	88.2	58.2	47.5	41.0

4.3 Resources

4.3.1 Under the Prudential Code the authority can borrow to fund capital spend up to the level that can be afforded. Assumptions of the level of borrowing have been reflected in the Medium Term Financial Strategy and revenue plan.

4.3.2 Government Grants are specific to schemes and are allocated in accordance with the terms of the grant approval. Primarily within the areas of educational / schools development and regeneration this includes NewHeartlands as well as employment/regeneration projects.

4.3.3 The unpredictable nature of the timing of capital receipts means that they are used to provide flexibility in funding the programme. The receipts are projected from the likely sale of assets resulting from the Asset Management Plan and include former school sites and the agreement with Wirral Partnership Homes for the sharing of receipts from sales of former Council houses.

Resource	2010/11 £million	2011/12 £million	2012/13 £million*	2013/14 £million*
General Capital Resources	17.1	13.7	13.5	10.0
Supported Borrowing	5.2	5.2	3.0	3.0
Government Grants	65.5	39.0	31.0	28.0
Revenue, Reserves and Contributions	0.4	0.3	-	-
Total resources	88.2	58.2	47.5	41.0

* Both the programme and resources for 2012/13 and 2013/14 have yet to be agreed and will be informed by the next Government Comprehensive Spending Review.

5.0 REVENUE PLAN

5.1 General

5.1 As with capital there will never be sufficient resources to meet all of our service delivery ambitions. In recognition of this the Corporate Plan identifies the main priorities to direct, and provide a focus for, the allocation of Council resources.

5.2 The Revenue Plan has been prepared at a strategic level and is not intended to replace the detailed budget process that will continue within the existing time-scales. Assumptions have been made regarding future Government funding with projections based upon the contents of the other related plans.

5.3 Throughout the year reports are provided to Cabinet on the projected budget and provide a regular update on the issues identified in the Medium Term Financial Strategy.

5.2 Government Funding

5.2.1 The Comprehensive Spending Review 2007 targeted new resources towards Government priorities. Whilst meeting Government objectives the Council must also have regard to its other statutory duties. The next CSR is due in 2010 and will cover the period from 2011/12 onwards.

5.2.2 The Local Government Finance Settlement saw Wirral receive an increase in formula grant of 3.7% for 2009/10 with a 3.4% increase indicated for 2010/11. This was higher than similar authorities to Wirral as a consequence of amendments to the allocation formulas. These saw restrictions on the social services allocations removed although there is an overall limit placed on grant changes to limit the impact upon authorities. The Chancellor of the Exchequer in his budget speech in April 2009 stated that there will be reductions in grant from 2011/12. After allowing for debt repayments and increases in welfare benefits the rest of the public sector faces an annual reduction of 2.3%.

5.2.3 From 2008/09 many previously Specific Grants for the delivery of any particular services were transferred into the Area Based Grant which is a general grant for use by the authority. Further specific grants will be transferred into this Area Based Grant in future years. The Dedicated Schools grant remains as the most significant specific grant used for the provision of schools.

5.2.4 The Government is presently expecting local authorities to deliver annual efficiency improvements of 3% which should all be 'cashable'. This target increases to 4% per year from 2010/11. Council Tax increases are expected to be substantially below 5% in future years with capping powers employed for those authorities who breach this limit.

5.3 Local Funding

5.3.1 Council Tax accounts for 40% of the funding of the net spend of the Council and the aim is to set this at affordable levels. The assumption within this Plan is that there will be Council Tax rises of 4% per year.

5.3.2 Opportunities for increasing income are explored and charges for services are set having regards to the other objectives of the Council. Charges are reviewed, at least, annually and increased primarily in line with inflation (present assumptions are 3% per year) whilst being compared to other authorities, the local market and affordability. Income generation is balanced against the socio-economic factors and links to the Corporate Plan objectives. Examples being the free swimming schemes which complement healthy lifestyles and the car parking policy linked to the regeneration and environmental objectives.

5.3.3 The freedoms offered by legislation allow authorities to charge for discretionary services and therefore an opportunity to increase resources. This can only be implemented within set criteria and the Council continues to explore new income stream opportunities.

5.3.4 The Government recognises the strategic importance of economic development and the role local authorities have in place shaping their areas. Multi-Area Agreements between authorities to aid co-operation and maximise the impact of resources and closer ties with the private sector being promoted which includes consideration of the use of local Supplementary Business Rates. From 1 April 2010 top-tier local authorities can raise, and retain, a Supplementary Business Rate, subject to compliance with a series of conditions.. This can be used to fund projects that promote economic regeneration and will be a maximum of 2p in the £

5.4 Influences

5.4.1 Securing investment and financing

The Council continues to look at all options for securing investment into the local area building upon the Private Finance Initiative used for improving secondary schools, the transfer of the housing stock to address the needs of Council dwellings and bidding for Government funding, including the Lottery Fund, and the ongoing NewHeartlands programme.

The timing of the Government financial support for the schools PFI scheme is such that the grant received in the early years is greater than the actual spend and these sums are held in reserve to meet the annual commitments. As time progresses there is an increasing responsibility upon the Council to meet the financing costs. In 2010/11 the funding gap is £1 million, and 2011/12 £0.4 million after which time the reserve is fully used.

5.4.2 Council Balances

The Local Government Act 2003 and CIPFA consider that the Director of Finance should recommend the level of general balance. This is maintained at an appropriate level having regard to the financial management and control framework taking into account risk management and the risks identified in the budget process. The balance should be set at 2% of the net revenue budget and is set at £6 million for 2009/10 and will rise to £7 million by 2012/13 which is in accord with recommendations from the Audit Commission.

Amounts are also set-aside for specific purposes being held either in reserves or provisions in accordance with the appropriate accounting practice. These are reviewed at least twice a year to ensure that they are still required for the purpose intended and maintained at adequate levels.

5.4.3 Inflation

In line with Government projections inflation has been assumed at 2% over the next three years for pay and prices. A general amount for non-specific growth is included in the projections to fund smaller items of up to £0.2 million resulting from legislative changes. The Merseyside Waste Disposal Authority levy is projected to rise by 15.7%, 18.1% and 19.2% over the three years and the Merseytravel levy by 4% per year.

5.4.4 Links to other resource strategies

Capital Strategy: Support for capital investment is assumed to continue but at a reducing level between 2010/14. Submissions for funding are based upon a Business Case which prioritises submissions against meeting the corporate objectives. The Capital Programme process includes any Invest-to-save schemes with the programme agreed each December.

Human Resources: Wirral continues to implement the local pay review, originally agreed as part of the 1996 pay award, with any decisions to be effective from April 2007. Whilst largely resolved in 2008 resources have been made available to meet the on-going commitments.

Information Technology: Support for investment is based upon the submission of a Business Case which is then assessed against prioritisation criteria reflecting the corporate objectives. The programme is agreed ach December and incorporated into the budget process.

5.4.5 Efficiency and Value for money

Wirral remains committed to delivering value for money through keeping Council Tax affordable and maintaining improvements in services. Spending plans are subject to continuous review to ensure that they are aligned with need as the aim is to deliver high quality, well-performing services within the finite resources available. Whilst costs should compare well with other authorities and be reflective of service delivery and outcomes achieved as it is the outcomes rather than the processes that are the key to success.

5.4.6 Insurance

The Council has been pro-active in risk management and in the treatment and defence of insurance claims. This was again recognised in the Insurance Fund annual report and the assessment of potential liabilities arising from past and predicted claims enabling the amounts set-aside for outstanding claims to again be reduced in 2009. The main liabilities contracts are due for renewal in 2010 when the options for the scope of the cover will be reviewed.

5.4.7 Pension Costs

The actuarial revaluation of the Pension Fund in March 2007 resulted in increased Pension Fund contributions being phased in over three years from 2008/09 with increases in the employers contribution of £0.5 million per year. The next revaluation is due in March 2010 and, at this stage, a similar level of increase is anticipated.

5.4.8 Promoting choice

The reforms within Adult Social Services will see the implementation of the personalisation agenda. From 2011 individuals will receive the funding directly for care services and be able to choose those services which they require to use.

5.5   Council priority area issues

5.5.1 To create more jobs, achieve a prosperous economy and regenerate Wirral

The Council continues to progress the delivery of the Investment Strategy of which the key projects involve working with development partners on the New Brighton, Woodside and Wirral Docklands schemes.

The NewHeartlands Initiative sees Wirral, with Liverpool and Sefton, tackling areas of poor quality and unpopular housing accommodation and replacing it with that more suited to modern requirements. Targeted at strategic areas the aims of this long-term Government funded initiative are to secure regeneration and sustainability for the future.

The Working Wirral funding, including the Apprenticeship programme continues to be focussed upon increasing job opportunities and helping secure the continuation of existing jobs

5.5.2   To create a clean, pleasant, safe and sustainable environment

The Government has set targets regarding waste recycling and the diversion of waste away from landfill. The annual increase in Landfill Tax is reflected in the levy upon the Merseyside authorities from the Merseyside Waste Disposal Authority and the Authority is implementing a tonnage-based charge for landfill.

Major capital investment is required to achieve the recycling target. The Merseyside Waste Disposal Authority has opened a Material Recycling Facility at Bidston and is pursuing a Private Finance Initiative scheme for residual waste treatment facilities across Merseyside. This will see the levy increasing by 15.7%, 18.1% and 19.2% over the next few years.

The Council Environmental Streetscene Services contract covers waste collection, recycling and street cleansing services and as the range of services expands this realises environmental and cash benefits through increased recycling and reduced landfill costs (via the levy).

Improvements to housing and community safety are within the investment into the former Council housing stock achieved with the transfers to Wirral Partnership Homes and Beechwood & Ballantyne Community Housing Association in February 2005.

The Council awarded a combined Highways and related maintenance services contract from 2009/10 that realised efficiencies upon acceptance of the contract. Through continued working with the partner contractor there are expected to be further service improvements and efficiencies.

In addressing sustainability work continues on energy efficiency measures and investment into energy schemes, the procurement of goods and services, enforcement through planning and building regulation and investment in technology to streamline business processes.

5.5.3   To improve health and well-being for all, ensuring people who require support are full participants in mainstream society

Adult Social Services face demand pressures through the demographic changes on Wirral and an increasingly ageing population. As with Children's Services further resources have been allocated to Adult Social Services over recent years and there has been closer working with NHS Wirral to better use the resources available locally.

Wirral is responding to the changing emphasis in transforming adult services care provision with the plans to pilot and implement personal budgeting. This gives individuals the choice of purchasing care and support which will impact upon the services provided by the Council as well as other public sector and private sector providers.

The Children and Young People Plan and the Every Child Matters agenda see resources being directed towards the safe reduction in the numbers of looked after children, earlier intervention and the countering of the impact of deprivation. Foster care demands, pressures on services for children with learning disabilities and increased residential care costs continue to require resources with demand increasing following well publicised cases elsewhere in the country during 2008/09.

5.5.4 To raise the aspirations of young people

Education is, and will continue, to be a key Government priority. The Dedicated Schools Grant and three-year budgets for schools further guarantee schools funding being ring-fenced. The national distribution of the grant is to be reviewed in the coming years with any changes becoming effective from 2011.

The major issue facing the education service is that of falling rolls as reflected in local demographic changes and declining population. With fewer school places required the Council has agreed to reduce school provision. The running costs for those closed remain within the schools service, being redistributed, whilst the Council benefits from the sale of the assets.

The capital investment into the Building Schools for the Future programme pilot at Woodchurch which commenced in 2009 and the developing Primary schools programme and academies schemes will change the school provision throughout Wirral

In supporting the raising of aspirations and the narrowing of the attainment gap there are linkages to the other aims and objectives including the creation of more jobs, through the Apprenticeship Programme, and health and well-being through support for looked after children.

5.5.5 To create an excellent Council

The Customer Access Strategy is delivered through the 'front-of-house network' of the Call Centre, One Stop Shops, Information Points and the new Neighbourhood Centres with this being enhanced through the development of the Council web-site. Joint working, including the joint use of facilities with other agencies, sees a co-ordinated approach with work in this area previously recognised with awards for Customer Services and by the Audit Commission review of Access To Services.

The modernisation agenda through the integration of existing IT systems aims to provide improved services encompassing the support systems integrating Customer Relationship Management, Content Management and the Financial systems. With substantial investment in assets and in the way services are provided there are efficiencies that can be achieved through the medium-to-long term through the re-engineering of service delivery.

The Council is implementing a Strategic Asset Review which will make improvements to service delivery, contribute towards the sustainability programme and also realise financial benefits through operational efficiencies. The Review will also identify areas for investment in accord with the Capital Strategy.

The purchasing of goods and services for the best price available was strengthened through the adoption of a Procurement Strategy and the establishment of a Procurement Unit. By using the opportunities afforded by the changing systems this will continue to provide additional benefits.

5.6   Financial projections

5.6.1   The financial projections are based upon the preceding sections and indicate a shortfall between spend and income. The Council Tax figures assume a Council Tax rise of 4% per year and the shortfall will be made up from efficiency savings identified throughout the period.

5.6.2   To give an indication of potential variations for some of the key assumptions the impact of each 1% variation for each assumption is summarised in the following table:-

Effect of 1% variation in:-	2010/11	2011/12	2012/13	2013/14
	£ million	£ million	£ million	£ million
Inflation - Pay	1.6	1.7	1.7	1.7
Inflation - Prices	1.5	1.3	1.3	1.4
Inflation - Income	0.3	0.3	0.4	0.4
Council Tax income	1.3	1.4	1.5	1.5

5.6.3   It should be noted that these projections are based upon assumptions regarding the future Local Government Finance Settlements and financial assessments made based on the latest information available. As further information is received this will be reported in the regular updates to Cabinet.

WIRRAL COUNCIL

GENERAL FUND PROJECTIONS

	2010/11	2011/12	2012/13	2013/14
	£ million	£ million	£ million	£ million
BASE BUDGET	314.2	335.5	333.9	335.1
PLUS: IDENTIFIED CHANGES				
Inflation – Pay	3.3	3.4	3.4	3.5
Inflation – Prices	3.9	3.7	3.7	3.8
Capital financing	2.9	2.0	2.0	2.0
Waste disposal costs	2.6	3.0	4.0	5.0
Pension costs	0.5	0.5	0.5	0.5
Merseytravel levy	1.0	1.0	1.1	1.1
Private Finance Initiative	1.0	0.2	0.2	0.2
Benefits (net of Subsidy)	0.3	0.2	0.2	0.2
Supporting People	10.3	-	-	-
Unavoidable growth	1.0	1.0	1.0	1.0
Efficiency Investment Fund	2.6	2.0	2.0	2.0
Contribution to balances	0.7	-	-	-
Inflation – Income	-1.0	-1.0	-1.1	-1.1
Invest-To-Save	-0.4	-	-	-
LABGI / LAA Grant	-0.7	-	-	-
Agreed efficiencies	-0.5	-	-	-
Efficiency Plan / savings	-6.2	-17.6	-15.8	-16.8
FORECASTED BUDGET	**335.5**	**333.9**	**335.1**	**336.5**
RESOURCES				
Government Grant	157.9	194.3	189.9	185.5
Area Based Grant	41.0	-	-	-
Council Tax	134.2	139.6	145.2	151.0
LABGI / LAA Reward Grant	1.9	-	-	-
Use of reserves	0.5	-	-	-
RESOURCES	**335.5**	**333.9**	**335.1**	**336.5**
GENERAL BALANCE	**6.5**	**6.5**	**6.5**	**6.5**

The Council has agreed the allocation of the efficiency savings across departments and this continues to be updated as part of the regular Projected Budget reports to Cabinet throughout the year.

In terms of resources a Council Tax increase of 4% per year has been assumed. With the outcome of the CSR 2010 unknown at this stage the projected Grant has, at this stage been based on the Government Budget 2009 and reduced by 2.3% per year from 2011/12.

6.0 RISK ASSESSMENT

6.1 The Council, whilst providing services also assists in the social and economic development of Wirral. The management of risks helps in the achievement of the objectives, improves services and delivers value for money. The Risk Strategy sets out the policy and the framework for risk management which links with the overall planning process and the risk registers. The main financial risks facing the Council are:-

RISK / ACTION	PROBABILITY	IMPACT	ACTIONS TO REDUCE RISK
Government Grant fails to rise with inflation, demographic and legislative changes	High	High	Lobbying of Government Three year funding settlement Early Council planning
Efficiency Plan / savings are not delivered	Medium	High	Appraisal of issues at start Regular reporting of progress
Demand for adult social care services increases	Medium	High	Lobbying of Government Regular monitor and report
Health service issues add to Council pressures	Medium	High	Agreements with NHS Wirral Effective care management Regular dialogue with sector
Demand for children care services increases	Medium	High	Additional resources 2009/10 Focus upon key areas Regular monitor and report
Cost of waste / recycling services increase	Medium	High	Lobbying of Government Regular monitor and report
Forecasts of future spending needs under-estimated	Medium	Medium	Regular review of financial and service plans
Resources are not targeted towards priorities	Medium	Medium	Re-allocate wherever possible Review regularly
Forecasts of future spending needs, pay and inflation vary from assumptions	Medium	Medium	Inflation low at present Pay awards predictable Regular review of Strategy
Income targets not achieved	Medium	Medium	Identify volatile areas Regular financial monitoring
Failure to deliver the personalisation agenda	Low	High	Focus medium term resources Personal Budget pilot Regular reporting on progress
Balance insufficient to meet unforeseen events	Low	Medium	Maintain at adequate level Regular review and monitor
Severe weather and other incidents	Low	Medium	Maintain emergency plans Assessment of balance
Budgetary Control fails to stop Council overspending	Low	Medium	Identify volatile areas Regular reporting
Legislative changes including funding not anticipated	Low	Low	Assess Government policy Member of groups (SIGOMA)
Revenue implications of capital projects not included	Low	Low	Reports identify the revenue effects of projects

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WIRRAL COUNCIL

CABINET

24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF FINANCE

INFORMATION AND COMMUNCATION TECHNOLOGIES (ICT) STRATEGY 2009

1   EXECUTIVE SUMMARY

1.1   This report presents an updated draft of the rolling three year Information and Communication Technologies (ICT) Strategy. The strategy will be continuously reviewed and the updated document will be returned to Cabinet periodically.

1.2   Subject to any comments Cabinet is requested to approve the strategy.

2   BACKGROUND

2.1   The Council is a large user of ICT and as such requires a policy to manage and control the investment that it makes in ICT and to ensure that its use and any investment is aligned with and supports:

*   The Corporate Plan and Vision for Wirral

*   Corporate priorities, aims and objectives

*   The Medium Term Financial Strategy

*   The Strategic Change Programme including:

        Strategic Asset Review

        Customer Access Strategy

*   Other Corporate strategies.

2.2   The ICT Strategy builds on a number of strategic decisions that have been approved by Cabinet in recent years including:

*   Approval of the ICT Security Policy, most recently on 23 July 2009

*   Core IT Systems replacement programme

*   Central server and storage strategy, most recently on 5 February 2009 and 23 July 2009

*   Corporate ICT Unit (IT Services)

2.3 The ICT Strategy 2008-11 was approved by Cabinet on 23 July 2008.

2.4 The ICT Strategy 2009 has been considered by the Information Strategy Group (ISG) and by the Corporate Improvement Group (CIG).

3 THE ICT STRATEGY

3.1 The Strategy addresses the following areas:

- What is meant by and included in "ICT"

- Fundamental principles for ICT developments

- Objectives for investment in ICT

- Existing strategic framework

- ICT governance

- Security policies for the use of ICT

- ICT funding

- Business continuity and disaster recovery

- Members' ICT provision

- Corporate systems and infrastructure

- Green ICT

- Service Quality

3.2 The Strategy contains as an appendix, an action plan to address issues identified.

3.3 The Strategy will be supported by an ICT work plan which will be reported to ISG and CIG.

4 CHANGES TO THE STRATEGY

4.1 Section 6, Governance, has been updated to reflect the roll of the Strategic Change Board.

4.2 A new Section 12, Service Quality, has been introduced to address performance and customer service issues.

4.3   Regarding the HR/ Payroll system, the decision of Cabinet on 19 March 2009 to procure and implement the most appropriate payroll and HR system is reflected in section 13, Corporate ICT Systems and section 14, Actions.

4.4   The coming year will see much effort directed to support and enabling of the Strategic Asset Review. Changes to networks and desktop environments are essential to achieving the Council ambitions concerning Neighbourhood Centres, reduced office accommodation costs and more flexible service delivery and are reflected throughout the Strategy.

4.5.   The scope of the Strategy has been extended to include training in Windows desktop applications (e-mail, word etc) for departmental staff as maximising use of this facility is essential to improving administrative efficiency. Action 24 relates to this.

4.6   Changes to the Strategy are in italics.

5   FINANCIAL AND STAFFING IMPLICATIONS

5.1   The gross budget of IT Services is £12.25m of which £9.55m is for Council services and £2.7m is the cost of the IT service to schools and which is recovered from schools. The budget does not include the cost of departmental PC purchases which is met from departmental budgets and estimated at a further £0.75m per year.

5.2   The Capital Programme includes a sum of £1.5m p.a. for 2009 to 2012 for the ICT implications of the Strategic Asset Review.

5.3   While the cost of desktop equipment is falling due to competition, manufacturing improvements and better procurement, there is a trend away from desktop pc's towards laptop and tablet type devices, for use in mobile working, and these are inherently more expensive. In future, a move towards a simplified desktop environment will lead to cost reductions and a reduction in support.

5.4   IT Services will investigate further achievable economies through changes in technology, elimination of overlap and duplication and through adoption Council wide of best practice.

6   EQUAL OPPORTUNITIES IMPLICATIONS

6.1   There are none arising directly from this report.

7   HUMAN RIGHTS IMPLICATIONS

7.1   There are none arising directly from this report.

8   LOCAL AGENDA 21 IMPLICATIONS

8.1   There are none arising directly from this report.

9   COMMUNITY SAFETY IMPLICATIONS

9.1   There are none arising directly from this report.

10   PLANNING IMPLICATIONS

10.1   There are none arising directly from this report.

11   LOCAL MEMBER SUPPORT IMPLICATIONS

11.1   There are no particular implications for any Members or wards arising out of this report.

12.   BACKGROUND PAPERS

12.1. ICT Strategy – July 2008

13   RECOMMENDATION

13.1   That the Information and Communication Technologies Strategy 2009 be approved.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/215/09

WIRRAL COUNCIL

INFORMATION and COMMUNICATION TECHNOLOGIES STRATEGY 2009

ICT STRATEGY 2009

1 INTRODUCTION

1.1 The Council

1.1.1 Wirral Council is a complex organisation providing services to a borough of 320,000 citizens and beyond.

1.1.2 We are a large Metropolitan Authority with a gross annual budget of £800m. At the last count, we provided over 500 identifiable services – often in partnership with other organisations – and we deliver those services throughout our communities from over 200 separate buildings.

1.1.3 We aim to improve the quality of life for Wirral people by working with our partners to deliver the best services we can, in the most efficient and effective way.

1.1.4 We want to provide our services in a manner convenient to those who need them – for example, via our website, through our Call Centre, locally in our Neighbourhood Centres and One Stop Shops or by personal visit. To do this successfully, requires significant investment in Information and Communications Technologies (or ICT).

1.2 Why we need an ICT Strategy

1.2.1 Such technology is often expensive. We have many competing demands on our resources and we cannot have everything we want. Therefore, to ensure that:

- ICT investment is aligned to corporate aims, priorities and strategies
- technology investment supports us in what we do in the most efficient and effective way and that
- we provide our services in the most appropriate way

it is necessary for us to agree how we will plan, co-ordinate and manage this investment.

1.2.2 An effective ICT strategy, effectively implemented, will support and deliver a platform for greater efficiencies and service improvements.

1.2.3 We need to be clear that we:

- can afford, develop and maintain all investment
- invest only to support and improve our services
- prioritise and co-ordinate all investment, so that we meet this aim most efficiently
- invest in technology of the required corporate standard so that it efficiently supports our services

1.2.4 The risk of not doing so is lack of control over our resources, and that our services will not be provided as efficiently as possible.

1.2.5   This document deals with these issues as follows:

Section	Title	What it does
2	**What is ICT?**	• Explains what we mean by ICT.
3	**Fundamental Principles**	• Lays down fundamental principles which underpin all ICT development in this Council.
4	**Our ICT Objectives**	• Explains why we invest in ICT.
5	**Existing Strategic Framework**	• Explains how we have been implementing our Fundamental Principles.
6	**Governance**	• Describes how we manage ICT corporately. • Defines responsibilities.
7	**Security Policies, Standards and the Use of ICT**	• Explains why we need to have and enforce policies, standards and procedures regarding use of ICT.
8	**ICT Resources**	• Explains how we fund our ICT investment. • *Explains how we deploy and train our ICT staff.* • *Explains responsibilities for training staff in the use of ICT.*
9	**Business Continuity and ICT Disaster Recovery**	• Explains what Business Continuity and Disaster Recovery mean and why they are important. • Defines responsibilities.
10	**Provision of ICT to Members**	• Describes how we support Members through ICT provision.
11	**Green ICT**	• How we will manage and reduce the environment impact of ICT.
12	**Service Quality**	• Defines how IT Services measures its performance and how this will be monitored and improved in future.
13	**Corporate ICT Systems and Infrastructure**	• Defines what we mean by Corporate ICT Systems and Infrastructure. • Identifies on-going strategic development for improvement.

1.2.6 ICT has an impact on everyone who works for or comes into contact with the Council. We have tried to make this document simple and easy to read and follow. This means that where more detailed information is relevant, the electronic version of the document will include a direct link.

1.2.7 We expect that this strategy will be valid at least until 2012 – but as ICT changes constantly we will continuously review it to make sure it stays relevant. The Strategy will be supported by an ICT work plan which will be monitored by the Council's Information Strategy and Corporate Improvement Groups.

Stephen Foulkes – Leader   **Stephen Maddox – Chief Executive**

Wirral Council   **Wirral Council**

2 WHAT IS ICT?

2.1 Information and Communications Technologies (ICT) are the computing and communications facilities which support the delivery of the Council's Services. These include:

- networks
- computers
- mobile devices
- telephones
- systems or applications (see Section 13)
- e-mail
- websites (internet, external and intranet, internal)
- staff and client authentication (identification for secure access)

2.2 Effective use of ICT requires appropriate knowledge, skills and understanding both to:

- design, implement and support the systems effectively, and
- use the systems efficiently.

2.3 The purpose of ICT is to enable the secure communication of correct, relevant and timely information to the right person, in a format which the recipient can use.

2.4 ICT supports the Council's business processes, (the way in which we do things, such as processing planning applications), to:

- enable mobile and more efficient working methods
- promote efficiency and accuracy in the transactions,
- support workflows (automating the flow of information), and
- ensure appropriate record storage.

3 FUNDAMENTAL PRINCIPLES

3.1 ICT investment is guided by the following key principles.

3.2 **Information collected and held by the Council is a corporate resource.**

Therefore:

- We will ensure that ICT investment decisions ensure adherence to common data standards. These standards will be in accordance with industry best practice.
- We will move to holding data once and using it many times, as permitted by legislation.
- Investment will support the Council's development of a flexible, secure and resilient ICT platform. This will enable us to use and exchange information within the Council and with others.

3.3 **ICT investment decisions are an integral part of the Council's Corporate Planning Processes.**

Therefore:

We will ensure that due regard is paid to other corporate strategies. These include:

- Corporate Plan

    - This sets out the broad strategic direction and priorities for the Council in relation to our corporate objectives. Its principal focus is on improving services for local people.
    - We need to ensure investment supports this focus.

- Medium Term Financial Plan

    This sets out our forecast of the Council's available resources, in order to assist in how we deliver our objectives and priorities.

- Customer Access Strategy

    - This is a framework for the development of all Wirral's access channels, *making information and services more accessible, responsive to customer needs and maximising resolution at the initial point of contact*.
    - We will be heavily reliant upon ICT achieve this.

- People Strategy

    - This is a framework within which we plan for, and develop, our staff to meet service needs.

- *Strategic Asset Review*

    - *This addresses how the Council manages its building needs to ensure maximum efficiency whilst enabling the delivery of high quality services and achieving a strategic consolidation of administrative buildings.*
    - *A Workplace Transformation Project will transform the use of administrative buildings and support new ways of working to drive service improvement, efficiency and the reduction of office accommodation costs.*
    - *Any building change can impact upon ICT, be it to support staff or public directly or in the infrastructure we use to supply the information.*
    - *ICT provision will both enable and need to respond to the Strategic Asset Review.*

3.4   The Council's ICT needs are delivered by an in house team, IT Services, which is responsible for:

- identifying appropriate ICT standards,
- monitoring adherence to this principle, and
- reporting variations to this principle in accordance with Section 6

- procuring £4m of external services each year.

3.5   Chief Officers' Management Team (COMT) is responsible for ensuring the co-ordination of all strategies so that the corporate priorities are most efficiently met.

4 OUR ICT OBJECTIVES

4.1 We invest in ICT to achieve the following objectives:

	Objective	How
1	To enhance the democratic process.	• Provision of modern communication and information tools to support Wirral Members and citizens.
2	To support the provision of services organised around the recipient.	• Implementation of Customer Access Strategy. • Provision of alternative service delivery channels • Implementation of secure authentication.
3	The support of flexible, effective, efficient and economical service delivery.	• Development of standard work processes using technology to support the Neighbourhood Centres and One Stop Shops, Call Centre and web site. • Development of an 'agile workforce' (the ability to work outside the boundaries of the office – to suit the needs of the Council, employee and service recipient).
4	To provide a primary source of information to staff, Members and the public to enable the provision of relevant, timely and correct information in a format the recipient can use and to ensure that information is *secure* and appropriately controlled.	• Development of Internet/ intranet and associated systems. • Development of integrated systems. • Development of secure communications channels • *The Director of Finance is the Council's Senior Information Risk Owner.*
5	To provide a Council-wide resource planning tool.	• Development of integrated systems including Human Resources and Payroll.

4.1 ICT Investment Objectives (continued)

	Objective	How
6	To ensure that the decisions taken and actions made within Wirral are based on accurate data.	• Ensuring all developments accord with a standard data quality framework. • Development of integrated systems. • *Development of a corporate customer database.*
7	To ensure that our staff have the skills and confidence to use the systems available to them in their role in Wirral Council.	• Implementation of effective training in the use of ICT systems.
8	To ensure that staff who manage and use information have appropriate security systems and awareness.	• Implementation of effective training in the use of ICT systems and knowledge of security policies. • Development of an encryption policy to secure data.
9	To provide ICT support as economically as possible.	• Implementation of a standard configuration and remote support for personal computers (PC's) and a Council wide solution to software management. • *Implementation of a "virtualised desktop" to support the Strategic Asset Review and the agile workforce.* • Development of a single, integrated, appropriately staffed ICT service.
10	To enable the secure transfer of data to external bodies/ agencies, ensuring information can be shared between all involved.	• Development of integrated systems. • Development of secure communications channels. • Implementation of secure authentication.

5 EXISTING STRATEGIC FRAMEWORK

5.1 We have already implemented a number of decisions which underpin our ICT investment principles.

	Decision	Reason	Reference
1	The adoption of a security framework	To keep the Council's data and systems secure from misuse and attack.	Cabinet 16 October 2002, 1 December 2005 and *23 July 2009.*
2	The acquisition or replacement of our Core IT systems	To implement corporate integrated systems.	Cabinet 23 October 2003
3	The Central Server and Storage Strategy	To host our critical services.	*Cabinet 5 February and 23 July 2009.*
4	Strengthening the ICT staffing structures	To strengthen corporate roles.	Cabinet 6 May 2004
5	The Print Strategy	To identify the most economical method for printing and photocopying.	Cabinet 18 August 2004
6	The creation of a corporate IT unit (IT Services)	To provide economies of scale and the consistent application of standards.	Cabinet 1 December 2005
7	The commitment to the Government Connect Programme	To facilitate the secure exchange of data and emails with partners.	Cabinet 8 February 2007 and 22 May 2008
8	Agreed to the creation of the posts for Knowledge, Web and Land and Property Systems Managers	To enhance the development of appropriate services.	Employment and Appointments Committee 11 September 2006
9	*The ICT Strategy 2009*	*To set out the future direction of ICT.*	*Cabinet 24 September 2009.*
10	*The Change Programme*	*To agree priorities.*	*Cabinet 10 December 2008.*

6   GOVERNANCE

6.1   The Council decides how to allocate the Council's available resources.

6.2   Within the overall constraints the Executive, the Council's Cabinet, determines ICT policy and investment and approves security policy.

6.3   The Chief Officers Management Team (COMT) recommends policy options and implications to Cabinet and is responsible for implementing Cabinet decisions.

6.4   COMT delegates responsibility for the:

- development and co-ordination of the Council's Strategic Change Programme, and
- development of ICT investment strategies in support of the Strategic Change Programme

to the Corporate Improvement Group (CIG) *and its sub-group, the Strategic Change Board.*

6.5   CIG is chaired by the Deputy Chief Executive and comprises of Heads of Service from each of the Council's Departments.

6.6   COMT delegates responsibility for the:

- control and co-ordination of ICT investment programmes, and
- development of related policies

to the Information Strategy Group (ISG).

6.7   ISG comprises a senior officer from each of the Council's departments together with representatives from IT Services and meets at least six times a year.

6.8   ISG is chaired by the Head of Information Technology Services who reports to CIG or COMT as appropriate on all relevant issues. This includes the:

- options for ICT developments
- implications of ICT developments
- implications of other Council developments on ICT
- ICT resources
- ICT security.

6.9   ISG ensures that we manage ICT projects in accordance with industry best practice.

6.10   New proposals are supported by a business case for technical evaluation by IT Services.

6.11   The development of Members' ICT is discussed at the Members
Equipment Steering Group and reported to Cabinet for agreement.

6.12   The Director of Finance is responsible for the Council's ICT Services,
and identifies appropriate resources to ensure that the ICT provision
reflects our agreed corporate needs.

6.13   IT Services manages the service to the Council through Service Level
Agreements (SLAs) and support contracts.

7   SECURITY POLICY, STANDARDS AND THE USE OF ICT

7.1   ICT is an integral part of how we provide our services and we invest significant resources in the provision of ICT. It is therefore essential for us to have and enforce standards, policies and procedures to safeguard all users, the services, and the Council's interest.

7.2   *Security concerns those policies, procedures and technical controls used to ensure that information is held and transferred securely and is only available to those with authorised access.*

7.3   *The ICT Security Policy is approved annually by Cabinet.*

7.4   *The Director of Finance is the Council's Senior Information Risk Owner (SIRO), responsible for the information risk policy and the management of information risk.*

7.5   *Also, each department has a SIRO responsible for identifying an Information Asset Owner (IAO) for each departmental systems. IAO's are responsible for understanding what information is held, for it being processed appropriately and for controlling access to it.*

7.6   *The responsibilities of the Information Strategy Group include the formulation of the ICT Security Policy.*

7.7   The Council has agreed the following policies and procedures:

- Code of Practice for the use of Internet and Electronic Mail Facilities
- Information and Communications Technologies Security Policy
- Audit Guidelines for ICT Systems
- Print Strategy
- ICT Supplies and Consumables.

8 ICT RESOURCES

8.1 The total corporate revenue budget for ICT provision by IT Services *in 2009/ 10 is £12.25m.*

8.2 This covers service provision to all Council Departments *(£9.55m)* and the majority of schools *(£2.7m),* and includes:

- all Staff whose principal role is ICT *(141 corporate, 52 schools)*
- all Corporate ICT Systems
- the Corporate ICT Infrastructure.

8.3 Desktop equipment (e.g. PCs and printers) is not included in this ICT budget and financing is the responsibility of the service departments. Future ICT needs therefore must form an integral part of departments' business planning processes.

8.4 Departments are charged via the system of Central Establishment Charges based on time recording for staff, use of the main computers and data storage. The service is defined in Service Level Agreements (SLAs).

8.5 The service provided by IT Services to schools is governed by SLAs and funded from within the individual schools budgets. Schools are able to obtain their ICT requirements from either IT Services or external providers. *Account Managers provide a liaison service for schools service delivery.*

8.6 *£1.5m p.a. for 4 years has been allocated within the Capital Programme for ICT implications of the Strategic Asset Review.*

8.7 *IT Services is responsible for identifying and fulfilling the training needs of ICT staff, to be funded from ICT budgets.*

8.8 *Departments are responsible for identifying and fulfilling the training needs of their staff in the use of office and departmental systems, to be funded from departmental budgets.*

8.9 *IT Services will take a lead role in the organisation of a corporate contract for desktop software training.*

9   BUSINESS CONTINUITY AND ICT DISASTER RECOVERY

9.1   The Council requires cost-effective, risk-based, disaster recovery arrangements to ensure that we can continue to meet the needs of our citizens.

9.2   Individual service managers are responsible for developing business continuity plans, regardless of the cause of interruption to service

9.3   IT Services is responsible for business continuity and disaster recovery plans for the Council's corporate ICT systems and infrastructure.

9.4   IT Services is responsible for ensuring that:

- the infrastructure is developed in accordance with industry best practice to reduce the likelihood and impact of an ICT failure
- back-ups of all corporate systems are taken in accordance with industry best practice
- an appropriate ICT disaster recovery plan in accordance with industry best practice is in place
- plans and procedures are continuously reviewed to ensure that they are effective and meet our changing business needs
- liaison takes place with suppliers and partner organisations to align plans.

10   PROVISION OF ICT TO MEMBERS

10.1   Elected Members need the opportunity to access the Council's communication and information systems to fulfil their role.

10.2   The Council provides Members with appropriate hardware and furniture together with network access to relevant applications for home use.

10.3   First line and day to day support and training are provided by a specific liaison post in the Department of Law, HR and Asset Management. Second line support is provided by IT Services between 07.00 and 23.00 excluding Christmas Day.

10.4   The Member Equipment Steering Group (MESG) is a regular support forum *for Members' ICT issues*, attended by senior politicians and officers.

10.5   The requirements for renewal are discussed and developed at MESG and agreed by Cabinet.

10.6   The budget for Members' ICT is held by the Director of Law, HR and Asset Management.

10.7   Currently, the equipment is reviewed and renewed on a 4 year cycle, *most recently in 2008*.

11   GREEN ICT

11.1   IT Services, in line with the Council's corporate objective to create a clean, pleasant, safe and sustainable environment, will actively manage the environmental impact of its ICT delivery.

11.2   IT Services ensures compliance with the Waste Electrical and Electronic Equipment (WEEE) Regulations for disposal of equipment. Redundant equipment is recovered and re-cycled by an external contractor.

11.3   IT Services staff receive environmental awareness training in the implementation of the Council's Environmental Management system.

11.4   Staff are encouraged to ensure unused equipment is turned off and to print only what is required.

11.5   The Council's Print Strategy leads to a reduction in the number of printers in use, resulting in reduced procurement and energy consumption. Major print tasks are delivered by a central print unit.

11.6   When purchasing equipment the Authority chooses energy saving devices that have been manufactured in an environmentally-conscious fashion.

11.7   Corporate programmes such as the delivery of services via the web and agile working will reduce the occurrence of unnecessary travel on Wirral.

11.8   *Other existing technical strategies which will contribute to carbon reduction are:*

- *Remote support for desktop equipment*
- *Virtualising existing and new servers*
- *"Thin Client" desktop environment*
- *The establishment of a tiered storage area network*
- *Re-use of desktop equipment.*

12   *SERVICE QUALITY*

12.1   *IT Services are developing a series of performance measures and service level agreements (SLA's) that are in line with the recommendations of both the Society of IT Management's (SOCITM) Performance Indicators and the Audit Commission's VFM indicators for ICT.*

12.2   *Customer satisfaction surveys distributed via the IT Helpdesk will be used in conjunction with performance reporting from Helpdesk data to continuously improve the service.*

12.3   *A programme to improve liaison and consultation with departments is under construction this will further contribute to service improvement and quality.*

12.4   *A demonstration of service quality is formal accreditation. IT Services are introducing a formal programme of development which will benefit the organisation and will result in formal accreditation.*

13 CORPORATE ICT SYSTEMS AND INFRASTRUCTURE

13.1 This section identifies the key parts of our current technology and identifies how they need to be maintained and developed in the future in accordance with this strategy.

13.2 **Corporate ICT Systems**

Corporate ICT Systems include:

System	Description	Current Position	Future Developments
e-mail	An electronic messaging system for internal and external communication.	Wirral Council's email system is provided using Microsoft Exchange 2003. There are currently approximately 4,000 users.	• E-mail resilience is regularly reviewed and proposed improvements considered by ISG.
ERP (Enterprise Resource Planning)	An integrated system which supports services such as Financials, Human Resources, Procurement, Payments and Receivables.	With the exception of HR/ Payroll, Oracle ERP is live and *being developed in line with the Change Plan.* *Currently being developed to replace existing MPF ledger.* *Investigating migration to Oracle Release 12.*	• Integration into the Council's business processes for electronic/ single billing and integration with Documentum for invoice process automation. • *Cabinet has agreed to tender for a HR/ Payroll system/ implementer.* • *MPF ledger to be live April 2010.* • *Migration to R12 or alternative by November 2013.*
CRM (Customer Relationship Management)	A system which records customer contact, offers end to end service delivery and can replace many smaller	Oracle system, live since June 2005.	• Integration with other systems and business processes *to provide end to end service delivery.* • being developed in line with the

	administrative systems.		Customer Access Strategy for Street Scene with self service functionality via on-line forms.
Content Management or Electronic	A system which allows us to store, share, retrieve and manage documents	Documentum, live for Electronic Social Care Records (November 2005), web	• *Software upgrade required early 2010.* • Continued implementation of the

13.2 Corporate ICT Systems (continued)

System	Description	Current Position	Future Developments
Document and Records Management (EDRM)	electronically with appropriate levels of security and which integrates with business processes. Manages website information.	publishing (July 2007) and first phase of HR records (May 2009).	Integrated Children's System. • *Use in invoice processing.* • Will be the corporate generic case management system document store linked to specialist front-ends. • Development is being lead by the Knowledge Manager.
HR/ Payroll	The system which records details of our staff relevant to employment and payment.	Northgate, a mature system, *licensing expires May 2011. The Change Plan requires a system which enables further integration into business processes.*	• *Cabinet 19 March 2009 agreed to procure and implement the most appropriate payroll and HR system and a tender process is underway. System required no later than April 2011.*
Internet	The system which provides external access to Council information and services via the website and allows Council access to the world wide web.	*Replacement web publishing software tendered for.*	• *Implementation of new web publishing software.* • Development is being lead by the Web Manager.
Intranet	The system which provides information and services to Members and Council staff.	System requires information updating *and conversion to corporate web publishing tool.*	• *Essential developments to support the Strategic Asset Review, Customer Access Strategy and Common Administrative Processes.*

Geographical Information System	The system that provides a single source of all map based information.	*System implemented.*	• Integration with CRM and other systems and replacement of existing departmental systems.

13.3 **Principal Business Applications**

Principal Business Applications include:

System	Description	Current Position	Future Developments
Housing Benefits and Council Tax	The integrated system which pays housing and council tax benefits and bills and records council tax liabilities.	The Academy system implemented in November 2006.	• Further alignment with business processes.
Business Rates	The system which bills and records income for business rates.	*Academy system implemented in 2009.*	• Further alignment with business processes.
Document Management and Workflow	A system used to manage documents and integrate with applications and business processes.	Civica systems used in separate instances in Revenues and Benefits and the Merseyside Pension Fund - mature systems.	• Further alignment with business processes.
Merseyside Pension Fund	The system record member details, calculates entitlement and pays pension benefits.	AXIS, a mature system *but due for replacement by supplier.*	• *To be replaced for accounting purposes with Oracle by April 2010.* • *Preparation for new Pensions Administration system by June 2011.*

13.3 Principal Business Applications (continued)

System	Description	Current Position	Future Developments
Adult Services Client Records	The system records client details, *assessed needs, personal circumstances and service delivery and enables automated payments to providers and contributions towards personalised support.* *A system to pay for care.*	SWIFT, a mature system *being enhanced to support efficient business processes.* *Trojan, being replaced.*	• *Further alignment with business processes.* • *Adult Integrated System, increased agility and streamlined business processes.* • *Transfer of functionality to SWIFT.*
Integrated Children's System	Records CYPD client details and includes service functionality.	In use, based on the SWIFT system and Documentum.	• Integration with business processes. • Roll out across Department. • Implementation of further *phases in line with DCSF requirements.* • Integration with ContactPoint.
ContactPoint	*The national children's index.*	*CYPD staff can access the ContactPoint National Spine to prepare for data input.*	• *Provide CYPD with the ability to transfer information to ContactPoint.*
Computerised Administration Replacement System for Schools	*Cemtralised computer solution for Primary and Special school administration.*	*Operational for 72 schools*	• *Improving business continuity with an off site mirrored system.* • *Migrating further schools.*

13.4 Corporate Infrastructure

Corporate Infrastructure includes:

System	Description	Current Position	Future Developments
Network	- The wide area network is the link between all Council sites. - The local area networks are the links between the PC's, servers and systems within each site. - The network is organised around 2 "core" nodes and 8 "distribution" nodes each of which has 2 links to the core nodes to provide resilience via alternative routing. The system is based on BT networks and industry standard hardware and fibre optic connections	A mature system that *requires review in the light of the Strategic Asset Review.*	- Continued development to ensure capacity for traffic generated by existing and new high bandwidth applications and those applications requiring quality of services guarantees. - The network will be developed to support greater mobility, security and manageability. - The Council's links to the internet will be reviewed and aggregated as required to meet the needs of the business and citizens. Resilience will be improved to increase reliability and business continuity. - Security will be improved to support the Council's developing diverse network services including mobile working. *Meet the requirements of the Strategic Asset Review including Neighbourhood Centres.* *Enabling the changing needs of schools in line with the 14 to 19 reform.* *Becta ISP accreditation.*

ICT STRATEGY 2009

System	Description	Current Position	Future Developments
			• *Implementing schools' requirements as part of Building Schools for the Future and capital building programmes.*
Desktop/Distributed Systems	The PCs and associated servers used throughout the Council to access corporate and business applications.	4,500 PCs, some running old operating systems and needing site support.	• Central support for hardware. • Central deployment and support of software. • *Introduce as a corporate standard the virtualised desktop to facilitate agile working.*
Central Server and Storage	The processors and data storage used by the corporate and principal business applications and which is based on proprietary Sun hardware and Solaris operating system.	The Council's server and storage requirements were implemented in July 2004 to provide flexible, resilient storage and processing *but will be at the end of their service life in 2013.*	• *The new Storage Area Network has been selected and will be implemented autumn 2009.* • *The suitability of the corporate servers is kept under review and monitored against maintenance costs. In view of the SAN installation, HR system implementation and end of service life in 2013, replacement will take place in 2011/ 12 or 2012/ 13.*
Data Centre	*The location of the Council's principal servers, data storage and telephone systems.*	*Specialist rooms located within the Treasury Building/ Annexe and the Hamilton Building.* *Consultants have been engaged to advise on the adequacy of, and alternatives*	• *Consideration of consultants' recommendations.* • *Alternative sites will be investigated to improve business continuity in line with requirements.*

ICT STRATEGY 2009

System	Description	Current Position	Future Developments
		to, the current arrangements.	
Telephones	Mitel SX 2000 telephone system, used by all main corporate sites. 7,000 unique internal extension numbers. Mobile phones are provided from an Office of Government Commerce contract.	A mature system.	• *Consideration of Voice over Internet Protocol (VOIP) technology in support of the requirements of the Strategic Asset Review for a more flexible working environment.* • Join the future national programme for rationalising public sector telephone numbers (0300).
Security	*The policies, procedures and technical controls employed to ensure that information held is available at agreed times to those authorised to access it, is accurate and not corrupted.*	*Wirral IT Security Policy approved by Cabinet 23.07.09.* *Firewalls, anti-virus software, encryption, passwords, two factor authentication, vulnerability testing.*	• *Development of the roles of Senior Information Risk Owner (SIRO) and Information Asset Owner (IAO).* • *Implementation of Government Connect in September 2009.* • *Compliance with Payment Card Industry Data Security Standard (PCIDSS).* • *Review of end-point security.* • *Use of ISO27001 standard as best practice.*
Authentication	The means by which we identify external service users and securely communicate with partners.	Citizen authentication in place for access to Revenues and Benefits on-line. For corporate use awaiting compliance with Code of Connection for Government	• Implementation of Government Connect in September 2009.

ICT STRATEGY 2009

System	Description	Current Position	Future Developments
		Connect *and the* Government Gateway Local Register.	
Green ICT	Ensuring that ICT provision contributes to the Council's environmental standards.	Many application servers for smaller departmental systems. IT Staff travel by van to remote sites for support calls. Staff leave desktop equipment on when not in use.	• Virtualisation of application servers resulting in fewer servers and reduced energy consumption. • Introduction of remote desktop management *and the virtualised desktop* will reduce support journeys and enable remote *management* of equipment.
Service Quality	*The development of performance indicators and SLA's based around business needs and information from the service desk.*	*Existing service desk software requires updating.*	• *Implementation of upgrade to service desk software.* • *Development of performance indicators and SLA's.*

ICT STRATEGY 2009

14   ACTIONS

14.1   This section identifies the principal actions required in support of the Strategy.

No.	Paragraph Ref	Action	Responsibility	Timescale
1	6.3, 6.4, 6.8	Continually review process for consideration of competing business needs by CIG.	Deputy Director of Finance	Ongoing
2	1.2.7	Develop investment proposals for consideration by CIG.	CIG/ ISG	October 2009
3	3.4	Review and maintain ICT standards.	Head of ICT	On going
4	5.1	Continue to rationalise corporate ICT staffing.	Head of ICT	On going
5	13.4	Identify future requirements for *Storage Area Network and central servers.*	Head of ICT	*January 2010 for SAN and ongoing to 2013 for servers*
6	5.1, 13.4	Comply with requirements of Government Connect for secure external communication.	Head of ICT	*September 2009 and ongoing*
7	6.12, 8.4, 12.1	Review and develop Service Level Agreements	Head of ICT	*Ongoing*
8	9	Review business continuity and disaster recovery arrangements.	Head of ICT	*Ongoing*
9	10.5	Review and refresh Members' ICT equipment	Head of ICT	*Next refresh June*

ICT STRATEGY 2009

No.	Paragraph Ref	Action	Responsibility	Timescale
				2012
10	13.2	*Tender for and implement HR/ Payroll system.*	Director of Corporate Services	*April 2011*
11	13.2	Deliver requirements of Customer Access Strategy.	Head of Customer Service	2009 -2012
12	13.2	Integration of corporate Geographical Information System	Head of Change	Ongoing
13	13.3	Implement new administrative systems.	Head of Merseyside Pension Fund	*To March 2011*
14	13.3	Development of Integrated Children's System and integration with ContactPoint.	Director of Children's Services	Ongoing
15	13.4	Review network infrastructure in support of Strategic Asset Review.	Head of ICT	*2009-2010*
16	13.4	Join national programme for rationalising public sector telephone numbers (0300).	Head of ICT	*Undetermined*
17	13.4	Implementation of server virtualisation.	Head of ICT	Ongoing
18	13.4	Implementation of desktop remote support	Head of ICT	2009-2010
19	13.4	*Implementation of the virtualised desktop.*	*Head of ICT*	*2009-2010*
20	13.4	*Implementation of service desk upgrade.*	*Head of ICT*	*March 2010.*

ICT STRATEGY 2009

No.	Paragraph Ref	Action	Responsibility	Timescale
21	12, 13.4	*Development of performance indicators.*	*Head of ICT*	*March 2010 and ongoing*
22	12	*Participation in SOCITM User Satisfaction Survey 2009.*	*Head of ICT*	*January 2010*
23	12	*Participation in Greater Merseyside benchmarking*	*Head of ICT*	*2010*
24	8.8	*Organisation of a corporate contract for desktop software training.*	*Head of ICT/ Head of HR/ Head of Change/ Corporate Procurement Manager*	*2010*

WIRRAL COUNCIL

CABINET

24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF FINANCE

CAPITAL STRATEGY

1.   EXECUTIVE SUMMARY

1.1   This is the annual update of the Capital Strategy which was last agreed by Cabinet on 23 July 2008. There are only minor revisions to the Strategy.

2.   BACKGROUND

2.1   In order to deliver the objectives of the Corporate Plan effective planning is essential requiring links between the Corporate Plan, Investment Strategy and Medium Term Financial Strategy. The Capital Strategy aims to provide a longer term overview of the investment issues to assist in the allocation of resources to deliver the Council objectives and priorities.

2.2   Achieving Council objectives requires capital investment. The Strategy sets a framework that enables the Council to work with partners and stakeholders to prioritise and effectively deliver capital investment that contributes to the achievement of Council objectives.

2.3   The Strategy is key to drawing together the capital requirements emerging from the Investment Strategy and service strategies to prioritise the capital needs of services and to maximise opportunities for joined-up investment with local partners. Bids for inclusion in the capital programme are prioritised against criteria taking account of the priorities identified in the Corporate Plan.

3.   PROGRESS

3.1   The Council agreed the current Capital Strategy on 23 July 2008 and it is subject to an annual review to take account of national and local changes.

3.2   Capital Programme guidance and procedures were consolidated in 2005 and Cabinet reviewed the Capital Investment Programme - Guidance Document on June 2008.

3.3   The Capital Strategy review has seen minimal changes given that the updated Corporate Plan agreed in April 2009 retained the same focus on the key objectives as for 2008.

3.4   The Capital Strategy considers issues at a strategic level and is used to determine the Capital Programme which is reviewed, updated and considered by Council each December and informs the annual budget setting process.

4. CAPITAL STRATEGY

4.1 The aim of this Strategy is to provide a framework with which to support planning considerations for the medium term and the Appendix contains the Capital Strategy which encompasses:
- The regional and wider Wirral investment issues.
- The local issues including the Council objectives and priorities.
- The strategy in practical terms.
- The capital plan / capital programme.

5. FINANCIAL AND STAFFING IMPLICATIONS

5.1 The financial implications are identified in the Capital Strategy in the Appendix.

6. LOCAL MEMBER SUPPORT IMPLICATIONS

6.1 There are no specific implications arising out of this report.

7. LOCAL AGENDA 21 STATEMENT

7.1 The Corporate Plan identifies a number of strategies and key objectives relating directly to 'protecting and improving the environment.'

8. PLANNING IMPLICATIONS

8.1 There are no specific implications arising out of this report.

9. EQUAL OPPORTUNITIES IMPLICATIONS

9.1 The Corporate Plan identifies a number of objectives relating directly to 'continuously improving services.'

10. COMMUNITY SAFETY IMPLICATIONS

10.1 The Corporate Plan identifies a number of objectives relating directly to 'making Wirral safer.'

11. HUMAN RIGHTS IMPLICATIONS

11.1 There are no specific implications arising out of this report.

12. BACKGROUND PAPERS

12.1 Capital Strategy 2009/2012 - July 2008.

12.2. Corporate Plan 2009/2012 - April 2009.

13.   RECOMMENDATION

13.1   That the Capital Strategy be approved.

                                        IAN COLEMAN
                                        DIRECTOR OF FINANCE

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WIRRAL COUNCIL

CAPITAL STRATEGY

**CABINET
SEPTEMBER 2009**

1.0 EXECUTIVE SUMMARY

1.1 Introduction

1.1.1 Our vision for Wirral is of a more prosperous and equal Wirral, enabling all communities and people to thrive and achieve their full potential. This vision is clearly set out in Wirral's Sustainable Community Strategy and reflected in the Local Area Agreement, and the Council's Corporate Plan.

1.1.2 The Corporate Plan is supported by a series of five year aims and annual priorities which are refreshed on an annual basis and guide future actions. This helps prioritise the use of resources as the Council continues to operate in an increasingly complex and challenging environment and informs the way in which the Council works with its partners who share many of these aims.

1.1.3 The national priorities of the Government are aligned with local priorities as part of the Council's corporate and business planning process in order to prioritise available resources. Wirral remains committed to maximising the use of scarce resources and directing these towards priority areas whilst keeping Council Tax at an affordable level as evidenced by recent Council Tax rises.

1.2 Statement of aims

1.2.1 This Strategy aims to support the delivery of the Council Vision and the Wirral Investment Strategy. The latter seeks that 'Together with our partners, Wirral Council is committed to encouraging focused and dynamic development while maintaining and enhancing Wirral's unique character and high quality of life. The Investment Strategy will ensure Wirral continues to be a prosperous and sustainable place to invest in, live, work and visit.'

1.2.2 With insufficient resources to meet all aspirations the Capital Strategy guides and shapes spending to maximise achievement of the Council's priorities by :-

- Providing the policy framework for the operational work of asset management.
- Demonstrating how capital resources will be prioritised to meet Council objectives.
- Informing on the process for bidding for capital funding.
- Providing a framework for managing and monitoring the capital programme.

1.3 Review

1.3.1 Whilst this Strategy will be valid at least until 2014 it will be annually reviewed to ensure it remains relevant. For this update there have been only minor changes to reflect the updated Corporate Plan. The annual Capital Programme provides the detail of what is being done to implement this Strategy.

2.0 REGIONAL ISSUES

2.1 North West and City Region

2.1.1. The Regional Economic Strategy (RES) is a 20 year economic strategy which includes specific short-term actions. It sets a framework for regional, as well as sub-regional and local action. The Capital Strategy contributes towards the RES priorities in that it will support the Council in funding projects in line with the Corporate Plan and Objectives.

2.1.2 The Regional Spatial Strategy: (RSS) for North West England provides a framework for the physical development of the region over the next 15-20 years. Including the Regional Transport Strategy, it addresses the scale and distribution of future housing development and sets priorities for dealing with environmental issues, transport, infrastructure, economic development, agriculture, minerals and the treatment and disposal of waste.

2.1.3 Both the RES and RSS are being replaced by a single Integrated Regional Strategy for the North West (RS2010), which is intended to be in place during 2010. The Regional Strategy will set out a 20 year vision/goals and 3-5 year investment /implementation plan. It will build upon the principles in the Regional Economic Strategy and the Regional Spatial Strategy and work already undertaken in connection with the recent review of the Regional Housing Strategy.

2.1.4 The Economic Strategy and Action Plan for the City Region identifies the investment programmes and priorities that will contribute to the continued economic renaissance of Merseyside within a sustainable development framework. It represents the investment identified and agreed with all Merseyside partners that is to be implemented to accelerate this promising growth.

2.1.5 Wirral, together with Liverpool City Council, led the development of the City Employment Strategy (CES) reflecting our understanding of the importance of the wider City Region in terms of sustainable economic development. The aim was to develop a demand led approach to improving employment and skills across the City Region. Since then Wirral has played a key role in the development of the city region Multi Area Agreement as well as working closely with wider partners through the Mersey Dee Alliance.

2.2 Wirral Plans

2.2.1 Wirral Investment Strategy

This sets out a strategic and coordinated approach to the future economic development of the borough. Growing the local economy is Wirral's primary challenge and is the top priority of the Investment Strategy.

Wirral Council has a clear vision which recognises that, although past policies have delivered against their objectives, the scale and pace of regeneration activity must be sharply increased to meet present and future challenges. Wirral can boast a range of unique latent and untapped assets which now underpin a new dynamic vision for Wirral's future. There is clear Council support for developments that focus on the significant regeneration opportunities offered by Wirral's waterfront and docklands. The Council will take a key and proactive role in realising these objectives.

Wirral's excellent quality of life, tourism and residential offer represent a strong existing opportunity to be built on and enhanced. Whilst recognising the strategic significance and importance of Wirral's Green Belt, it is also recognised that a redevelopment opportunity of exceptional economic and employment significance would receive consideration in the light of the Council's strategic objectives.

2.2.2 Enterprise Strategy – Embracing Change

This sets the direction for Enterprise policy in Wirral over the next decade. It identifies the key priorities that must be pursued in order to bring about the step change in economic and enterprise performance required to close the enterprise gap with better performing locations.

The Strategy aims to consolidate and spread success in the west and tackle entrenched low rates of enterprise among communities in the east, identifying those broad types of actions and approaches that will grow enterprise in Wirral.

2.2.3 Wirral Full Employment Strategy – Employment for All:

The Strategy provides a framework for planning our local labour market to ensure that Wirral has a suitably skilled workforce that meets the demands of employers within the city region, whilst helping residents to maximise their potential and improve their quality of life.

3.0 LOCAL ISSUES

3.1 Facts and Figures

3.1.1 Wirral's Sustainable Community Strategy and the Council Corporate Plan set out a clear understanding of the local issues facing the borough which is a place of enormous opportunity also of sharp contrasts.

3.1.2 The overall picture masks inequalities for local people as Wirral residents experience some of the country's most notable variations in economic and social well being. A substantial percentage of Wirral's population live within some of the country's most deprived areas, whilst there are also a large number that live in some of the country's most affluent areas.

3.1.3 Wirral's population has declined from over 355,000 during the 1970s to 310,200 in mid-2007. The population is skewed towards older age groups, with a lower proportion of younger adults and a higher proportion of older people than the averages for the rest of England and the North West. The fastest falling population categories are the 24 years and under age groups. With the availability of employment in the borough being lower than the national average a significant number are travelling outside for jobs.

3.2 The Wirral priorities

3.2.1 The approach to corporate planning integrates national and local priorities into a series of objectives and the Council's Corporate Plan contains the five corporate objectives set to achieve the Vision of a more prosperous and equal Wirral, enabling all communities to achieve their full potential which are:-

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

3.3   Allocation of resources to priorities

3.3.1   The table provides some examples of how investment, from the Council and its partners and the private sector, contributes to meeting the objectives and delivering the priorities of the Council.

Corporate Objective	Examples of Capital investment
To create more jobs, achieve a prosperous economy and regenerate Wirral	Wirral International Business Park brought in private sector investment, Regeneration of Hoylake / West Kirby, New Brighton and Wirral Docklands, The Floral Pavilion Theatre and Conference Centre, Investment by transferring housing stock to Wirral Partnership Homes & Beechwood & Ballantyne CHA, NewHeartlands partnership with social landlords and private sector.
To create a clean, pleasant, safe and sustainable environment	Development and expansion of Streetscene services; Energy efficiency and sustainability initiatives, Local safety and speed reduction schemes, Works to West Kirby Marine Lake, Investment in housing through NewHeartlands.
To improve health and well-being for all, ensuring people who require support are full participants in mainstream society	Sports halls for School and shared Community use; Disabled access schemes to public buildings; Investment into care with additional bed capacity and the return out-of-borough placements to Wirral, Improvements to sports centres including the Oval Sports Centre and Wirral Tennis Centre.
To raise the aspirations of young people	New and refurbished schools; Improved teaching accommodation, Children's Centres across the borough; New Woodchurch School under the Building Schools for the Future programme
To create an excellent Council	Review the use of assets selling surplus assets, Investment into technology and customer access to services through the Call Centre, One Stop Shops, Neighbourhood Centres and web, Creation of Wirral Archive and Records Unit, Work with partners to maximise benefits eg health and care services, highways and Bidston Moss Viaduct.

4.0   CAPITAL STRATEGY

4.1   Strategy and investment

4.1.1   The purpose of the Capital Strategy is to enable the Council to work together with partners and stakeholders to prioritise and effectively deliver capital investment that contributes to the achievement of Wirral's objectives.

4.1.2   The Strategy is key to drawing together the capital requirements emerging from the Investment Strategy and service strategies to prioritise the capital needs of services and to maximise opportunities for joined-up investment with local partners. Bids for inclusion in the capital programme are prioritised against criteria taking account of the priorities identified in the Corporate Plan.

4.1.3   Grant funding has always been key to supporting our capital investment needs. Wirral has been proactive and has an excellent history of attracting external grants. This is particularly the case for Children (for the improvement of schools) and for Regeneration (improvements in housing). The latter tackles low demand, abandoned homes, failing housing markets and support the creation of sustainable communities in Liscard, Seacombe, Birkenhead, Bidston and Tranmere;

4.1.4   Council Resources are used to lever in investment essentially for housing and regeneration. In housing this includes NewHeartlands and in regeneration the Business Park projects re-used land, secured private sector investment and created jobs. These Council resources include receipts from the sale of surplus assets identified from the implementation of the Asset Management Plan and school sites identified from the programmed review of school places.

4.2   Partnership and cross-cutting working

4.2.1   Strong and effective partnership working underpins the Council's commitment to providing high quality and efficient services. This was recognised in Beacon Status awards for 'Transforming Secondary Education' and 'Child and Adolescent Mental Health Services'.

4.2.2   The delivery of the Investment Strategy vision requires further concerted, joint action with a range of partners and agencies. In addition to the strategic relationships that extend beyond Wirral, the Council is working with partners within the borough across the private, public, voluntary and community sectors to realign service delivery and to identify gaps in provision.

4.2.3   Wirral's Local Strategic Partnership Board involves the Council and other public sector organisations and includes representatives of major thematic partnerships including Health and Social Care, Crime and Disorder Reduction, and Wirral Learning Partnership.

4.2.4 The second Local Transport Plan (LTP2) was developed with the other Merseyside Local Authorities and Merseytravel and the Green Transport initiative discourages the use of cars for journeys to and from work and promotes alternative forms of transport.

4.2.5 Wirral works closely with its local health partners. Initiatives include; developing multi-service centres for respite and social care which expand the number of Council beds available for older people, developing GP and pharmacy facilities in specific areas of the borough.

4.2.6 Wirral is working closely with Wirral Partnership Homes, the landlord of its former Housing Stock, initiatives include a joint Community Fund for housing and regeneration projects across the borough.

4.2.7 Cross cutting initiatives include investment in IT to replace core IT systems and to improve customer access to services and the commitment to reducing dependency upon land and buildings through the Statretgic Asset Review and working with local agencies.

4.2.8 The opportunities offered by the New Brighton, Wirral Docklands and Woodside developments seek to achieve the vision of the Investment Strategy. This incorporates regeneration, employment, innovation and enterprise, infrastructure and the maximising of the use of sites on Wirral and involves the Council and a range of external private sector partners working together.

4.3 Consultation process and stakeholder involvement

4.3.1 Improving the level of community involvement in public services is a key for the public sector. The value of public participation enhances the role of local government in community leadership and Wirral is committed to extending community involvement.

4.3.2 Wirral undertakes consultation with a range of stakeholders and members of the public ranging from the Wirral Citizens' Panel, Area Forum meetings to focus groups of specific service users and Community and Residents groups. The Youth Forums, Young People Parliament and Older People Parliament enable views to be sought across the breadth of the community.

4.3.3 Wirral continues to develop its Climate Change Strategy in consultation with local environmental groups and partners, including the living and working environmental partnership and the Wirral Coastal Partnership.

4.3.4 Wirral continues to consult and engage with all its business and community stakeholders in the delivery of its capital programme. The engagement and consultation with community groups has seen the establishment of the Laurie's and St James' Centres which deliver a range of high quality, local community services from Council, NHS Wirral, Wirral Met College and Voluntary sector providers.

4.3.5 Member involvement is key and the three year capital programme is subject to an annual review and assessment. The programme is approved by Cabinet each December. In terms of the strategic documents the Sustainable Community Strategy, the Investment Strategy, the Capital Strategy and the Asset Management Plan are all approved by Cabinet. The Capital Investment Programme Guidance Document provides more detailed information and is reviewed annually.

4.4 Prioritising investment

4.4.1 The Capital Strategy is based on addressing the needs identified through corporate objectives and local priorities, issues of public concern and need; Asset Management Plans and national regulations and statutory obligations.

4.4.2 As demand for investment exceeds the resources available a process for the prioritisation and approval of capital bid submissions ensures the effective working of the strategy and results in the three year Capital Programme.

4.4.3 All bids require Business Case submissions that are scored and prioritised against criteria based upon corporate objectives, stakeholder support etc. Bids must include any impact upon revenue costs and, if approved, the implications are accommodated within the financial plans. The Business Cases are reviewed to produce a priority list for Cabinet with Members concluding the decision making process when approving a Capital Programme that meets the key priorities and targets of the Council.

4.5 Procurement

4.5.1 The Council Procurement Strategy is aligned with the National Procurement Strategy for Local Government in England and aims to support Council policy and seek continuous improvement in procurement to achieve best value.

4.5.2 Wirral recognises the need to be flexible and innovative in its procurement options. This can be shown by the range of alternative procurement initiatives developed or being implemented to improve delivery of investment projects.

4.5.3 These include the Wirral Schools Private Finance Initiative scheme; the appointment of private developer partners to support NewHeartlands; the transfer of the housing stock to provide the resources to meet the requirements of the Decent Homes standard; projects delivered to Egan and 'Rethinking construction' principles improving service delivery and stakeholder involvement and the use of Constructionline to provide a database of suitable contractors selected on technical, financial, and more health and safety criteria.

4.5.4 Whilst these initiatives continue Wirral is looking to further progress the work undertaken on sustainability and energy management. This includes working with contractors to develop sustainable construction initiatives.

4.6 Monitoring

4.6.1 The Investment Strategy Group, comprising Chief Officers, is responsible for overseeing the overall delivery of service outcomes. The Capital Strategy is kept up to date and formally agreed by the Council each year.

4.6.2 The Capital Investment Programme - Guidance Document consolidates the guidance and procedures, including for Business Case submissions, in one document to support those involved with the capital programme.

4.6.3 Chief Officers have processes in place to regularly review the performance of projects. Monthly meetings review progress against the approved capital programme and the financial position / projections.

4.6.4 Monitoring and performance reports are submitted on a quarterly basis to Cabinet and there are also end of financial year reports to Cabinet reviewing the capital programme.

4.6.5 Responsibility for financial management within the Council, including the capital programme, is with the Director of Finance. All officers involved on capital projects have a responsibility to ensure that monitoring reports are comprehensive and reflect all current spend and commitments including any exceptional cases of schemes not explicitly in the agreed programmes.

4.7 Asset Management Plan

4.7.1 Wirral has been committed to a challenging and proactive policy of disposals of underused, surplus and investment assets, to produce capital receipts and / or lever external funding needed to bridge the gap between the resources and requirements.

4.7.2 The development of the Asset Management Plan has seen the level of capital receipts increase further as a result of a more strategic and challenging analysis and rationalisation of Wirral's existing land and property base.

4.7.3 The key aims and objectives of the Plan being to:-

- Manage assets according to best environmental practices compatible with effective service delivery;
- Identify the Council's current and future building and land needs;
- Rationalise under-utilised or poorly performing assets;
- Increase the energy efficiency and sustainability of our buildings;
- Work more closely and share use of assets with other organisations and agencies to provide better front-line services to customers;
- Evaluate and explore new ways of flexible working to reduce the need for administrative accommodation.

5.0 CAPITAL PLAN

5.1 Introduction

5.1.1 The Government allocates funding based upon what the Council is expected to invest in the areas of education, transport and social services. Under the Prudential Code for Capital Finance for Local Authorities additional spend on capital investment can be incurred as long as the plans are affordable, prudent and sustainable. This is measured by a series of indicators integral to the Treasury Management policy of which the key is the revenue cost.

5.1.2 The Wirral Investment Strategy sees the Council and partners committed to encouraging focused and dynamic development while maintaining and enhancing Wirral's unique character and high quality of life. The Strategy will ensure Wirral continues to be a prosperous and sustainable place to invest in, live, work and visit.

5.1.3 Underpinning the Investment Strategy are the Full Employment Strategy for Wirral, a framework for improving employment rates, and An Enterprise Strategy for Wirral, a plan for increasing self-employment and business starts.

5.1.4 The Council will increasingly work with the private sector to maximise resources in the continued regeneration of Wirral. The Capital Strategy identifies the links with the Corporate Plan and informs the programme of investment. With resources insufficient to meet all of the aspirations the programme is prioritised based upon criteria that take account of the priorities.

5.2 Capital Programme

5.2.1 The three year Capital Programme is agreed each December and any schemes considered for approval are subject to a Business Case submission and evaluated against the agreed priorities of the Council.

5.2.2 Under regeneration and housing the NewHeartlands initiative is a long term project, primarily focussed upon housing, to regenerate the east side of Wirral and is part of the wider area encompassing parts of Sefton and Liverpool and is again government grant funded. This funding is subject to regular review by Government and future allocations depend upon the progress being achieved.

5.2.3 The Local Transport Plan details the programme in respect of maintaining local transport routes and improving community safety. A major scheme in the coming years is Bidston Viaduct to which the Council makes a contribution. Whilst Wirral is the waste collection authority, the Merseyside Waste Disposal Authority provides the disposal facilities, with initiatives planned as part of the Merseyside Waste Management Strategy. The costs of these initiatives are met by the constituent authorities through the Waste Disposal Authority levy.

5.2.4 Improving facilities available for use by the people of Wirral, includes the refurbishment of the Oval Sports Centre. The Council 'Invest-To-Save' projects include improvements to residential care arrangements and the continuing

energy efficiency programme reducing our energy use and CO_2 emissions in Council buildings and street lighting.

5.2.5 In supporting young people the major spending areas are the new Building Schools for the Future school for Woodchurch; the Primary Schools strategy and the development of Childrens Centres. In addition significant resources are also allocated for smaller school projects. Approximately 65% of the programme is funded by government grants.

5.2.6 Besides the investment into the development of customer services through the One Stop Shops, the Archives and Records Unit and the ongoing IT enhancements the Strategic Asset Review seeks to provide facilities that meet the aspirations of the people of Wirral.

Programme	2010/11 £million	2011/12 £million	2012/13 £million*	2013/14 £million*
Adult Social Services	0.5	0.1	-	-
Corporate Services	2.3	0.5	0.5	0.5
Children & Young People	49.8	24.9	15.0	15.0
Law, HR & Asset Management	8.2	8.1	8.0	1.5
Regeneration	15.4	13.9	14.0	14.0
Technical Services	12.0	10.7	10.0	10.0
Total programme	88.2	58.2	47.5	41.0

5.3 Resources

5.3.1 Under the Prudential Code the authority can borrow to fund capital spend up to the level that can be afforded. Assumptions of the level of borrowing have been reflected in the Medium Term Financial Strategy and revenue plan.

5.3.2 Government Grants are specific to schemes and are allocated in accordance with the terms of the grant approval. Primarily within the areas of educational development and regeneration this includes NewHeartlands as well as employment/regeneration projects.

5.3.3 The unpredictable nature of the timing of capital receipts means that they are used to provide flexibility in funding the programme. The receipts are projected from the likely sale of assets resulting from the Asset Management Plan and include former school sites and the agreement with Wirral Partnership Homes for the sharing of receipts from sales of former Council houses.

Resource	2010/11 £million	2011/12 £million	2012/13 £million*	2013/14 £million*
General Capital Resources	17.1	13.7	13.5	10.0
Supported Borrowing	5.2	5.2	3.0	3.0
Government Grants	65.5	39.0	31.0	28.0
Revenue,Reserves,Contributions	0.4	0.3	-	-
Total resources	88.2	58.2	47.5	41.0

* Both the programme and resources for 2012/13 and 2013/14 have yet to be agreed and will be informed by the next Government Comprehensive Spending Review.

5.4 Management

5.4.1 A summary of the governance arrangements for the Capital Strategy and Capital Programme with the key tasks, responsibilities and target dates.

Task	Responsibility	Time / Date
Identify departmental priority schemes	Chief Officers	On-going
Ensure that approved projects are procured and delivered	Chief Officers	On-going
Oversee the financial management of the capital programme	Director of Finance	On-going
Report variations to schemes within the approved programme	Chief Officers	As required
Authorise increases in the budgeted levels of expenditure for schemes	Cabinet / Council	As required
Produce monitoring reports for Director of Finance	Chief Officers	Quarterly
Produce monitoring reports to Cabinet	Director of Finance	Quarterly
Review Capital Strategy and Guidance Document and report to Cabinet	Director of Finance	July
Consider the annual review of the Capital and other Strategies and Guidance Document	Cabinet	July
Prepare Business Case submissions for schemes to be included in the programme	Chief Officers	September
Consider and prioritise Business Case submissions	Capital Group	October/November
Produce the annual Capital Programme report to Cabinet / Council	Director of Finance	December
Approve the Capital Programme – including the new schemes	Cabinet / Council	December
Produce year-end reports to Cabinet	Director of Finance	June

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WIRRAL COUNCIL

CABINET

24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF FINANCE

RISK MANAGEMENT STRATEGY

1.   EXECUTIVE SUMMARY

1.1   This is the annual update of the Risk Management Strategy which was last agreed by Cabinet on 23 July 2008. There are only minor revisions to the Strategy.

2.   BACKGROUND

2.1   The effective management of risk is recognised as an essential feature of a well-run organisation. It is particularly important at a time when the Authority is making substantial changes in the drive to improve services.

2.2.   The current approach to managing risks is defined in the Strategy approved by Cabinet on 23 July 2008. As part of the annual review the Risk & Insurance Team has referred to the Annual Governance Statement, the Audit Commission Use of Resources assessment and Action Plan and the Risk Management Strategy recently published by NHS Wirral.

2.3.   The risk management arrangements were rated as 3 star (performing well) by the Audit Commission as part of the Use of Resources assessment 2008.

2.4   The approach adopted in identifying, managing and reporting risks to the priorities of the Wirral Local Strategic Partnership devised by the Risk & Insurance Team and the Partnership Performance Officers has placed Wirral ahead of other areas in the region.

3.   THE RISK MANAGEMENT STRATEGY

3.1.   Given that a major review was carried out in 2007 and a refresh undertaken in 2008 the main objective of the current review was to bring the Strategy up to date as regards changes in Authority arrangements and address any new areas for improvement. The principal amendments proposed are as follows

   (i)   **Executive Summary**
   There is a more substantive paragraph which explains the purpose of the Strategy and demonstrates the commitment to risk management and definitions of the terms 'risk' and' risk management'.

(ii) **Roles and Responsibilities**
The Strategy proposes that Chief Officers work together with Members to identify the corporate risks.

(iii) **Risk Categories**
Specific reference is now included to risks associated with not responding well to issues of equality and diversity.

(iv) **Risk Management Process**
The strategy now contains the same definition of what constitutes a partnership as that contained in the Wirral Council Partnership Governance Framework and Toolkit.

(v) **Embedding**
Specific reference is made to the inclusion in reports to Cabinet of information on the risks and opportunities associated with decisions.

(vii) **Priority and Action Table**
The Strategy indicates what broad action needs to be taken in relation to risks of differing levels of significance.

3.2. In accordance with the governance arrangements a draft of the revised Strategy was shared with the Corporate Improvement Group and their comments taken into account.

4. ACTION PLAN

4.1 The revised Strategy sets the intentions and provides a broad framework. However successful implementation is dependent on the individual activities which underpin the approach.

4.2. Some of the actions planned over the next twelve months are described in greater detail below:

(i) **Corporate Risk Register**
Further review of the key corporate risks to be undertaken by Chief Officers and Members in the Autumn following confirmation of the 2010/11 Priorities for Improvement. The Corporate Improvement Group will continue to review the Corporate Risk Register each quarter.

(ii) **Departmental Risks**
The Risk & Insurance Officer and Corporate Performance Manager are planning a series of visit to departmental management teams to ensure both consistency in the approach to identifying key departmental risks and the linkages between the Corporate Risks and actions in Departmental Service Plans.

(iii) **Inclusion of Risk Information in Committee Reports**
Guidance on improving the clarity and consistency of information on the risks and opportunities associated with key decisions has recently been approved by both the Corporate Improvement Group and Chief Officers. This will be implemented during the autumn with risk paragraphs included within reports involving Key Decisions.

5. FUTURE PROPOSALS

5.1 With the favourable evaluation of existing arrangements by the Audit Commission it is also clear that peer local authorities are also making great progress and that risk management as a discipline has developed substantially in recent years with the newly introduced BS 31100:2008 for risk management an example.

5.2. In order to ensure that the Wirral approach strives towards best practice and, more importantly, to ensure that arrangements add value to the Authority and the wider community a more fundamental review of the entire approach is needed in the longer term. Delivering substantial improvements is likely to require cultural change and possibly additional resources and initially the Risk & Insurance Team will produce a gap analysis and put forward comprehensive recommendations for consideration by Chief Officers and Members. It is unlikely that this exercise will be concluded before Summer 2010.

6. FINANCIAL AND STAFFING IMPLICATIONS

6.1. Improvements in managing risks will have a financial impact in areas such as the cost of staff absence and insurance.

7. EQUAL OPPORTUNITY IMPLICATIONS

7.1. There are none arising directly from this report.

8. COMMUNITY SAFETY IMPLICATIONS

8.1 Specific risk control actions should improve community safety.

9. HUMAN RIGHTS IMPLICATIONS

9.1. There are none arising directly from this report.

10. LOCAL AGENDA 21 IMPLICATIONS

10.1. There are none arising directly from this report.

11. PLANNING IMPLICATIONS

11.1. Risk implications will form part of planning strategy.

12. MEMBER SUPPORT IMPLICATIONS

12.1. There are none arising directly from this report.

13. BACKGROUND PAPERS

13.1 Risk Management Strategy - July 2008.

13.2 Annual Governance Statement - April 2009.

13.3 Audit Commission Use of Resources Assessment 2008.

14. RECOMMENDATIONS

14.1 That the revised Risk Management Strategy be approved.

14.2 That a further report containing recommendations for longer term improvements to risk management arrangements be provided by Summer 2010.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/220/09

WIRRAL COUNCIL

RISK MANAGEMENT STRATEGY

CABINET
SEPTEMBER 2009

1.0 EXECUTIVE SUMMARY

1.1. Introduction

1.1.1. Wirral Council is committed to delivering its vision of **"a more prosperous and equal Wirral, enabling all communities and people to thrive and achieve their full potential"**. The Council believes that effective risk management will help ensure that it maximises its opportunities and minimises the impact of the risks it faces and that by managing risk effectively, the authority will be in a stronger position to deliver its vision and strategic and operational objectives. This is Wirral Council's revised Risk Management Strategy. It explains the Council's approach to risk management and the arrangements that we will operate to ensure that we identify and manage our risks effectively.

1.2. Objectives

1.2.1. For this Council the objectives of its Risk Management strategy are:
- To support informed risk-taking in order to improve services;
- To place risk management at the heart of decision making within the organisation;
- To implement cost-effective measures to minimise harm, losses and disruption to services;
- To ensure that risks which could prevent the achievement of the Council's Corporate Objectives and Priorities are identified and controlled;
- To demonstrate to stakeholders and regulators compliance with good corporate governance; and to
- To continuously improve the management of risk by all those connected with the delivery of the Council's services.
- To create a risk aware culture within the organisation

1.3. Scope

1.3.1 For the purpose of this strategy, a risk is the chance of something happening that will have an impact on the Council's objectives and the continuity of service provision. As that impact may be positive or negative, risks will be considered as opportunities and not simply as threats. The strategy seeks to address all forms of risk, not simply those relating to health and safety, financial or insurable risks.

1.3.2 Furthermore, risks do not simply reside in any one level within the organisation and the Council's approach to risk management will therefore consider all strategic, operational and project risks.

1.4 Definitions

1.4.1 Risk - The chance of something happening that will have an impact on objectives.

1.4.2 Risk Management - The process by which risks are identified, evaluated and controlled and which is directed towards the effective management of potential opportunities and threats to the Council achieving its objectives.

2.0 ROLES AND RESPONSIBILITIES

The effective management of risk is the responsibility of all officers and Members. However, we will be clear about 'who' does 'what' to avoid potentially significant risks going unmanaged. To assist with the implementation of the strategy, Members will appoint an individual to 'champion' the risk management process. Similarly COMT will select a lead Chief Officer for promoting risk management. The following tables set out these responsibilities in greater detail.

Cabinet

Role:	To oversee the effective management of risk by officers of the Council.
Responsibilities:	- To hold the Chief Officers Management Team (COMT) responsible for the effective management of risk within the Council. - To approve the risk management policy, strategy and processes determined by officers. - To work with Chief Officers to identify the key Corporate risks. - To monitor the management of key corporate risks. - To require officers to provide clear statements on risks and opportunities in Committee reports.

Audit & Risk Management Committee

Role:	To provide independent scrutiny of the adequacy of the risk management framework.
Responsibilities:	- To scrutinise the effectiveness of the overall strategy and compliance by officers. - To review the Council's approach to risk management and changes or improvements to processes. - To consider and approve the Annual Governance Statement.

Chief Officers Management Team (1st tier officers)

Role:	To ensure that the Council manages risk effectively.
Responsibilities:	- To agree the risk management framework, policy, strategy and processes. - To identify and analyse the key corporate risks. - To agree responsibility for control of these risks as appropriate and review the implementation of risk control action plans. - To oversee the communication and implementation of the Policy and Strategy by Members, managers and employees and its incorporation into the Council's business processes. - To report to external stakeholders on the Council's framework, policy, strategy and processes.

Corporate Improvement Group

Role:	To support the Council and its officers in the effective development, implementation and review of the risk management strategy, processes and standards and reporting arrangements.
Responsibilities:	• To consider improvements to the risk management framework, policy, strategy and processes. • To assist the Chief Officers Management Team with the creation and maintenance of the register of key Corporate risks. • To monitor and review the implementation and effectiveness of the strategy. • To oversee the implementation of best practice.

Risk & Insurance Officer

Role:	To drive the effective management of risk within the Council
Responsibilities:	• To develop and update the risk management strategy, processes and standards in accordance with best practice. • To provide advice and support to Members and officers at all levels regarding the identification, analysis and profiling of risks. • To promote and support the implementation of the strategy. • To facilitate and provide training as appropriate to Members and officers. • To support and co-ordinate the risk element of the work of the Corporate Improvement Group. • To support the development of a risk aware culture throughout the Council.

Corporate Health, Safety & Resilience Team

Role:	To provide specific advice and support to the organisation on Occupational Health & Safety, Emergency Planning and Business Continuity.
Responsibilities:	• Support the development and implementation of the corporate strategy. • Assisting departments in the compilation of operational control measures relevant to the functions stated under the Role.

Internal Audit

Role:	To provide assurance to members and officers on the risk management mechanisms and their effectiveness in practice
Responsibilities:	• To carry out a continuous independent review of the Risk Management Strategy and processes and report thereon. • To provide Chief Officers and Members with an annual overall assessment of the effectiveness of risk management practice (through the Annual Governance Statement). • To evaluate and report on attitudes to and management of risk. • To provide an annual audit plan that is based on a reasonable evaluation of risk. • Assist departments with risk identification and operational controls. • Assist the Risk & Insurance Officer through the sharing of good practice.

Departmental Management Teams (1st and 2nd tier officers)

Role:	To effectively manage risk in their department.
Responsibilities:	• To identify and report risks of potential corporate significance to the Corporate Improvement Group. • To participate in action plans to address the key Corporate risks. • To review and report to the Corporate Improvement Group progress in implementing such actions. • To continuously identify, analyse and maintain a register of key departmental, operational and project risks. • To report regularly to members on the management of such risks. • To prioritise departmental actions to improve key risks and review their implementation. • To satisfy themselves as to the adequacy of the risk management arrangements of their department's service partners. • To delegate responsibility for risk control as appropriate within the department. • To empower staff to report risks.

Service Managers (3rd tier officers)

Role:	To effectively manage risk in their service area.
Responsibilities:	• To implement the Corporate Risk Management Strategy. • To continuously identify, analyse and profile key operational and project risks affecting their service. • To report these risks to the Departmental Management Team. • To create and maintain a register of these risks. • To satisfy themselves as to the adequacy of the risk management arrangements of their service partners. • To share/exchange relevant information with colleagues in other service areas. • To prioritise risk improvement plans and implement agreed actions. • To review the implementation of actions to address key service risks and report progress to the Departmental Management Team.

Individual Employees

Role:	To contribute to the effective management of risk in their service
Responsibilities:	• To identify risks in their everyday work processes and working environment. • To report risks to the Service Manager. • To have an awareness of the principal risks to their service. • To implement and maintain risk control mechanisms as part of the responsibility for achieving agreed objectives. • To demonstrate an awareness of risk and risk management. • To participate in any risk management training or guidance.

Service Delivery Partners

Role:	To assist the Council to manage risk effectively
Responsibilities:	To ensure that the partner organisation is committed to managing risk and that their accountabilities are clearly documented in a Service Level Agreement or contract.

3.0 RISK CATEGORIES

STRATEGIC	OPERATIONAL
Risks that relate to doing the wrong things	*Risks associated with the nature of each service or activity*
- Insufficient forward planning or horizon scanning (e.g. demographic changes) - Incorrect strategic priorities - Community planning oversight or errors - Policy decisions based on incomplete or faulty information - Failure to exploit opportunities - Inappropriate capital investment decisions	- Poor partnership working - Failure to continuously improve / innovate - Inadequate service continuity planning - Over-reliance on contractors / suppliers - Breakdown of work system - Poor project planning and management
INFORMATION / TECHNOLOGICAL	**REPUTATION**
Risks that relate to the loss of or inaccuracy of data and the use of / reliance on technology	*Risks that relate to the organisation's image*
- Systems and management data not up to date - Ineffective prediction of trends and poor forecasting - Breaches of security of network and data - Obsolescence of technology - Lack of network resilience	- Unfulfilled promises to the electorate - Ineffective PR / Media strategy - Association with unsuitable organisations - Poor standards of service - Failures in corporate social responsibility
FINANCIAL	**PEOPLE**
Risks that relate to losing monetary resources or systems of financial planning and control	*Risks associated with employees and the management structure*
- Occurrence of fraud - Unreliable accounting records - Failure to prioritise, allocate appropriate budgets and monitor / report - Failed resource bids - Sustainability of time limited funding	- Over-reliance on key officers - Inefficient/ineffective management processes - Failure to recruit/retain qualified staff - Lack of investment in training - Poor absence management
REGULATORY / LEGAL / STATUTORY	**PHYSICAL**
Risks related to the legal and regulatory environment	*Related to fire, security, accident prevention and health & safety*
- Compliance failures (e.g. procurement, LA 21) - Inadequate response to/failure to prepare for/ implement legislative change - Intervention by Regulatory Bodies and Inspectorates - Failure to meet targets agreed with / imposed by Central Government (e.g. Equality & Diversity standard) - Breaches of contract, failures in duty of care,	- Loss of intangible assets - Failures in health & safety management - Loss of physical assets

4.0   THE RISK MANAGMEMENT PROCESS

4.1.   Risk Identification

4.1.1   Corporate
Chief Officers and key Members will undertake an annual exercise to identify the key risks to achievement of the Council's corporate aims and the Priorities for Improvement in the forthcoming planning period (the corporate risks).

At quarterly meetings of the Corporate Improvement Group, individual representatives will report the significant new risks for their departments. The Group will examine them for potential corporate significance and present a quarterly report to COMT. Chief Officers will consider these for inclusion in the corporate risk register.

4.1.2   Departmental
Individual departmental management teams will conduct an annual review of the key risks to achieving the Departmental Aims in the forthcoming planning period. In doing so they will review the risks identified by each division, project and partnership for which they are responsible to identify -
*   risks which are common to more than one area (and which cumulatively could be of great significance)
*   risks which emanate from a particular area, but which could have a significant impact departmentally and/or corporately

During the course of the year, each management team will also identify new risks of departmental significance. Using its management / performance meetings, it will consider risks brought its attention by individual Heads of Service, project and partnership managers for their potential departmental impact.

4.1.3   Service / Team
Every service area will review on an annual basis the risks to achievement of its particular objectives in the forthcoming planning period. This will be undertaken by the Head of Service, managers and, where appropriate, representatives of service partners.
During the course of the year, each service area will also identify new risks using its management / performance meetings.

4.1.4   Project
For the purposes of this strategy, a project is -
'an activity outside "business as usual". Unless there are exceptional circumstances it excludes work that could be defined as "day to day operations". A project has a finite life. It achieves specific results that satisfy the needs of the organisation, through a series of linked activities carried out in an organised manner, with a clearly defined start point and finish point.

Wirral Council - Project Management Handbook

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Every project will be considered to be the responsibility of a particular department. Prior to the initiation of any project, the project manager (or project sponsor) must confirm what project methodology and governance arrangements will apply. This will form part of the initial business case.
Individual project management arrangements will define the points or intervals at which formal exercises will be undertaken to identify risks to the delivery of the planned project outcomes and how these will be conducted.

4.1.5 Partnerships
For the purposes of this strategy, a 'partnership' is a joint working arrangement - which is not governed by the Partnership Acts - and where the partners:
• are otherwise independent bodies;
• agree to cooperate to achieve common goals and outcomes for the community;
• share accountability, risks, and resources;
• create an organisational structure with agreed processes and programmes

Wirral Council Partnership Governance Framework and Toolkit

Every partnership will be considered to be the responsibility of a particular department. Prior to entering into any partnership agreement, an assessment must be undertaken both of the risks which participation in the partnership presents to the Council and key risks to delivery of the objectives of the partnership itself. This should form part of the initial business case.

The governance arrangements will define the points or intervals during the lifetime of the partnership when exercises will be undertaken to identify the risks to the successful delivery of the partnership objectives and how these will be conducted.

4.1.6 Each risk will be allocated a risk 'owner', that is, an individual who is in a position to manage the risk and ensure it is controlled effectively.

4.2. Risk Analysis

4.2.1 Each risk identified will initially be examined for its **inherent** level of risk. That is, assuming the absence of any controls. Its significance will be judged in relation to its likelihood and impact.

4.2.2 The risk will then be re-evaluated for its **residual** level of risk using the same factors, but taking into account controls and mitigation already in place which affect the likelihood and impact.

4.2.3 A 5-point scale (impact x probability) model (Section 8.4) will be used to evaluate risks. Both gross and net risk scores will be in the range of 1 to 25.

4.2.4 Each risk will be plotted against a Risk Scoring Model. The model defines overall levels of risk of High, Medium and Low. It will show graphically which risks require the most urgent management attention and will also include a line of tolerance. Any risk above that line will be escalated to the next level of management.

4.3. Risk Control

4.3.1 Actions will be developed to 'manage down' those risks above the Council's tolerance threshold. The options available will be one or more of the following:

Tolerate. Where our ability to take effective action is limited or where the cost of mitigating the risk outweighs the potential benefit.

Treat. Take action to control the risk to an acceptable level by means of containment actions (before the risk materialises) or contingent actions (once the risk has happened)

Transfer. Pass some aspects of the risk to another party. This can take the form of a conventional insurance transaction or paying a third party to take on risk in another way (for example through out-sourcing services). We acknowledge that business and reputation risk cannot be transferred and that contracting can raise other risks to be managed.

Avoid (Terminate). Where it is feasible we will, by doing things differently, remove certain risks.

4.3.2 Most risks can be managed by 'treating' them. Relatively few risks have to be transferred.

4.3.3 Proposals to address risks must identify the resources required to deliver the improvements, the individual responsible for their implementation and the key dates(s) involved. They will be incorporated into service and project plans and recorded in the risk register.

4.4. Monitoring and Review

4.4.1 Regular reviews will be undertaken to identify new risks and any existing risks that no longer apply. Progress in managing existing risks will be also monitored to ensure that intended actions are achieved.

4.4.2 Once a risk has been identified, analysed, prioritised and further control actions agreed, it will be recorded in the relevant risk register. The total risk score will be used to measure performance in managing that risk and will be reviewed by the risk owner. High scoring risks will be subject to more frequent review.

Corporate risks. Reviews will be undertaken by the Corporate Improvement Group no less than once a quarter.
Departmental risks. Management Teams will carry out reviews of their key departmental risks no less than once a quarter.
Service Risks. Heads of Service will review the key risks to their services no less than once a quarter.
Project Risks. Project Managers will review the risks to individual projects at intervals specified by the project management arrangements.

Partnership Risks. Partnership managers will review the risks arising from partnership working at intervals specified by the partnership governance arrangements.

4.4.3   The relevant risk register will be updated following each review.

4.4.4   The Corporate Risk & Insurance Team will seek opportunities to benchmark with peer authorities, will continually monitor developing best practice in managing risk and suggest improvements to existing processes. It will undertake a formal review of the strategy every year, drawing upon the findings of any external inspections. The revised strategy will be communicated to Members and relevant officers.

4.5.   Reporting

4.5.1   Regular reports will be provided to Members and Senior Managers to provide an understanding of the risks faced the organisation and to provide assurance on the management of individual risks and the effectiveness of the strategy as a whole.

4.5.2   Within the **Corporate Financial and Performance Monitoring Summary** the Chief Executive will confirm:
- Progress against individual actions required to manage the existing Corporate risks
- Any new risk issues of potential corporate significance.

4.5.3   Within each **Quarterly Performance Management Report** Chief Officers will indicate:
- progress against actions to control the key departmental risks (including relevant performance indicators) and actions planned for the forthcoming quarter;
- details of any significant new risks that have been identified since the previous report

4.5.4   Within the **Performance Year End Report**, Chief Officers will advise the relevant Overview and Scrutiny Committee the end of year outcomes for their department's existing key risks, including:
- a summary of additional control measures implemented and their effect, and for those not implemented, the reasons for this;

4.5.5   Within each **Departmental Plan** Chief Officers will include:
- the key risks faced by the department in the forthcoming planning period, including their risk scores;
- the additional control actions which it intends to implement to address these;
- a statement summarising the arrangements for managing risk within the department.

4.5.6 Progress in managing the risks associated with individual projects will be reported to the relevant project board and at such frequencies determined by with the agreed project governance arrangements.

4.5.7 Committee reports which relate to a key decision in the Forward Plan will confirm the main risks and opportunities and the principal controls.

4.5.8 Within the Annual Governance Statement the Director of Finance will report to the Audit & Risk Management Committee the effectiveness of risk management arrangements and areas for improvement.
The Director of Finance will also provide an annual report to Audit & Risk Management Committee on the performance indicators for the strategy and any changes to risk management procedures and processes.

5.0 EVALUATING PROGRESS

5.1.1 The Council has a number of measures that will be used to monitor the effectiveness of managing risks

5.2.1. As regards the success of the overall risk management strategy, the following qualitative measurements will be used:

- Score for Risk Management arrangements in the 'Use of Resources' element of Corporate Performance Assessment (Annual)
- Outcome of Internal Audit report the Risk Management Framework (Annual)
- Opinion of Chief Internal Auditor in the Annual Governance Statement (Annual)

5.3.1. The Corporate Risk & Insurance Team (through the Director of Finance) will provide an annual report to Audit & Risk Management Committee reporting these indicators and summarising any changes in risk management practice.

6.0 EMBEDDING

6.1.1 The authority will seek to bring about the cultural changes necessary to improve the effective management of risk through:-

- Revising key documents, such as the Constitution and the Statement of Accounts;
- Ensuring that risk management principles are incorporated into all significant plans and strategies, such as the Corporate Plan, Medium Term Financial Plan, Capital programme/strategy and the Best Value Performance Plan;
- Implementing a corporate strategy for service continuity management;
- Creating and revising guidance on managing risk in areas such as procurement and the management of projects and partnerships;
- Including risk management as a standard agenda item for meetings of COMT, Departmental Management Teams and Project Boards;
- Including risk management focussed objectives in Key Issues Exchanges for managers;
- Ensuring that explicit information on the risks and opportunities associated with the decisions to be taken by Members are included in committee reports;
- Providing training to those who have responsibilities for managing risk.

7.0 OUTPUTS AND BENEFITS

7.1 Outputs

7.1.1 Risk management is an integral aspect of good management, which should deliver a number of valuable and tangible benefits to the Council and individual managers and assist in the delivery of services in the most effective and efficient manner. It is recognised, however, that some of the benefits will accrue incrementally and only be fully realised after the Council has achieved full implementation and analysed the impact.

7.1.2. Outputs from the risk management process will provide valuable additional information that should assist the Council in attaining effective corporate governance.

7.1.3. Outputs
- Risk Registers – These will provide consistent information on each risk, its significance and the key controls relating to it. A standard risk register template is shown at Appendix A
- Performance Measures – Analysis of qualitative and quantitative measures will enable the Council and stakeholders to understand the effectiveness of the strategy.
- Risk Reports – regular reports on the Council's risks will enable officers and members to have a fuller awareness of those risks and any changes.

7.2. Benefits

7.2.1. The anticipated benefits of the formalised Risk Management process are: -
- A better understanding of risks and exposures faced by the Council.
- Ownership by managers of risks and the systems of control.
- The ability to better understand how the Council's risk profile is changing.
- Improved integration of risk management into systems, projects and contracting and partnership arrangements.
- Efficient and effective integration of recovery and contingency plans within the Council.
- The implementation of a more comprehensive and cost effective control environment.
- Improved communication on risk issues.
- More effective corporate governance arrangements.
- The development of a risk aware culture

8.0   APPENDICES

8.1: Key Actions 2009/10

Task	Date
Reporting of the revised Risk management Strategy to Cabinet	September 2009
Refresh of key corporate risks as per the Corporate Risk Register	September 2009
Introduction of improved risk information content in Cabinet reports	Autumn 2009
Identification of key departmental risks by Departmental Management Teams	Autumn 2009
Presentation of Departmental Service Plans for 2010/11 onwards to Cabinet	February 2010
Presentation of Annual Governance Statement to Audit & Risk Management Committee	March 2010
Presentation of 2009/10 year-end reports on Performance to Cabinet	June 2010

8.2: Risk Register Template

Sectional Objective/Departmental Aim		Responsible Officer	

Risk Register

Summary							Scores						Additional Controls			
Description of Risk	Date Raised	Date Last Reviewed	Category	Risk Owner	Consequences	Existing Controls	Gross Likelihood Score	Gross Impact Score	Total Gross Score	Net Likelihood Score	Net Impact Score	Total Net Score	Description	Officer Responsible	Target Date	Status

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## 8.3: Impact and Likelihood Scores

Impact

Description	Score	Impact – Financial (Council, department or service area)	Impact - Reputation	Impact – Service Delivery	Impact – Health & Safety (Employees or public)	Impact – Service Objectives
Very Low	1	<2% of annual budget	Letter(s) of complaint.	Minor, very short term (under 24 hours) disruption to a single team or section.	Minor injuries or illnesses, but not resulting in 'lost time'	Minor effect on achievement of a sectional aim
Low	2	<5% but >2% of annual budget	Single adverse report in local media	Some short-term (under 48 hours) disruption to a single team or section, manageable by altered operational routine	Minor injuries or illnesses that require first aid and result in lost time.	Serious effect on achievement of a sectional aim
Medium	3	<10% but >5% of annual budget	Significant adverse publicity in local media	Longer term disruption (up to 7 days) to a number of operational areas within a single location and possible flow on to other locations. Or short-term disruption to a service-critical team or section.	Injuries or illnesses that result in an 'over 3 day' injury, major injury or hospitalisation	Achievement of a sectional aim seriously compromised and / or significant effect on a Departmental aim.
High	4	<15% but >10% of annual budget	Significant adverse publicity in national media. Dissatisfaction with Chief Officer &/or Member	All operational areas of a single location compromised. Other locations may be affected. Or longer-term (up to 7 days) disruption to one or more service critical teams or sections.	Single case of injury or illness that could be fatal, life threatening or cause long-term disability	Achievement of one or more departmental aims compromised and / or significant effect on achievement of Corporate objective
Very High	5	>15% of annual budget	Sustained adverse publicity in national media. Chief Officer &/or Member removal or resignation	Multiple locations compromised. Council unable to execute numerous service-critical functions.	Multiple cases that could be fatal, life threatening or cause long-term disability	Achievement of one or more Corporate objectives seriously compromised

Likelihood

Description	Score	Narrative	Quantitative (chance of occurrence within 3 years)
Very low	1	Extremely unlikely or virtually impossible	0-5%
Low	2	Unlikely, but not impossible	6-20%
Medium	3	Fairly likely to occur	21-50%
High	4	More likely to occur than not	51-80%
Very High	5	Very likely to occur	>80%

8.4: Risk Scoring Model
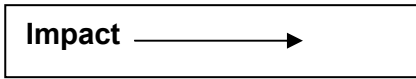
Impact ⟶

	Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Very High (5)	**5** Very low impact but very high likelihood	**10** Low impact but very high likelihood	**15** Medium impact but very high likelihood	**20** High impact and very high likelihood	**25** Very high impact and very high likelihood
High (4)	**4** Very low impact but high likelihood	**8** Low impact but high likelihood	**12** Medium impact but high likelihood	**16** High impact and high likelihood	**20** Very high impact and high likelihood
Medium (3)	**3** Very low impact and medium likelihood	**6** Low impact and medium likelihood	**9** Medium impact and medium likelihood	**12** High impact but medium likelihood	**15** Very high impact and medium likelihood
Low (2)	**2** Very low impact and low likelihood	**4** Low impact and low likelihood	**6** Medium impact and low likelihood	**8** High impact but low likelihood	**10** Very high impact but low likelihood
Very Low (1)	**1** Very low impact and very low likelihood	**2** Low impact and very low likelihood	**3** Medium impact and very low likelihood	**4** High impact but very low likelihood	**5** Very high impact but very low likelihood

Likelihood ⟶ (Page 152 of 254)

8.5: Priority and Action Table

Risk Colour	Risk Level	Descriptor	Action Required
Green	Low	Minor risks that are well controlled and/or which have a modest impact.	Additional control actions are unlikely to be needed. But the risk needs to be kept under periodic review.
Amber	Medium	Important risks that may potentially affect the achievement of departmental or corporate objectives and/or the delivery of key services	Consider additional control actions in the medium term. For risks with a high or very high impact, a contingency plan may be necessary
Red	High	Critical risks which are likely to significantly affect the achievement of departmental or corporate objectives and/or the delivery of key services.	Immediate action should be taken to address the risk

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WIRRAL COUNCIL

CABINET

24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF FINANCE

CORPORATE PROCUREMENT STRATEGY 2009 – 2012

1. **EXECUTIVE SUMMARY**

1.1. The Corporate Procurement Strategy (CPS) 2008 – 2011 was approved by Cabinet, on 4 September 2008. This report seeks to inform Cabinet of the progress the Procure to Pay (P2P) Section has made with the strategy key priorities and highlights the amendments that have been made, within the past twelve months, to address the ever changing procurement agenda.

1.2 The amended CPS has been reviewed to not only carry the procurement activity of the Council forward but also to achieve significant efficiencies and savings.

2. **BACKGROUND**

2.1. Following Cabinet approval of the first CPS on 5 October 2005, the Procurement Unit was given custodianship of the Strategy and the responsibility for its implementation. The Procurement Unit became the Procure to Pay Section (P2P) as part of a service restructure.

3. **CHANGING PROCUREMENT AGENDA**

3.1 The continuing Government emphasis on procurement, including the Comprehensive Spending Review 2007, and the emphasis on Shared Services, Collaboration and Partnerships, need to be addressed within the CPS so that the commitment of the Council to best value procurement is clearly stated.

3.2 The CPS incorporates the changing agenda so that it is clear that the Council intends to use its considerable buying power to support the delivery of efficient quality services for the people of Wirral.

4. **AMENDMENTS TO THE CORPORATE PROCUREMENT STRATEGY**

4.1. The revised Corporate Procurement Strategy is attached to this report at Appendix 1. It details the Council commitment to best practice procurement and sets out objectives to achieve implementation. It ensures that all procurement activities and processes are fully compliant with EU Directives and Council Procedure Rules.

4.2   The implementation of the CPS Key Priorities has been steady and progress is illustrated at Annex A of the document.

4.3   Members should note the following significant changes to the document since 2008:

(i)   The global economic crisis has put more financial pressures on all organisations and Cabinet, on the 19 March 2009, agreed a payments plan to pay all Small and Medium Enterprises within 10 days of receipt of an undisputed invoice. This initiative has now been included within the CPS Key Priorities.

(ii)   Included within the Key Priorities is reference to the new Corporate Guidance to officers, at all levels, engaged within the tender process. The guidance ensures that procedures follow, and provide evidence of, the appropriate separation of duties and an audit trail to demonstrate transparency and accountability whilst dealing with third party expenditure. The new guidance is shown at Appendix 2.

5.   **FINANCIAL AND STAFFING IMPLICATIONS**

5.1.   There are none arising directly from this report. The implementation of the Strategy will significantly affect the achievement of efficiency targets. This in turn will release resources for investment in front line services.

6.   **EQUAL OPPORTUNITY IMPLICATIONS**

6.1.   There are none arising directly from this report. The Strategy does make reference to the need to work more closely with Small and Medium Enterprises (SME) and social enterprises which will provide equality of opportunity for these providers.

7.   **COMMUNITY SAFETY IMPLICATIONS**

7.1.   There are none arising directly from this report.

8.   **HUMAN RIGHTS IMPLICATIONS**

8.1.   There are none arising directly from this report.

9.   **LOCAL AGENDA 21 IMPLICATIONS**

9.1.   The Strategy makes clear reference to the need to ensure Agenda 21 issues are considered in making procurement decisions.

10.   **PLANNING IMPLICATIONS**

10.1.   There are none arising directly from this report.

11. **MEMBER SUPPORT IMPLICATIONS**

11.1. There are none arising directly from this report.

12. **BACKGROUND PAPERS**

12.1. Corporate Procurement Strategy - 2008 - 2011 - September 2008.

13. **RECOMMENDATION**

13.1. That Cabinet approve the Corporate Procurement Strategy 2009 - 2012.

IAN COLEMAN
DIRECTOR OF FINANCE.

FNCE/216/09

WIRRAL COUNCIL

CORPORATE PROCUREMENT STRATEGY

2009 – 2012

(Revised September 2009)

CONTENTS

1. **INTRODUCTION**

1.1   The Council's vision as defined within the Corporate Plan is '**of a more prosperous and equal Wirral, enabling all communities and people to thrive and achieve their full potential'**

To achieve this vision the Council has set out five objectives, they are:

- ❖ **To create more jobs, achieve a prosperous economy and regenerate Wirral.**

- ❖ **To create a clean, pleasant, safe and sustainable environment.**

- ❖ **To improve health and well being for all, ensuring people who require support are full participants in mainstream society.**

- ❖ **To raise the aspirations of young people.**

- ❖ **To create an excellent Council.**

1.2   The Council's Corporate Plan states:

'**Implement our procurement strategy to ensure that services and goods are acquired economically and efficiently, and if advantageous, in partnership with others'**

1.3   This strategy represents the Council's procurement aims and objectives for the next three years. During this time there will be a major review of procurement architecture across the region, which will be the first stage in a process of realignment and modernisation. This strategy will develop as the modernisation of procurement takes place and it will incorporate changes in procurement methods and techniques designed to meet the varying requirements of the Council in achieving its vision for the people of Wirral.

2. **WHAT IS PROCUREMENT?**

2.1   Procurement is the process of managing the provision of supplies, services and works spanning the life cycle of the asset or service contract. 'Life cycle' is defined as being from the initial definition of the business need through to the end of the useful life of the asset or service contract.

2.2   The term 'procurement' covers broader issues than that of purchasing, buying or commissioning. It includes securing services and products that best meet the needs of users and the local community. This strategy provides a common framework within which Council procurement is managed.

2.3   The process involves options appraisal and the critical "make or buy" decision which will determine whether the Council provides the services 'in house' or from an external provider or through a joint public/private partnership arrangement.

2.4 In a financial year the Council will procure goods, works and services in excess of £170m.

2.5 In the context of a procurement process, obtaining "Best Value" means choosing the provider that offers "the optimum combination of whole life costs and benefits to meet the Council's requirements". Best Value is not necessarily the lowest initial price option as it requires an assessment of the ongoing revenue/resource costs as well as initial capital 'investment'. The driving force has in the past been focused on economy. Whilst this remains an essential ingredient, it is also important that procurement decisions are taken in the light of the broader objectives which the Council is seeking to achieve ie a focus on "outcomes".

2.6 **Procurement is important because** failure to purchase goods, services and works cost effectively can put the achievement of key objectives and services at risk.

Value for money in procurement can be achieved by:

(i) Reducing the cost of purchasing and the time it takes – the processing overhead.

(ii) Getting better value for money for the goods and services purchased and improved quality of services;

(iii) Improving project, contract and asset management.

This strategy provides a common framework within which all procurements by the Council are to be managed.

3. PROCUREMENT OBJECTIVES

3.1 Our procurement objectives are designed to ensure that procurement supports and contributes to the realisation of the Council's aims and key objectives, we will do this by:

(i) Ensuring that all procurement practices are legal, ethical, and **transparent** and conform to local, national and European regulations, and adhere to the principles of **openness** and **accountability**.

(ii) Delivering significantly better quality public services that meet the needs of all local citizens through **sustainable partnerships** that we forge with a range of public, private, social enterprise and voluntary sector organisations at local, sub regional, regional, national and European levels.

Contributing to the Council's **savings targets** by continually challenging our procurement arrangements and seeking opportunities to reduce prices, improve quality, **maximize efficiency** and achieve greater outcomes for the residents Wirral in support of the Council's three year Efficiency Plan.

(iv) Operating a **mixed economy of service provision** with ready access to a diverse, competitive range of suppliers providing quality services, including small firms, social enterprises, minority businesses and voluntary and community sector groups, and wherever possible encourage local sourcing and local employment.

(v) Realising **social, environmental and community benefits** through our procurement activities, by developing socially responsible specifications, building social, environmental and community benefits into the evaluation process where appropriate and legal to do so, and working with suppliers and contractors post contract award to explore opportunities for bringing such benefits to the local community, including the introduction of the Construction Employment Integrator.

(vi) Demonstrating improvement in the **equality of opportunity** and the promotion of good relationships between people within a diverse community in all procurement activity.

(vii) Achieving an **efficient and effective procure to pay process**, which minimises manual input, provides robust information on which procurement decisions can be made, and harnesses the latest e-procurement solutions to maximise benefit to the Council.

(viii) Ensuring that all potential **risks** are identified within procurement processes and appropriately **managed**.

(ix) Ensuring that all procurement **considers the environment** and, where appropriate, includes evaluation models that take into account the Council's sustainable objectives.

(x) Achieving continuous improvement from all categories of procurement expenditure, by having a 'living' Procurement Strategy and ensuring that all procurement activity is undertaken by **informed, professional procurement staff**.

4. THE IMPORTANCE OF PROCUREMENT IN ACHIEVING THE COUNCIL'S CORPORATE OBJECTIVES

4.1 Procurement must be seen in the context of the Council's overall objectives to achieve Best Value. It is inevitable that for a public body, effective procurement must be measured as much by the social outcomes and community benefits that result as by the financial gains. Balancing these dimensions is at the heart of effective best value procurement.

4.2 In line with the National Procurement Strategy for Local Government this local

strategy outlines how we will achieve our objectives by operating a mixed economy of service provision. This will include small local businesses, minority firms and the voluntary and community sector groups and use innovative ways to procure, work in partnership with others and manage services that will:

(i)   Better achieve the Council's objectives.

(ii)   Deliver consistently high quality services that meet users' needs.

(iii)   Provide savings, better value for money and continuous improvement thereby improving the cost effectiveness of the Council, in support of the Governments Comprehensive Spending Review 07 and the Council's three year Efficiency Plan.

(iv)   Build social cohesion and promote equality of opportunity for service users, businesses and Council staff.

(v)   Be sustainable for the communities and areas serviced and benefit local citizens.

(vi)   Support delivery of the Council's e-Government agenda.

(vii)   Enable the Council to manage and assess risks in the market place.

4.3   The relationship between the Council's Corporate Objectives and the Procurement Objectives is illustrated below:

Corporate Objectives   **Procurement Objectives**

To create more jobs, achieve a prosperous economy and regenerate Wirral

Partnerships at all levels

Mixed economy of service provision

Social, Environmental and Community Benefits

To create a clean, pleasant, safe and sustainable environment

Environmental considerations

Managing Risk

Social, Environmental and Community Benefits

To improve health and well being for all, ensuring people who require support are full participants in mainstream society

Mixed economy of service provision

Equality of Opportunity

To raise the aspirations of young people

Mixed economy of service provision

Social, Environmental and Community Benefits

To create an excellent Council

Transparent, open and accountable processes

Achieving efficiencies

Equality of Opportunity

Informed, professional procurement

The key priorities to underpin the delivery of the procurement objectives are shown at Annex A. In addition as the strategy is being reviewed, progress towards achieving these priorities is also shown in Annex A.

5. ORGANISATION OF THE PROCUREMENT FUNCTION

5.1 The Cabinet member who holds the Corporate Services Portfolio acts as procurement champion. All strategic decisions relating to major procurement exercises involves elected members

5.2 The Director of Finance has overall responsibility for the development and delivery of the Corporate Procurement Strategy, together with providing advice, as required, on departmental procurement proposals and projects.

5.3 The Procure to Pay Section within the Finance Department aims to:

    (i)   act as a central source of procurement expertise,
    (ii)   determine procurement procedures,
    (iii)   aggregate the Council's demand for goods, works and services to improve quality, efficiencies and savings, and
    (iv)   be custodians of this Strategy.

5.4 The Corporate Improvement Group chaired by the Deputy Chief Executive/ Director of Corporate Services and whose membership comprises second tier officers, approve all procurement initiatives and projects and ensure they are regularly communicated to departmental management teams and senior managers.

5.5 Chief Officers monitor the performance of contracts through the setting of targets/key performance indicators and where necessary, report on performance via the appropriate select committee and/or Cabinet.

5.6 In the award of contracts, risk management, health and safety, sustainability, equality, financial, legal, policy, personnel, anti-poverty, human rights, asset management and other relevant implications will be considered.

6. KEY ELEMENTS OF PROCUREMENT

6.1. Options Appraisal

6.1.1 The Council will:

    (i)   Have no presumption on the best mode of service delivery whether through in-house services externalised services or partnership arrangements. The Council will undertake robust options appraisals and evaluate the optimum service delivery route that is most likely to deliver best value. Annex B of this document provides a framework for considering the various procurement options and further guidance is provided on the Procurement Services web page and from Corporate Procurement.

(ii) Where an unsatisfactory level of performance is identified either by external or in-house provision and service delivery improvement plans have failed to achieve the required service level, alternative options will be considered for delivering the service having regard to current performance and the level of interest/availability within the supply market.

(iii) Where competition is the chosen option and it is found that there is no viable supply market for a service the Council will explore ways of encouraging new providers, such as working with other best value authorities, with social/voluntary sector organisations or repackaging services.

(iv) All services regardless of the provider will be continually monitored to ensure that the manner in which the service is provided remains the most appropriate to deliver Best Value.

6.1.2 The Council's policy is that:

(i) Contract award will be based on best value, which is the solution that provides the optimum combination of whole life costs and benefits to meet the Council's requirements.

(ii) Partnership arrangements will be encouraged where they are likely to ensure the delivery of the best and continuously improving services.

(iii) Existing partnerships and/or contracts will be continuously reviewed to ensure that they deliver best value.

6.2. Trading Powers

6.2.1 The Council will consider as part of the Option Appraisal process the use of trading powers under the Local Government Act 2003 and where appropriate to improve service delivery, consider the use of other authorities to deliver services for the Council or with the Council.

6.3. Monitoring Arrangements

6.3.1 The Council will put arrangements in place to ensure that all contracts are properly managed and monitored with the objective of achieving the planned outcomes and the securing of continuous improvement and best value for service users.

6.4. Regulation of Procurement

6.4.1 The Council will ensure that the procurement process takes full account of and complies with the requirements of:

(i) Relevant EU and UK Law (including the EU Procurement Directives).

(ii) Council's Policies.

(iii)   Council's Contracts Procedure Rules.

(iv)   Council's Financial Regulations

(v)   Council's Constitution

(vi)   Council's Procurement Guide (being developed).

(vii)   Council's Forward Plan Process.

6.4.2   The Corporate Procurement Strategy, Contracts Procedure Rules, Financial Regulations, Procurement Manual and other relevant documents will be reviewed on an annual basis to promote efficient and effective procurement.

6.5.   Works Contracts

6.5.1   Works contracts will be procured where appropriate in line with the Government's "Rethinking Construction" principles and will follow the recommendations contained in the Latham/Egan Reports and the report 'Accelerating Change' by the Strategic Forum for construction.

6.5.2   The principles of Rethinking Construction will also be applied, where appropriate to service contracts required for other areas of the Council.

6.6.   Project Management and Gateway Procedures

6.6.1   The Council will expand the scope of Prince 2 and include the principles of Gateway Procedures where appropriate for high cost and/or high risk procurement projects.

6.7.   e-Procurement

6.7.1   The Council will:

(i)   Harness the potential of e-Procurement (encompassing the entire procure to pay process) to improve the efficiency and effectiveness of all aspects of procurement for the benefit of the Council, its suppliers and contractors.

(ii)   Where appropriate, co-operate regionally with other Councils.

(iii)   Work to promote the advantages of e-Procurement to SMEs and local suppliers.

6.8.   Workforce Matters

6.8.1   The Council will:

(i)   Ensure that workforce matters in contracting are handled in accordance with ODPM Circular 03/2003 Annex C (Handling Workforce Matters in Contracting) and Annex D (Code of Practice -

Workforce Matters in Local Authority Service Contracts).

(ii)   Involve staff and their representatives when reviewing modes of service provision.

6.9.   Partnership Approach

6.9.1 The Council will:

(i)   Seek to work through and explore the potential for shared services and collaboration and, partnership/consortia arrangements with the public, private and voluntary sectors to encourage participation in shaping services, sharing expertise, harnessing economies of scale and working together to achieve mutual goals.

(ii)   Where appropriate, consider procurement based upon the principle of "partnering" in which both the Council and the supplier avoid dispute to gain maximum mutual advantage and continuous improvement.

(iii)   Consult with key stakeholders, including as appropriate, the community, current/potential users, council tax payers, partners, businesses, staff and trade unions and take account of their views in the decision-making process.

(iv)   Where appropriate, consult with the market to ensure that opportunities that exist to secure funding, increase capacity and encourage innovation are maximised.

(v)   Seek to engage with suppliers to encourage the development of the marketplace.

(vi)   Where appropriate, seek to create the conditions which allow for new suppliers to develop or existing suppliers to become more competitive and effective.

(vii)   Manage the procurement process in a fair and equitable way allowing sufficient flexibility to encourage providers to be innovative and creative.

(viii) Involve employees in the search for improvement best value solutions.

(ix)   Where appropriate make contracts available to others.

6.10. Environmental/Sustainability considerations

6.10.1 The Council will promote sustainable development through its procurement processes. In particular we will seek to:

(i)   Eliminate waste and maximise resource efficiency.

(ii)   Make use of goods and services which are least harmful to the environment and human development.

(iii)   Adopt and promote best practice.

6.10.2 Through the implementation and development of our procurement policy for sustainable development we will:

(i)   Consider costs over the life-cycle of contracts or products rather than just the initial price thereby taking account of issues such as durability, economy and disposal in our assessment of value for money.

(ii)   Include environmental considerations in the assessment and award of contracts.

(iii)   Review specifications for contracts, with the intention of reducing environmental impacts.

(iv)   Work with suppliers and contractors to encourage the development and testing of environmentally preferable product and service options.

(v)   Encourage suppliers and contractors to improve their environmental performance

6.10.3 With respect to the procurement of products we will:

(i)   Buy 'Fair Trade' goods that meet our needs.

(ii)   Buy recycled goods that meet our needs.

(iii)   Ban the use of specified environmentally damaging products through the maintenance of a 'prohibited product list'.

6.10.4 We recognise that understanding of both sustainable development and public procurement best practice is constantly changing. Accordingly we will work to raise and maintain awareness about environment and development issues in relation to procurement through training, visits, conferences, workshops, exhibitions, product fairs and product trials.

6.11. Equal Opportunities and Valuing Diversity

6.11.1 The Council has made a corporate commitment to the following equality objectives within its Equality and Diversity Policy:

(i)   To eliminate unlawful discrimination.

(ii)   To promote Equality of Opportunity.

(iii)   To promote good relations between people in a diverse community.

6.11.2 The Policy's principle aim is to make sure that public money is not spent on practices that lead to unlawful discrimination, but is used instead to support and encourage equal opportunities and good community relations.

6.11.3 The Council spends public money every year on contracts with private and voluntary organisations for works, goods and services. It is essential that we ensure this investment is consistent with our wider equality obligations.

6.11.4 To this end the Council will use all the powers available to it, including the provisions of the Local Government Act 1988, the Transfer of Undertakings - Protection of Employment Regulations (TUPE) 1981, the Race Relations Act 1976 (Amended 2000), the Disability Discrimination Act 1995, the Sex Discrimination Act 1975 and the Code of Practice on Workforce Matters in Local Council Service Contracts to ensure that equalities issues are addressed in the procurement of goods, works and services. The Council will target three principle areas:

    (i)   Employment - the employment policies, procedures and practice of organisations that hold contracts.

    (ii)   Service Delivery - ensuring the development of the provision of services that are equally accessible and ensure consultation with users where appropriate.

    (iii)   Monitoring the impact of contracting from an equalities perspective.

6.12. Risk Management

6.12.1 The Council will continue to develop its Risk Management arrangements to ensure that the consideration of risk is an integral part of the procurement process. Potential risks associated with procurement activities will be subject to a process of identification, evaluation, control and monitoring, utilising existing mechanisms whenever practicable. Risk sharing and/or transfer will also be considered as options.

6.12.2 Each major project will be overseen by the Project Manager who will ensure:

    (i)   The nature and extent of potential risk are identified and recorded on the project Risk Register.

    (ii)   The impact (severity) and likelihood (probability) of the risks materialising have been considered.

    (iii)   Treatment/control measures are in place to minimise or eliminate those risks, including actions for improvement.

    (iv)   Allocate responsibility for risk treatment/control measures.

    (v)   Arrangements are established to monitor Risk Management performance through the life of the procurement project.

6.13. Procurement Expertise and Operational Procedures

6.13.1 The Council will:

(i)   Develop new skills and capacities to better understand and explore supply markets and to make use of innovative procurement processes.

(ii)   Determine a range of competencies for procurement which will form the basis for procurement training as a constituent part of member and staff development.

(iii)   Ensure that all officers responsible for procurement and contract management are fully trained and conversant with the principles of good procurement.

(iv)   Recognise that procurement expertise has an essential role in the development of innovative approaches to service delivery as part of best value and other reviews.

(v)   Develop the corporate procurement function to act as centre of expertise in procurement and support a structured approach to education, training and development for all Members and Officers across the Council with procurement responsibilities.

(vi)   Underpin the strategy with operational procedures and guidance documents that reflect good practice, are clear, provide sufficient flexibility to ensure best value, provide adequate control and are communicated to all those involved in procurement.

6.14. Procurement Forward Plan and Contracts Register

6.14.1 The Council will set out its likely demand, in broad categories, for goods, works and services from outside suppliers in the medium term. This information will be made available in the form of the Contracts Register on the Business web page in order to encourage maximum market input to the procurement process.

6.15. Schools and Procurement

6.15.1 There is a clear expectation that the Council should have effective strategies in place to enable, support and encourage schools to become informed, effective purchasers of services. School governors have a duty to ensure they are purchasing goods and services in line with Best Value principles.

6.15.2 The Council will ensure that the procurement skills of schools are developed and supported, promoting their capacity to choose, buy and evaluate services independently and effectively, within the context of Best Value.

6.16. Openness, Fairness and Transparency

6.16.1 The Council will:

(i)   Be 'Open' in the gathering of market intelligence and the sharing of it to the mutual benefit of suppliers/contractors and the Council.

(ii)   Be 'Fair' giving equal treatment to all, and have a consistency of approach in respect of ethical standards and absolute "even handedness" in dealings with trading partners and potential suppliers/contractors.

(iii)   Be 'Transparent', having the ability to prove the above.

(v)   Manage the procurement process in a fair and equitable way whilst allowing sufficient flexibility to encourage suppliers/contractors to be innovative and creative.

6.17 Performance Management

6.17.1 We will promote the development and use of performance measures. We will improve the accuracy, availability, appropriateness and accessibility of procurement related management information to enable procurement performance indicators to be used for regional and sub-regional benchmarking.

6.17.2 Benchmarking and best practice will be further developed and, where appropriate, private organisations encouraged to participate. Performance information will be used to improve and measure procurement outcomes and reported on accordingly.

7.   MONITORING IMPLEMENTATION OF THIS STRATEGY

7.1   This strategy will be subject to the following regime of monitoring and review.

(i)   Monthly

The Head of Procurement will submit a monthly progress report to the Director of Finance. Relevant PI's will be reported on monthly as part of the Council's normal PI monitoring procedure and progress against the strategies 'Procurement Key Priorities'.

(ii)   Quarterly

Regular reporting (quarterly) of progress to the Corporate Improvement Group.

(iii)   Six Monthly

The Head of Procurement will submit a report to Committee every six months detailing the number and type of contracts which have been let and progress against the key priorities.

(**iv**)   **Annually**

The Head of Procurement will submit an annual procurement report on progress against the strategy and other developments in procurement. Audits on aspects of procurement activity will be carried out on a regular basis and reported to the Chief Executive and Select Committee as appropriate.

(**v**)   **Post contract monitoring and maintenance**

The signing of a contract is not, as is commonly assumed, the end of the procurement process. It is merely the end of the beginning. Good contract monitoring is essential if the Council is to achieve the best possible service from its private sector partners. There has been a move away from old-style confrontational contracts with detailed input specifications towards a more flexible partnership arrangement. The use of output specifications is designed to put the onus on the contractor to take responsibility for the end product, and Best Value clauses in contracts mean that the contractor is responsible for a continuous improvement in service.

8.   COMPLEMENTARY DOCUMENTS

8.1   Annex C lists all those documents that are complimentary to and underpin this strategy.

Procurement Key Priorities & Progress

(i)	Ensuring that all procurement practices are legal, ethical, and **transparent** and conform to local, national and European regulations, and adhere to the principles of **openness** and **accountability**		
Challenges 2009 - 2012			**Progress to Date**
1	Contract Procedure Rules	We will undertake an annual review of Contract Procedure Rules and recommend any necessary changes.	Review in progress, complete by 30/11/2009.
2	Departmental Procurement Guidance	We will work with departments to assist them in the development of departmental specific guidance on procurement processes, in compliance with contract procedure rules.	Transparency and Accountability Procedural Guidance completed, available on Procurement Services Web site.
3	Member Awareness	We will continue to seek to improve Member awareness of procurement issues through presentations, reports, workshops and training sessions as appropriate.	Programme of training and awareness raising workshops to be completed by February 2010, implementation to commence April 2010.
4	Contract Monitoring	We will improve our contract monitoring activities and ensure that a formal monitoring strategy is in place for all major contracts.	In progress and ongoing.
5	Contracts Database	We will ensure that the Contracts Database is used across the Authority to provide visibility of the Council's contractual commitments, assist in the development of a procurement forward plan and identify opportunities for rationalisation and collaboration.	Completed and ongoing. The introduction of the e-Contracts management will improve visibility, implementation December 2009.
6	Compliant Procedures	We will ensure that all Members and Officers involved within the procurement process are fully	Programme of training and workshop awareness raising

		conversant with all aspects of procurement legislation and practice.	to be completed by February 2010, implementation to commence April 2010.

(ii)	*Delivering significantly better quality public services that meet the needs of all local citizens through **sustainable partnerships** that we forge with a range of public, private, social enterprise and voluntary sector organisations at local, sub regional, regional, national and European levels.*		
Challenges 2009 - 2012			**Progress to Date**
1	Review of contracts	We will carry out a review of all contracts (within the Corporate Contracts Register) and identify those contracts than may benefit from a partnership approach.	High value/ risk contracts have been reviewed as part of the project management process, all others to be part of ongoing review process.
2	Options procedures	We will ensure options for service delivery form part of the challenge process during service reviews and examine opportunities and potential benefits for partnership working.	Options appraisal is incorporated into all procurement projects.
3	Guidance on Partnering	We will develop guidance for procurement staff on partnership contracts.	In progress March 2010 to be completed.
4	Support for Collaboration	We will support the Merseyside Authorities Procurement Group in its development of a three year Strategy and further collaborative procurement projects across the Merseyside sub-region.	Three year strategy completed and approved by the Group July2009. Implementation commenced August 2009. Ongoing support by Wirral.
5	Supporting the North West Improvement and Efficiency Partnership (NWIEP)	We will fully support the north west procurement hub in progressing regional procurement collaborative initiatives.	Support on going through the Merseyside Procurement Group.
6	Shared Services	We will assess opportunities for shared services	Ongoing through sub-regional

		by working with the NWIEP and other Public bodies to identify opportunities for such initiatives.	and Regional activity.

(iii)	*Contributing to the Council's **savings targets** by continually challenging our procurement arrangements and seeking opportunities to reduce prices, improve quality, **maximize efficiency** and achieve greater outcomes for the residents Wirral in support of the Council's three year Efficiency Plan.*		
Challenges 2009 - 2012			**Progress to Date**
1	Savings Database	We will continue to develop the savings database to ensure it provides information to facilitate the Annual Efficiency Statement reporting process, and provides more detailed information on how savings have been identified and calculated.	Database completed. Reviewing new Merseyside sub-regional savings calculation model – complete September 2009.
2	Major Contracts	We will review all options for the procurement of high value / high risk contracts and work with service departments to ensure Best Value is achieved.	In progress, ongoing.
3	Involvement of the Corporate Procurement Team	The Corporate Procurement Team is integrated into all Value for Money reviews and fundamental service reviews either directly or on a consultancy basis.	Ongoing.
4	Social care	We will support the establishment of a procurement strategy and framework for savings and efficiency within both Adult Social Services and the CYPD.	Target completion date March 2010.
5	Postal Services	We will seek to take advantage of the deregulation of postal services to achieve cashable savings for the Council. We will work jointly with other authorities in order to exploit the benefits of collaboration.	Merseyside collaborative contract agreed by Cabinet, implementation programme agreed.

| 6 | Energy | We will constantly review the models available for procuring energy in a time of unprecedented price volatility. In particular, we will explore the advantages and disadvantages of using the OGC Buying Solutions Flexible Energy Contract. | OGC contracts in use, new pan Merseyside Energy Group to commence in September 2009 – Wirral taking the lead. |

(iv)	Operating a **mixed economy of service provision** with ready access to a diverse, competitive range of suppliers providing quality services, including small firms, social enterprises, minority businesses and voluntary and community sector groups, and wherever possible encourage local sourcing and local employment.		
Challenges 2009 - 2012			**Progress to Date**
1	Prime Contractor Involvement	We will identify ways to assist local businesses to gain indirect opportunities through our prime contractors i.e. encourage prime contractors to advertise Council related opportunities through Wirral's Business Website.	Strategy in progress, target date for completion September 2009.
2	Training, Meet the Buyer events and Business Fairs	We will undertake training sessions to assist SMEs in accessing Council opportunities. We will attend and help organise events that will publise 'How to do Business with The Council' and in particular encourage local SME's to bid for Council contracts.	Pan Merseyside 'How to do Business Guide' near completion. Complete October 2009. Three fairs attended, and advice given to SME community, this year. One more 'Meet the Buyer' event planned within this financial year.
3	Review of contracts	We will carry out regular reviews of all contracts (within the Corporate Contracts Register) and identify those contracts that could be provided by social enterprises, minority businesses and	Ongoing.

		voluntary and community sector (VCS) groups.	
4	Beacon Council liaison	We will meet with Beacon Councils to determine how they have successfully engaged with the VCS and assess how to implement their approach within Wirral.	Part of the Merseyside sub-regional strategy work already in progress with 'Change Up' Merseyside Tendering and Procurement Support Project (TaPS) - supporting the voluntary sector in tendering for public contracts.
5	Payments to Suppliers / Contractors / the 3rd Sector	We will endeavour to pay all Suppliers, Contractors and the 3rd Sector within agreed payment terms or 30 days from the receipt of an undisputed invoice.	Cabinet approved (19/03/09) Payments Plan in progress to pay all SME's within 10 days. 80% Target set to be achieved September 2009.

(v)	*Realising **social, environmental and community benefits** through our procurement activities, by developing socially responsible specifications, building social, environmental and community benefits into the evaluation process where appropriate and legal to do so, and working with suppliers and contractors post contract award to explore opportunities for bringing such benefits to the local community, including the introduction of the Construction Employment Integrator.*	
Challenges 2009 - 2012		**Progress to Date**
1	Community Benefits	We will explore ways in which to promote the inclusion of social and community benefits into the procurement process. We will consider requesting optional, priced proposals for the delivery of community benefits in the tender process *where appropriate*. We will also establish a model for identifying the 'voluntary' delivery of community benefits within the contracting process.	Guidance and model to be drafted and Cabinet Report targeted for October 2009.
2	Construction Employment Integrator	We will include, in all major construction contracts	Pilot project due to

1		the Construction Employment Integrator to give young people to progress into career opportunities. We will explore the possibility of extending this scheme into other areas of Council contract activity.	commence with three construction contracts in September 2009.

(vi)	Demonstrating improvement in the **equality of opportunity** and the promotion of good relationships between people within a diverse community in all procurement activity.		
Challenges 2009 - 2012			**Progress to Date**
1	Equality Standard for Local Government	We will contribute to the Council's work towards achieving Levels 3/4/5 of the Equality Standard for Local Government.	In progress.
2	*'A Framework for a Fairer Future'*	The governments new Equality Bill is due in 2009, we will ensure that all Council procurement activity takes account of the new duty and is embedded into our procurement culture.	Clause 149 of the Bill has particular relevance to procurement, and procedures are being reviewed accordingly, the Bill will be published in Autumn 2009.
3	Monitoring of Equality in Procurement	We will produce and implement a new monitoring policy for Equalities in Procurement and regularly report on compliance to the Council's Equalities Corporate Improvement Group by January 2009.	Monitoring process agreed by Cabinet, Officer training to commence September 2009.

(vii)	Achieving an **efficient and effective procure to pay process**, which minimises manual input, provides robust information on which procurement decisions can be made, and harnesses the latest e-procurement solutions to maximise benefit to the Council.		
Challenges 2009 - 2012			**Progress to Date**
1	Electronic Procurement Systems	We will ensure through market research, professional contacts and network exchange that all new processes will be assessed and, where	Ongoing.

		appropriate, recommended for adoption, to support Wirral procurement in achieving maximum efficiency.	
2	e Payments	We will explore all options for streamlining payments processes including electronic invoices, self billing and procurement cards and, recommend a plan for implementation by December 2008.	Self Billing extended to all utilities. Scanning process being progressed through corporate group. Other options being investigated.
3	e Sourcing	Managing the procurement process is a costly and labour intensive process, reducing manual input can release resources and make savings, we are committed to researching the market an e Sourcing solution and making recommendations by September 2008.	Due North contracts and sourcing management solution to be adopted, implementation by end of December 2009. This option has been adopted by all of the Merseyside Procurement Group.
4	Regional/Sub-regional Development	Developing a Merseyside Procurement electronic hub is essential if collaboration is to succeed on Merseyside; Wirral is committed to supporting this initiative and is leading the Group to deliver a strategy by November 2008.	Three year strategy completed and approved by the Group July2009. Implementation commenced August 2009. Wirral leading.

(viii)	*Ensuring that all potential **risks** are identified within procurement processes and appropriately managed.*	
Challenges 2009 - 2012		**Progress to Date**
1	Risk Management	Generic procurement risks are dealt with as part of the Council's risk register. However, for all major procurement projects, the identification and management of specific risk will be part of the	Ongoing.

		procurement process.	
2	Training	We will produce a series of ongoing training days for Members and Officers who are directly involved in high risk procurement projects.	Training Programme by February 2010.
3	Supplier Relationship Management	The award of a contract after a successful tender exercise is not the end of the procurement process; it is only the end of the beginning. We will have procedures and processes in place that will mange our goods and service providers to ensure that maxim benefits are realised from contracts and that best value is being achieved.	In progress, targeted implementation April 2010.

(ix)	*Ensuring that all procurement **considers the environment** and, where appropriate, includes evaluation models that take into account the Council's sustainable objectives.*		
Challenges 2009 - 2012			**Progress to Date**
1	Environmental Assessment	We will carry out an environmental assessment of all our key products and services and work with suppliers and contractors to reduce the negative environmental impact of our procurement activities.	Ongoing.
2	Fairtrade	We will increase the number of fair trade products purchased.	Ongoing.
3	Recycling	We will increase the number of recycled products purchased.	Ongoing.
4	Evaluation Models	We will make environmental considerations a key part of the tender evaluation process where this is appropriate.	Completed.
5	Local Sourcing/Regulated deliveries	We will, where appropriate and within the a competitive process, encourage both the use of	Stationery supplies now have reduced deliveries, other

		local suppliers to reduce the environmental impact of movement of goods and a logistical approach to minimise the number of supplier deliveries to Council premises.	options being developed. Guidance and model to be drafted and Cabinet Report targeted for October 2009.
(x)	*Achieving continuous improvement from all categories of procurement expenditure, by having a 'living' Procurement Strategy and ensuring that all procurement activity is undertaken by informed, professional procurement staff.*		
Challenges 2009 - 2012			**Progress to Date**
1	Professional Procurement	All procurement staff will have the appropriate, professional qualification, Membership of the Chartered Institute of Purchasing and Supply, and we are committed to the provision of professional training to provide professionally qualified staff for the future.	All procurement Staff have a training programme to follow which includes gaining professional qualifications and post graduate training.
2	Procurement Practitioners	We are committed to producing annual training plans for all Members and Officers involved in the procurement process. This will be reviewed at the beginning of each financial year and submitted to the Corporate Improvement Group for approval.	Training Programme by February 2010.
3	Sub- regional/Regional Training	We will support the adoption of a sub-regional/Regional training programme to be produced annually commencing in November 2008.	Completed July 2009. Commencing September 2009.

ANNEX B

OPTIONS FOR SERVICE DELIVERY

1.   PURPOSE

1.1.   The purpose of this Annex to the Procurement Strategy is to contribute to the achievement of Best Value in the provision of local services by setting out the approach to be taken in considering the options for service delivery.

2.   OPTIONS

2.1.   All service delivery options and available partners will be considered.

2.2.   The main options for the future provision of services are (but not necessarily restricted to):

- Tendering (including partnering) of all or part of the service with or without an "in house" bid.
- Retention of existing service provision by renegotiating with the current service provider.
- Joint commissioning for delivery of the service, e.g. with another Local Authority.
- Joint ventures.
- Creation of a public-private partnership for all or part of the service.
- Voluntary transfer of the service to another provider.
- Cessation of the service in whole or in part.
- A solution that involves a combination of the above options.

The choice of options and available partners will depend upon the outcome of the review process which will explore the full range of practical alternative provision.

Efficiency and Integrity	We will ensure the best use of human, financial and physical resources, through effective corporate management.
Excellence of Service	We will continue to provide value for money whilst achieving higher standards of quality and accessibility within services that offer real consumer choice.
Ownership and Inclusivity	We will promote the Community Vision to all partners and their staff and encourage them to support and own it.
Openness and Inclusivity	We will ensure that stakeholders, potential and existing, can have confidence in the decision-making and management processes of the Partnership by being open, inclusive and providing access to full, accurate and clear information.
Value for Money	Provide better value for money in the delivery of

	the Community Plan objectives by exploring innovative and cost effective ways to procure goods, works and service through a strategic, needs led, continuously improving mixed economy of service provision and working in partnership with others.

Factors to be taken into account

3.1. The main factors that will be taken into account are:

- The impact and importance of the service in delivering the Council's vision and considerations of core services.
- Views of current service users and potential users, Council Tax payers, partners and businesses.
- Capital Needs – potential for funding of capital investment by the private sector.
- Evidence of efficiency and effectiveness of the current provider in comparison with other providers and the potential for improvement.
- The degree of competition in the market place and the availability of quality and reputable service providers.
- The use of Trading Powers by the Council in collaboration with other Councils.
- The potential for working with the future provider to deliver innovative approaches and continuous improvement.
- The balance of potential costs and benefits in any change including the impact on the local economy and employment.
- 'Whole life' costs and overall consideration of quality and price.
- Evidence of economies or diseconomies of scale.
- The ease of specifying the service and managing it.
- Consideration of the potential risks associated with each option.
- Supply of specialist skills and resources.
- Considerations of equality.
- Considerations of sustainability and long-term impact in financial and environmental terms.

4. **Framework for dealing with Procurement**

4.1. The Procurement process will consist of the following key stages described as the Procurement Cycle:-

- **Identify the need** which may come from Performance Improvement Reviews, Policy Reviews, Inspection Reports, Consultation Outcomes and includes the development of the programme or project brief.
- **Develop the Business Case** in which all options are identified and appraised together with affordability, achievability and value for money established.
- **Define the procurement approach** in which the Procurement Strategy is developed including timescales, resources, procurement regulations, market research/market development and specification issues.

- **Appraisal of supplier/provider** which includes the process of advertising and identifying a shortlist of suppliers.
- **Tender evaluation** with selection based on best value criteria including consideration of whole life implications.
- **Awarding and implementing the contract** which includes seeking members' approval, preparing for service delivery, performance monitoring and reporting procedures, TUPE implications (if any).
- **Managing the contract** to ensure service delivery and achievement of expected benefits, continuous improvement and completion of post implementation reviews.
- **Evaluating the benefits** prior to retender or extension of contract (if allowed) together with reviewing and updating the business case.

ANNEX C

COMPLEMENTARY DOCUMENTS

1. Contracts Procedure Rules

2. Financial Regulations

3. E.U. Procurement Directives

4. Corporate Policy for Sustainable Development

5. Green Purchasing 'Buy Laws' Guide

6. Purchasing Policy for Sustainable Development

7. Wirral Community Strategy

8. Wirral Three Year Efficiency Plan

9. Towards a National Strategy for Local Government Procurement (ODPM July 2002)

10. Wirral's Corporate Plan 2008-2011

11. ODPM Circular 03/2003

12. Code of Conduct for Employees

13. Equality and Diversity Policy

14. Risk Management Policy Document

15. Procurement Guide (being developed)

16. National Procurement Strategy for local government (October 2003)

17. The Government's Comprehensive Spending Review

CONTRACTS TRANSPARANCY AND ACCOUNTABILITY - PROCEDURAL GUIDANCE

It is mandatory to precisely comply with the Contract Procedure Rules when letting a contract. This guideline explains more detailed procedure that should be followed in some aspects of contract letting.

The aim of the procedure described is to provide adequate evidence that appropriate separation of duties and audit trail have been implemented so that transparency and accountability can be demonstrated at all stages of the contract process.

1. Contact with Corporate Procurement

   Corporate Procurement must be contracted and their advice sought on every occasion that procurement and contract letting is to commence. See Contracts Procedure Rule 2 (Template 1, attached, should be used).

   Their advice and recommendations will be provided in writing. If it is decided not to implement their recommendations, the reasons should be recorded on the document provided together with the action be followed. Be signed and dated by the responsible officer and the contracting department and filed in the contract file.

2. Contact with Tenderers

   Personal contact between officers and tenderers during a procurement process should NOT take place. Exceptions are:-

   (i)   formal presentations, either as part of the evaluation process if required, or to inform prospective tenderers of a contract process in general or for a specific contract

   (ii) to clarify misunderstandings or confusing requirements on specifications reported by tenderers or detailed by officers

   (iii) in the event of an apparent error being detected in a submitted tender.

2.1 Issues

   Contact with tenderers is particularly high risk for Wirral Council, the officers who have contact, and the tenderers.

   To alleviate the risk if contact is necessary, it is essential that:

   (i)   an effective audit trail is maintained

(ii)   adequate documentary evidence of actions and reasons is recorded

(iii)   effective separation of duties and is evidenced.

2.2   Procedure

(a)   Formal Presentations from Prospective or Actual Tenderers

(i)   ALL relevant tenderers or prospective tenderers should be invited

(ii)   Invitations should be in writing and copies retained on file

(iii)   An attendance list should be signed by all guests and others present

(iv)   There should be at least two officers present and their presence authorised in writing by their manager

(v)   The presentation should be recorded in writing. Any points arising should be minuted which should be signed and dated, as correct by the officers present.

(b)   Clarification of Misunderstandings and Queries

(i)   Apparent areas of misunderstanding identified in specifications or queries raised by tenderers after the specifications have been distributed, should be recorded in writing, signed and dated.

(ii)   Responses should be sent to all potential tenderers identified and should be in writing with copies retained on file.

(c)   Errors in tenders identified by Council staff

Contract Procedure Rule 14 specifies the apparent rule.

The process to implement it should be:-

(i)   Apparent mistakes are identified by officers assessing the tenderers. Examples of these include arithmetic errors such as incorrect totals and apparently extremely large or small tenders that could have resulted from decimal points having been misplaced during typing.

(ii)   The apparent errors should be recorded in the appropriate document (Template 2, attached) and submitted to Corporate Procurement.

(iii)   The Corporate Procurement staff will act for the Director of Finance and if they consider it appropriate, contact the tenderer to ascertain if it is wished to correct the error. Corporate Procurement staff will make any amendments, sign and date

(iv) on no account should any staff involved in assessment of tenders contact tenderers. Only Corporate Procurement staff should contact tenderers, thus a separation of duties.

In the event of Corporate Procurement staff being involved in tender evaluation, other members of the section should contact tenderers or Internal Audit as specified by the Management.

3. <u>Extending Contracts</u>

(a) All contracts should be let in accordance with specifications and the procedures specified in the Contract Procedure Rules.

(b) Separate contracts should be let for separate specifications.

(c) On no occasion should contractors be asked to do work that should be part of a separate specification and contract.

(d) It is not permitted to ask a contractor to conduct work that should be separately specified because:

(i) they are on site

(ii) the work is of a "similar" nature.

(e) Contract Procedure Rule 14.10 is not intended to be used for these purposes but to refine contracts after tender submission and must be used sparingly because of the risks involved. .

TEMPLATE 1

To: Corporate Procurement Manager

From:

Subject: Notification of Commencement of Contract Letting

Contract:

Departmental Manager in charge of letting:

Contact details:

Departmental Manager in charge of service
and considering approval:

Contact details:

Where involved in Approval:

Reply to:

From: CPU, Officer's name

Recommendations   Agreed
                                                                         Y / N

Action

Comments   Signed

TEMPLATE 2

To   Corporate Procurement Manager

From

<u>Subject</u>   <u>Errors in Tenders</u>

<u>Contract</u>

<u>Officer in charge of letting</u>

<u>Officer in charge of approval</u>

<u>Officer identified error</u>

<u>Nature of Error</u>

<u>FOR CPU ONLY</u>

INSTRUCTIONS BY CPU MANAGER

CPU OFFICER DESIGNATED TO CONTACT TENDERER

ACTION TAKEN

SIGNED CPU OFFICER   DATE

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WIRRAL COUNCIL

CABINET

24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF FINANCE

DELIVERING EFFICIENCY AND MEASURING AND REPORTING VALUE FOR MONEY GAINS IN LOCAL SERVICES

1.   EXECUTIVE SUMMARY

1.1   This report recommends approval of the submission of the 2009/10 estimate of the Value for Money Gains National Indicator 179 (NI179) which is required by the Department for Communities and Local Government (DCLG) by 23 October 2009.

2.   INTRODUCTION

2.1   The Comprehensive Spending Review 2007 (CSR07) released in Autumn 2007 contained a number of value for money targets across the public sector. In October 2007 the DCLG published *Delivering Value For Money in Local Government: Meeting the Challenge of CSR07* which was also known as the VFM Delivery Plan. This outlined the basic measurement and reporting criteria for value for money gains and highlighted differences from the previous Annual Efficiency Statement process.

2.2   The CSR introduced a new and significantly reduced number of performance indicators including NI179 which was defined as *Value for money - total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year.* In line with the Government policy of reducing the administrative burdens on local government the DCLG no longer requires local authorities to produce an Annual Efficiency Statement (AES). Summarised NI179 data is submitted through a website based system called the Data Interchange Hub with an estimate for the year required each October and an actual figure for the year submitted the following July.

2.3   The CSR07 set a target for local government, to achieve, relative to the 2007/08 baseline, total annual efficiency gains of at least £4.9 billion by 2010/11. This equated to cash releasing gains of 3% per annum and unlike the previous system there is no scope to include non-cash releasing items. The cash releasing efficiencies are gains where there is a direct financial saving or benefit, with money released that could be spent elsewhere or recycled within a service to deliver better outcomes.

2.4   Subsequent to the CSR07 the Chancellor of the Exchequer announced in his 2009 Budget that the efficiency target for the public sector would increase in 2010/11 and for local government the overall target was increased to £5.5 billion which represents a required efficiency target of 4% for 2010/11.

2.5   It is emphasised that under CSR07 there is no individual target for each local authority but the requirement is for local government as a whole to produce 3% to 4% annual cash releasing gains. However, the DCLG has provided details of how each local authority can calculate the baseline expenditure.

2.6   In December 2008 the DCLG issued the Council Tax and Non-Domestic Rating (Demand Notices) (England) (Amendment) (No. 2) Regulations. These required local authorities to include efficiency information on Council Tax bills and within the accompanying Council Tax booklet from 2009/10. This information is provided by the DCLG and based upon the NI179 submission.

3.   **ASSESSING EFFICIENCY GAINS**

3.1   **The Baseline expenditure**

3.1.1   The Baseline expenditure was calculated from the 2007/08 local authority net revenue and capital expenditure forecasts excluding Schools and Benefits expenditure. A share of Transport Authority and Waste Disposal Authority budgets, based upon the proportionate share of the levies, was included. Under the new regime capital expenditure was included within the Baseline.

3.1.2. The Wirral Baseline spend was calculated at £351.2 million producing an efficiency target of £10.5 million for 2008/09. The DCLG also allowed an alternative calculation based upon the 2007/08 outturn. For Wirral the outturn was £350.7 million which had only a marginal impact on the annual target.

3.1.3   In accordance with the projections in CSR07, as increased by the Chancellor of the Exchequer in his 2009 Budget, the cumulative efficiency targets for Wirral for future years are 6.1% of the Baseline for 2009/10 (equates to £21.4 million) and 10.3% for 2010/11 (equates to £36.5 million).

3.1.4   The DCLG also permitted local authorities to bring forward from the CSR05 efficiency regime any amounts achieved in excess of the previous target which can contribute against the CSR07 target.

3.2   **Analysis of efficiency gains**

3.2.1   NI179 does not require efficiency gains to be analysed across prescribed headings as was the case with the Annual Efficiency Statement nor is there a prescribed format for providing any supporting information. The Appendix contains the composition of the forecast efficiency achievements for Wirral for 2009/10.

3.2.2   The Authority is allowed to include efficiencies achieved by bodies which place a levy upon it. The calculation therefore includes elements for efficiency gains for the Merseyside Integrated Transport Authority, based upon past performance, and for the Merseyside Waste Disposal Authority, based upon a 'best estimate'.

3.3   Assessing efficiency gains

3.3.1   The definition of ongoing cash-releasing gains relates to raising productivity and enhancing value for money. To be eligible, measures must evidence an improvement of outputs compared to inputs and not result in the deterioration in the overall effectiveness of the service. Gains can occur through:-

- Reduced inputs for the same or improved outputs.
- Reduced unit costs to meet increased demand for service.
- Increased demand for services and better income collection.
- Reallocation of inputs from a low priority to a high priority area so that the overall service effectiveness for a particular client group improves.
- Asset optimisation and the sale of surplus, formerly operational assets.
- Withstanding the impact of inflation.

3.3.2   Activity not meeting the definition of ongoing cash-releasing gains includes:

- Improvements in service quality.
- Any action leading to a reduction in overall effectiveness of a service.
- Imposition of new or increased charges to the public or business.
- Reclassification of activities not changing either inputs or outputs.
- Transfer of costs and subsidies to other public sector organisations.
- Arbitrary cuts in payments to the Voluntary and Community Sector.

3.3.3   Eligible gains need to be ongoing for at least two years after first implemented and represent the potential to release resources for use elsewhere. Although improvements to service quality may be beneficial to Council Taxpayers, these cannot be counted. The NI179 calculation should be certified, and approved, by the Leader, the Chief Executive and the Chief Financial Officer of the Council. The DCLG expects that the principal measure of scrutiny will be through internal audit and assurance processes. However gains may be subject to external assessment by the Audit Commission.

3.4   Key dates in delivering and reporting

3.4.1   The timetable relating to NI179 reporting for 2009/10 is:-

Date	Action
23 October 2009	Authorities submit forecast cumulative gains for 2009/10
23 July 2010	Authorities submit actual cumulative gains
December 2010	Audit Commission report findings as part of CAA

4.   NATIONAL INDICATOR 179 2009/10 FORECAST

4.1   The basic principles within the NI179 framework are:-

- When setting the annual budget the Council must identify actions to improve efficiency and quantify the estimated expected gains;

- After the end of the financial year the Council must identify the impact of the actions taken for the year in question.
- Claimed efficiency gains will only be valid if service quality has been maintained.

4.2 The cumulative forecast for 2009/10 of £24.6 million will require submitting to the Data Interchange Hub by 23 October 2009. Details of how this has been calculated are shown in the Appendix. When combined with the previous years reported efficiencies Wirral is on target to meet the overall CSR target.

4.3 The 2009/10 figure includes the final NI179 return reported for 2008/09 which showed actual cash releasing efficiency gains totalling £17.8 million. This comprised allowable gains of £8.4 million brought forward from the previous efficiency regime and £9.4 million of new allowable gains in 2008/09. The 2008/09 figure reported to Cabinet on 25 June 2009 was £17.6 million and further information from the DCLG and the Transport Authority increased the figure prior to the formal submission of the NI179 figure on 24 July 2009.

4.4 The cash releasing efficiencies for 2009/10 are based upon several sources. These include those efficiencies identified whilst setting the 2009/10 revenue budget and additional efficiencies generated during the year through revisions to contracts and other operational changes. However items such as increases in fee income which produce benefits do not meet the defined criteria under NI179 and are excluded. The figures have been further refined in line with the predicted likelihood of achievement as per the monthly summary Financial Monitoring Statement for July 2009.

4.5 The year end actual figures are required to be submitted to the DCLG by 23 July 2010. These will include an inflationary adjustment that is applied to any prior year (efficiencies to reflect the cumulative nature of the targets) but this will not be available until the year end. Further adjustments may also be made for further efficiencies identified by departments as the year progresses.

4.6 In determining the impact upon service delivery the Authority will use available performance data. However, the new national indicator set applicable from 2008/09 means that direct comparability with earlier years will not always be possible.

5. FINANCIAL AND STAFFING IMPLICATIONS

5.1 The final NI179 return reported for 2008/09 showed actual cash releasing efficiency gains totalling £17.8 million. This comprised allowable gains of £8.4 million brought forward from the previous efficiency regime and £9.4 million of new allowable gains in 2008/09.

5.2 The NI179 forecast for 2009/10 presently shows new efficiency gains of £6.8 million although this may increase if further gains are identified before the end of the financial year. The cumulative performance for the first two years of the CSR07 period is therefore £24.6 million against the target of £21.4 million. By the end of 2010/11 the target is increased to £36.5 million.

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

6.   EQUAL OPPORTUNITIES IMPLICATIONS

6.1   There are none arising directly from this report.

7.   HUMAN RIGHTS IMPLICATIONS

7.1   There are none arising directly from this report.

8.   COMMUNITY SAFETY IMPLICATIONS

8.1   There are no specific implications arising from this report.

9.   LOCAL MEMBERS SUPPORT IMPLICATIONS

9.1   There are no specific implications for any Member or Ward.

10.   LOCAL AGENDA 21 IMPLICATIONS

10.1   There are none arising directly from this report.

11.   PLANNING IMPLICATIONS

11.1   There are none arising directly from this report.

12.   BACKGROUND PAPERS

12.1   Delivering Value for Money in Local Government: Meeting the Challenge of CSR07 - DCLG October 2007.

12.2   Measuring and Reporting Value for Money Gains - DCLG October 2008.

12.3   Council Tax and Non Domestic Rating Demand Notices England Amendment Regulations - DCLG December 2008.

12.4   Budget 2009: Building Britain's Future - HM Treasury April 2009.

13.   RECOMMENDATIONS

13.1   That the Value for Money Gains National Indicator 179 cumulative estimate for 2009/10 of £24,634,000 be approved for submission to the DCLG.

13.2   That a further report be brought to Cabinet in June 2010 on the final NI179 figure for 2009/10 which will be due for submission to the DCLG in July 2010.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/250/09

NI179 ONGOING CASH RELEASING VALUE FOR MONEY GAINS

FORECAST 2009/10

	£
Adult Social Services	
Transport Service out to tender	180,000
In-House Supported Living out to tender	347,000
Fair Price model of Supported Living	650,000
Review of administrative support	100,000
Reduction in residential and nursing fees	1,000,000
Children and Young People	
Facilities management	25,000
Reconfiguration of the Youth Service	150,000
Delete posts held vacant for more than 12 months	80,000
Finance	
Information technology services	100,000
I.T.S. hardware review	50,000
Housing and Council Tax Benefit - improved use of technology	600,000
Student awards no longer processed in One Stop Shops	50,000
Review of cash handling	10,000
Corporate procurement efficiencies	750,000
Additional income from Wirral Partnership Homes	140,000
Law, Human Resources and Asset Management	
Reduction in costs as a result of the new pay structure	40,000
Reorganisation of EAT, RAT and Payroll	85,000
Second phase of Legal and Democratic Services	40,000
Increased income from Registrars	47,000
Regeneration	
Conference and seminar attendance	10,000
Reduction in training	28,000
Maximise external grant	107,000
Reduction in advertising	10,000
Review of administration	138,000
Improve mobile cleaning of toilets	70,000
Supporting People Renegotiated contracts	100,000
Technical Services	
Source alternative funding for Christmas lights	30,000
Delete consultancy budget not required for HESPE exercise	26,000
Align School Crossing Patrols with DfT guidelines	50,000
Delete publicity budget for waste control	45,000
HESPE exercise	320,000
Street Lighting Contract	317,000

Other

Merseyside Waste Disposal Authority	200,000
Merseyside Integrated Transport Authority	900,000
Total Cash Releasing Value For Money Gains 2009/10	**6,795,000**
Total Cash Releasing Value For Money Gains 2008/09	**17,839,000**
Cumulative Cash Releasing Value For Money Gains 2009/10	**24,634,000**

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WIRRAL COUNCIL

CABINET – 24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF TECHNICAL SERVICES

PROPOSED EXTENSION OF FACILITIES MANAGEMENT CONTRACT
FOR CHESHIRE LINES BUILDING

1.0 EXECUTIVE SUMMARY

1.1 This report seeks the approval of Members to extend the current Facilities Management contract for the Cheshire Lines Building with the present provider, 1Call Business Solutions, for a further year to 25 April 2011.

2.0 BACKGROUND

2.1 At its meeting on 25 April 2006, Cabinet approved the acceptance of the lowest tender submitted for the provision of Facilities Management services at Cheshire Lines for a two year period with "a two year extension option subject to the satisfactory performance by the appointed contractor".

2.2 The two year extension option was taken up and approved by Cabinet on 12 December 2007, making the contract expiry date 25 April 2010. It was also reported at this meeting that the renewal of the Facilities Management contract for Cheshire Lines from April 2010 would align with whatever option the Council agreed for the future of Corporate facilities management services across the Authority, including the phased approach option if it is decided to out-source facilities management services in later years.

2.3 Furthermore, as reported by the Director of Law, HR and Asset Management to the Corporate Services Overview and Scrutiny Committee on 5 March 2009, there is a need for the centralisation of the control and management of administrative accommodation and facilities management budgets, as confirmed in the Strategic Asset Review to be implemented.

3.0 PROPOSED WAY FORWARD

3.1 Following discussions with the Council's Corporate Procurement Manager and the Head of Asset Management, it is proposed to offer the incumbent contractor the opportunity to continue for a one year extension period on the existing terms and conditions.

3.2 Extending the current arrangements to 25 April 2011 would allow a sufficient time period for the Council to carry out a major procurement exercise covering facilities management arrangements for all the Council's administrative accommodation in line with the Strategic Asset Review.

4.0 FINANCIAL IMPLICATIONS

4.1 All costs related to the service are contained within the Cheshire Lines Complex budget.

5.0 STAFFING IMPLICATIONS

5.1 All issues relating to the management and supervision of the service provider are undertaken by existing employees as part of their normal duties.

6.0 EQUAL OPPORTUNITIES IMPLICATIONS

6.1 There are no implications under this heading.

7.0 COMMUNITY SAFETY IMPLICATIONS

7.1 There are no implications under this heading.

8.0 LOCAL AGENDA 21 IMPLICATIONS

8.1 There are no direct implications arising from this report.

8.2 The appointed contractors comply with the Authority's LA21 policy.

9.0 PLANNING IMPLICATIONS

9.1 There are no implications under this heading.

10.0 ANTI-POVERTY IMPLICATIONS

10.1 There are no implications under this heading.

11.0 SOCIAL INCLUSION IMPLICATIONS

11.1 There are no implications under this heading.

12.0 LOCAL MEMBER SUPPORT IMPLICATIONS

12.1 There are no specific ward implications arising directly from this report.

13.0 BACKGROUND PAPERS

13.1 No background papers have been used in the preparation of this report.

14.0 RECOMMENDATIONS

14.1 Cabinet is requested to approve the proposal to extend the current contract for Facilities Management Services at Cheshire Lines Building for a one year period commencing 26 April 2010.

DAVID GREEN, DIRECTOR
TECHNICAL SERVICES

WIRRAL COUNCIL

CABINET – 24 SEPTEMBER 2009

REPORT OF THE DEPUTY CHIEF EXECUTIVE / DIRECTOR OF CORPORATE SERVICES

COMMUNITY COHESION

_____

1.   **Executive Summary**

1.1   The purpose of this report is to provide Cabinet with an overview of what is required by the Council to meet its strategic responsibilities for further improving community cohesion across Wirral, i.e. What is community cohesion? What is the Council's strategic responsibility for community cohesion? How will Corporate Services take this work forward?

2.   **Background – What is Community Cohesion?**

2.1   Community Cohesion is what must happen in all communities to enable different groups of people to get on well and live together. For this to happen, people need to have:

- A shared vision and sense of belonging
- A focus on what new and existing communities have in common, alongside a recognition of the value of diversity
- Strong and positive relationships between people from different backgrounds

2.2   Cohesion is not about trying to make everyone the same; it is about giving people the skills to respect difference, to cope with change and welcome new residents. Alongside these skills there needs to be a shared sense of mutual respect for each other.

2.3   Central and local government's approach to community cohesion developed in response to disturbances in three northern towns in 2001, but with a focus only on crime and disorder associated with race and faith issues. This led to a preventing violent extremism programme of work known as 'Prevent'

2.4   Following the London bombings in 2005, the Commission on Integration and Cohesion was set up to look at practical ways to build community cohesion, and not just the 'Prevent' agenda. By 2008, 57 recommendations had been made by the Commission to the Government.

2.5   Central government has since committed to cohesion being covered by two public service agreements (PSA) – **PSA21** to build cohesive, empowered and active communities. This is measured against three national indicators (NI):

NI1 -   % of people who believe people from different backgrounds get on well together in their local area

NI2 -   % of people who feel that they belong to their neighbourhood

NI4 -   % of people who feel they can influence decisions in their locality

2.6   **PSA26** to reduce the risk to the UK, and its interests overseas, from international terrorism is also measured by three national indicators:

> NI35 – building resilience to violent extremism
> NI36 – protection against terrorist attack (crowded places)
> NI37 – public awareness of civil contingency measures

2.7   Members should be reminded that The Health, Safety & Resilience Operations Manager has responsibility within the Council for NI36 & NI37. He is a member of the Community Cohesion Strategy Group to ensure that the different strands of the Prevent programme are linked

3.   The Council's Response to Further Improving Community Cohesion

3.1   Equality, community cohesion and preventing violent extremism (Prevent) are different, but if done effectively, will support one another. Hence in central, regional and local government the same person or group of people is often responsible for all three.

3.2   Equality is about providing equality of opportunity for all and eliminating discrimination. It focuses on narrowing gaps in outcomes for different people. This helps to promote cohesion and tackle extremism but it is not enough on its own.

3.3   Building community cohesion is about building better relationships between people from different backgrounds. Experience in some areas has shown that violent extremism can emerge from even the most cohesive communities, but that extremist messages are less likely to find support in this environment. So work to build cohesion can help prevent violent extremism but will not be enough on its own.

3.4   To prevent violent extremism a targeted approach is often needed which deals with a specific threat and builds resilience to extremist messages at a community level. A community in which extremism is minimised is likely to be one where people have more confidence to build relationships with one another and so increase community cohesion and equality

3.5   During the last two years the Corporate Services Department has established a robust corporate infrastructure and governance arrangements for the equality agenda, as part of its commitment to reaching the different levels of the Equality Standard for Local Government. During the last year the Corporate Services Department, with Merseyside Police, has developed a 'Prevent' action plan. However there is also a need to drive forward the building community cohesion agenda.

3.6   Equality, community cohesion and the 'Prevent' agenda will now be led by the Corporate Equality and Cohesion Manager within Corporate Services, with the support of existing Officers and a fixed term contracted Co-ordinator for two years funded via an agreed Area Based Grant specifically allocated for cohesion work. The Co-ordinator will implement a two year Cohesion action plan (which will be developed during November 2009) including scoping existing cohesion activities, developing new activities where there are gaps and ensuring a partnership approach to all cohesion work across Wirral.

4. Financial Implications

4.1 The Area Based Grant allocation is for £75,000 for 2009/10 and a provisional sum of £75,000 for 2010/11.

4.2 The funding will be used to meet direct staffing costs, including a full time Co-ordinator for a two year fixed term period, a series of activities to build community cohesion, and the implementation of a two year Cohesion action plan (to be developed during November 2009).

5. Staffing implications

5.1 A full time Co-ordinator will be recruited for a two year fixed term period.

6. Equal Opportunities implications

6.1 The Council will meet its legal duties to promote equality of opportunity, to eliminate any unlawful discrimination or harassment, to promote good relations and positive attitudes, and to promote involvement.

7. Community Safety implications

7.1 There are no community safety implications arising from this report.

8. Local Agenda 21

8.1 There are no environmental implications arising from this report.

9. Planning implications

9.1 There are no planning implications arising from this report.

10. Anti-poverty implications

10.1 There are no anti-poverty implications arising from this report

11. Social inclusion implications

11.1 There are no negative implications that will potentially exclude individuals or groups from accessing services arising from this report.

12. Local Member Support implications

12.1 There are no issues mentioned in the report that are particularly relevant to a ward or small number of wards. However, equality and cohesion are borough wide issues to be addressed by all members.

13. Recommendations

13.1 Cabinet endorses the suggested approach to further improving community cohesion.

13.2   Cabinet agrees to receive Community Cohesion progress reports on an annual
        basis.

J. WILKIE
Deputy Chief Executive/Director of Corporate Services

WIRRAL COUNCIL

CABINET 24 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

YOUTH HUB COMMISSIONING REPORT

EXECUTIVE SUMMARY

This report sets out the process that was followed to commission four Super Youth Clubs, one in each of the four districts of Wirral. Shaftesbury was identified previously as the Birkenhead Super Youth Centre Hub as part of the My Place submission (Cabinet My Place Report 25 September 2008). In line with the Cabinet decision at its meeting on 23 April (Cabinet report, Commissioning Criteria for universal, open access youth support services), a second round of commissioning took place during May – July 2009 to identify a further three providers for Wallasey, West Wirral and South Wirral. The commissioning process has identified Eastham Youth Club as the Centre for South Wirral, Wallasey Fire Station for Wallasey and West Kirby Youth Centre for West Wirral.

1. **Background**

1.1 Recent government policy documents for youth services have set out expectations on the range and quality of provision of youth services. The Treasury Document – Aiming High a Ten Year Strategy for Positive Activities for Young People (PAYP) DCSF October 2007, reported on broad consultation returns from young people which indicated that young people wanted places that were modern, available at times that suited young people and that offered a broad range of programmes that would engage more young people than is currently the case. As part of this policy development, the "My Place" initiative was launched last year and organisations and local authorities were encouraged to bid for funding to significantly improve youth facilities across the country. Although Wirral's bid of Shaftesbury youth club was unsuccessful, the process undertaken to identify the Wirral bid identified the need to take a critical look at the youth facilities currently operational across Wirral. An outcome of this selection process was that Shaftesbury Youth Club was identified as one of Wirral's four Super Youth Centres. It was agreed that a further three needed to be identified in order that each district has a Hub.

1.2 On the 11 November 2008, the Children's Services Overview and Scrutiny Committee presented its findings from its review of Youth Outreach, in the report entitled 'Youth Outreach Scrutiny Review – Final Report'. Recommendations one and thirteen recommended that there should be a restructuring of outreach services with the aim of providing a Hub or key contact point in each district and current facilities for young people should open more evenings.

1.3 The recommendations in the Overview and Scrutiny report and the work to find a My Place nomination acted as a catalyst for the proposals presented to Cabinet in the Reconfiguration of the Youth Service report on 23 November 2008. Cabinet approved the move to the development of four main hubs, one in each district. Each Hub would be required to act as the main focus for the planning of youth provision across the District. Included in this development was the provision of a consistent youth offer that would provide access to support services and also opportunities to take part in a broad range of activities including youth arts, outdoor education, international exchanges and personal development opportunities. Key to the offer was ensuring that facilities would be available over six nights and particularly at the week-ends and available to young people who might otherwise take part in anti social behaviour. Cabinet also requested that a consultation

with stakeholders be undertaken to test out the proposals and to finalise the commissioning criteria.

1.4 A final report containing the final commissioning criteria (see section 2.1) was presented to Cabinet on 23 April. This report also set out the commissioning panel membership and the timeline for the process as there were to be three rounds of commissioning for positive activities for young people (PAYP), hubs commissioning and the Activity Fund, with the panels drawn from the following partners:

- The Primary Care Trust
- The Link Forum
- 14-19 Team
- Neighbourhood Pathfinder
- Police
- Children and Young people's Department
- Wirral's Asset Management Department

1.5 Underpinning the development of the large Super Youth Centres or Hubs is the implementation of the Integrated Youth Support Strategy (IYSS). Targets linked to IYSS were included in the commissioning brief and tendering organisations were expected to demonstrate how the work of the Hubs would contribute to meeting those targets.

2 Commissioning Process

2.1 The following criteria were approved by cabinet.

a) Organisations must demonstrate the following criteria if they are to be considered for short listing:

In responding to each criterion, organisations are expected to consider equality issues as they apply to each section.

Values, Aims and Objectives

- Evidence of how service provision is supporting the Integrated Youth Support Strategy and the Children and Young People's Plan.
- Young people influencing the planning, delivery and evaluation of services.
- Evidence of effective planning to address indicators of deprivation.
- Evidence of youth service provision for looked after young people, young people with Learning Disabilities and Difficulties or other vulnerable young people

b) An organisation that is working towards delivering high quality provision and is outward looking.

Understanding of the requirements

- Demonstrate value for money in provision of universal/ targeted youth work. This is to include open youth work and an agreed number of planned group work sessions which will be linked to local policy issues such as teenage pregnancy and the Respect agenda.
- Recording systems of attendances by young people at different projects. – This system to be compliant with local authority requirements regarding unique individuals.

- Provision of youth services that ensure outputs linked to national Key Performance Indicators underpinning Targeted Youth Support, Integrated Youth Support and Participation indicators.
- Centre based managers to have as minimum qualification –NVQ level 3 Youth Work qualification
- Evidence of effective planning to address indicators of deprivation.
- Evidence of how service provision supporting the Integrated Youth Support Strategy.
- Provision of four hub youth centres operating six nights per week including Friday and Saturday.
- Provision of seven satellite youth centres operating three nights per week.

Track record

- Evidence of effective planning to address indicators of deprivation.
- Experience of successful external funding applications.
- Evidence of partnership working across organisations to further develop youth services for young people.
- Evidence of consortium approaches to planning and delivery of services.
- Evidence of previous investment in service provision for young people.
- Evidence of positive outcomes for young people being delivered.

Delivery concept

- Young people influencing the planning, delivery and evaluation of services.
- Demonstrate value for money in provision of universal/ targeted youth work. This is to include open youth work and an agreed number of planned group work sessions which will be linked to local policy issues such as teenage pregnancy and the Respect agenda.
- Provision accessible to public transport routes.
- Evidence of programme planning to meet local /district needs
- Evidence of how service provision supporting the Integrated Youth Support Strategy.

Quality and training

- Centre based managers to have as minimum qualification –NVQ level 3 Youth Work qualification
- Programme of staff development to increase the number of professionally qualified youth workers.

2.2   The commissioning panel for this round had representation from:

- The Tranmere Neighbourhood pathfinder
- The Primary care trust
- The Link Forum
- 14-19 Team
- Wirral Children and Young people's Department
- Wirral's Asset Management Team

2.3   The commissioning process involved drawing up a tender document which included the Criteria to be completed as a Method Statement. The use of Method Statements encourage organisations to demonstrate how they will operate the service and in what areas they would be unique or enhance existing provision.

2.4   There were seven stages in this commissioning round:

- Advertise Commissioning opportunity via press and provider and community networks and council website.

- Procurement workshop – open to all potential providers this provides the opportunity to fully discuss issues and the tendering process.

- Desk Top review of applications (commissioning officers)– score response to criteria (Method Statement)

- Consultation with young people regarding the hub submission.

- Validation by commissioning panel of desk top scores and shortlist for interview/ presentation

- Interview/ presentation/ panel recommendations

- Cabinet report – recommendations presented

2.5   Following a number of meetings between the Management Committees of both voluntary and statutory youth providers' one tender from the Youth service was submitted and this tender covered the provision of Hubs in Wallasey, South Wirral and West Wirral. The nominated centres were Wallasey Fire station, Eastham Youth Centre and West Kirby Youth Club, Shaftesbury Youth Club had already been commissioned as the Birkenhead Super Centre. Without applying any weighting to the scores the potential raw score was 150, each proposal for the Hubs scored 127.7. (Please see table over.) The decision by the commissioning panel was to interview representatives from the Youth Service with a view to recommending that they be commissioned if they met the criteria set for the presentation and interview. The topic for the presentation and interview questions are attached as Appendix A.

2.6   Meetings to identify hubs took place at district level and involved the Youth and Play Service and other providers.

2.7   Key features of the recommended bid included steps to be taken in planning future service planning. These included:

- The establishment of multi-agency groups to undertake district planning
- The involvement of other organisations key to the successful delivery of the Integrated Youth Support Strategy
- Consistency in data gathering regarding outcomes for young people
- The partnership working that facilitated the process of tender preparation and future service delivery
- Targeted work with vulnerable young people
- The establishment of the direction of travel for youth services if they are to meet Integrated Youth Support Strategy requirements.

Question No.	Possible Score	Average Score Wallasey	Possible Score	Average Score South Wirral	Possible Score	Average Score West Wirral
1(PW)	5	4	5	4	5	4
2(PW)	5	5	5	5	5	5
3(PW)	5	4	5	4	5	4
4(PW)	5	4	5	4	5	4
5(PW)	5	4	5	4	5	4
6(SW)	5	4	5	4	5	4
7(PW)	5	5	5	5	5	5
8(PW)	5	4	5	4	5	4
9	5	3.5	5	3.5	5	3.5
10(SW)	5	4	5	4	5	4
11(PW)	5	4	5	4	5	4
12	5	5	5	5	5	5
13(PW)	5	5	5	5	5	5
14	5	4	5	4	5	4
15(PW)	5	5	5	5	5	5
16	5	4	5	4	5	4
17	5	4.1	5	4.1	5	4.1
18(PW)	5	4	5	4	5	4
19(PW)	5	4	5	4	5	4
20	5	5	5	5	5	5
21	5	5	5	5	5	5
22(PW)	5	5	5	5	5	5
23(PW)	5	4	5	4	5	4
24	5	4	5	4	5	4
25(PW)	5	4	5	4	5	4
26	5	3	5	3	5	3
27	5	4	5	4	5	4
28(PW)	5	4.5	5	4.5	5	4.5
29(PW)	5	4.6	5	4.6	5	4.6
30(PW)	5	4	5	4	5	4
Total	**150**	**127.7**	**150**	**127.7**	**150**	**127.7**

3   Next Steps

3.1   A key requirement of any organisation that was to be awarded a contract for running the Hubs was that they would co-ordinate the planning of youth services at district level. In the Hub tenders the Youth service indicated that district planning would be undertaken to meet targets linked to IYSS requirements, community safety and community issues. Included in this approach is a commitment to monitor and evaluate service provision.

3.2   Part of this new approach to deliver youth support is the need to make more people aware of the change in provision. A web editor has been appointed to oversee the development of the Positive activities website. Funding for this post was originally part of a Department for Children, Schools and Family grant. This has now been embedded in the budget and this post enables Wirral to fulfil its statutory obligation to advertise positive activities for young people. In addition the Youth service and partners will spend the next few months promoting the new developments. This approach will also be complementary to the launch of the Activity Fund Programme which has been used to fund additional activities to enhance the Youth Offer.

3.3 It is anticipated that the centres will not be fully operational until November 2009. The Wallasey Hub is currently being modified and it is anticipated that this will be open by January 2010.

4. Financial Implications

4.1 There are no financial implications arising from this report. The funding of the web editor post is already mainstreamed within the budget.

5. Staffing Implications

5.1 The proposals for the new structure can be met from within existing staffing levels. Some staff will be required to relocate to other youth clubs and any one relocated will be entitled to disturbance allowance from within the Youth Service budget.

6. Equal Opportunities Implications

6.1 The proposals for the reconfiguration of the Service and the Commissioning Criteria for Targeted and Universal Services seek to improve the quality of service provision and have more engagement with vulnerable young people.

7. Community Safety Implications

7.1 The work undertaken in the Hubs is planned in recognition of the IYSS requirements. Work will be planned to address community safety concerns and wider community issues.

8. Local Agenda 21 Implications

8.1 There are none arising from this report.

9. Planning Implications

9.1 Proposed developments at Wallasey Fire Station have been approved by the Planning Department. There are no planning implications for the other sites.

10. Anti Poverty Implications

10.1 The improved Youth Offer will enable young people to access accreditation opportunities and enhance their training and development opportunities.

11. Social Inclusion Implications

11.1 The aim of targeted and universal provision is to promote greater social inclusion. Planning for youth clubs at district level will be in response to needs assessment.

12. Local Member Support Implications

12.1 This report affects all wards.

13 Background papers

- Cabinet Report 27 November 2008
- Aiming High – The Treasury's Ten Year Strategy for Positive Activities 2007.
- My Place cabinet report September 2008
- Cabinet Report 23 April 2009

- Children's Services Overview and Scrutiny Committee 11 November 2008 'Youth Outreach Scrutiny Review – Final Report'

RECOMMENDATIONS:

That

1) Following a commissioning process the following are identified as the four Super Youth Clubs for Wirral:

   - Birkenhead   - Shaftesbury
   - Wallasey   - Wallasey Fire Station
   - South Wirral   - Eastham Youth Club
   - West Wirral   - West Kirby Youth Club

2) To continue the work with the management committees of both statutory and voluntary youth clubs to ensure continuity coherence of the Youth Offer

Howard Cooper
Director of Children's Services

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Organisation:	Panel member:
Tender No.	

Presentation: Title: If you were awarded the contract who would be your partners and how would you ensure in the localities they would be equal partners in respect of:
- Planning
- Delivery
- Monitoring
- Accountability

Areas to look for: • Involvement in other positive activities such as volunteering • Understanding of district needs reflected in district Planning • Understanding IYSS agenda	• Make more informed choices on health, behaviour etc • Positive engagement in the community • Level of involvement of partners in decision making

Comments:

Score: 0   No mention of areas
             1
             3
             5   Mentioned all areas

Overall Score:

Provider: **Panel Member:**

Question	Key words	Notes/Comments	Score
1. How would you ensure quality in provision- what standards would you apply?	• Attendances • Young people's evaluation • Self assessment • Staffing levels • Range of programme • Accredited/ Recorded outcomes		0 1 3 5
2. How would you tackle Inequalities in the districts through the Hubs in West Wirral, South Wirral and Wallasey Districts	• Identification of inequalities and diversity across the districts ie health, educational outcomes, community safety, resilience and differentiated responses and responses to these to help young people make informed choices.		0 1 3 5
3. What could we expect to see in six months and in two years.	• District plan • Different / more partners • Expanded programme **Two years** • Direct contribution to priorities • Agreement on quality / Outcomes • Fewer complaints from community • Hubs seen as safe place to be		0 1 3 5
4. How will hard to Reach and vulnerable young people such as young people with learning difficulties and disabilities be engaged in the Hubs and what will be your	• Outreach workers • Specialist staff • Use of data to identify hard to reach and vulnerable young people • Planned interventions to		0 1 3 5

			0 1 3 5
measure of success?	demonstrate distanced travelled by young people • Broad range of activities		
5. How does your proposal for the Hubs fit in with the Integrated Youth Support Strategy?	• Programmes reflecting IYSS priorities • Programmes to address risk taking behaviour, alcohol and substance misuse • Accredited outcomes • Reduction in NEET • Promotion of Health & Wellbeing		0 1 3 5
6. This is phase one of the reconfiguration of the Youth Service, how would you propose to work with satellites in the district?	• Joint programming • Shared priorities • Joint planning groups to address shared issues • Joint training • Shared resources		0 1 3 5
7. What arrangements will you put in place to ensure the safe dispersal of young people at the end of evening sessions, specifically big events?	• Discussions with police and community groups • Deployment of staff • Risk Assessments • Links with Mersey travel • Involvement of young people in identification of solutions		0 1 3 5

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WIRRAL COUNCIL

CABINET - 24 SEPTEMBER 2009

REPORT OF DIRECTOR OF CHILDREN'S SERVICES

POLICY FOR TRANSPORT PROVISION IN CHILDREN'S SOCIAL CARE.

EXECUTIVE SUMMARY

This report sets out proposals for a policy for transport provision in children's social care. The proposed policy builds on previous arrangements and aims to ensure a consistent approach to provision and clear criteria for circumstances where assistance to purchase a vehicle is appropriate.

1.   Background

In accordance with Schedule 2 paragraph 8 Children Act 1989 the Council shall make such provision as they consider appropriate for facilities for travelling to and from home for the purposes of taking advantage of services provided under that Act or any similar service. In addition travel subsistence may be paid for looked after children who are visiting relevant persons. The Council shall also make such provision for transport as may be appropriate for the social economic or environmental wellbeing of relevant carers or children pursuant to Local Government Act 2000.

The policy (appendix A) sets out criteria for the provision of transport where a child is assessed as in need. These will be short term arrangements as part of a child protection plan or to prevent a child becoming looked after.

In relation to children in care the policy sets out clear criteria for transport provision. In the majority of cases the child's foster carer or residential care worker will transport the child. This provides children with consistency and continuity in relation to aspects of their care. The allowances and fees paid to care providers does cater for them providing for children in this way.

There are however exceptions which can arise through either journeys being of significant distance from the carers home or the carers having significant commitments with transporting other children in placement and requiring assistance as a result.

In exceptional circumstances there may be cases where children who are being placed permanently through adoption or special guardianship maybe disadvantaged if their prospective Adopter or Special Guardian does not have a suitable family vehicle. The policy sets out how this will be assessed against clear criteria and how any such assistance will be managed by the purchase arrangements and a clear legal agreement with the carers in relation to ownership, maintenance, insurance and liability.

2.   Financial implications

The policy builds on arrangements already in place that have shown an increase in the number of children being transported by foster carers. The policy will provide opportunities to make savings in relation to children who are made subject to Special Guardianship orders or Adoption. In such cases transport costs can represent a

continuing cost, which could otherwise end with a more cost effective solution of assisting to purchase a vehicle.

3.   Staffing, Community Safety, Local Agenda 21, Planning, Anti-Poverty and Local Member Support Implications

There are none arising from this report.

4.   Equal Opportunities Implications

This policy ensures a consistent and equal approach to the provision of transport.

5.   Social inclusion implications

This policy ensures children are provided with opportunities for social inclusion.

6.   Background papers

Policy for Transport Provision in Children's Social Care.

RECOMMENDATIONS

That cabinet approve the policy for transport provision in children's social care.

Howard Cooper
Director of Children's Services

Appendix A

Children and Young People's Department

Policy for transport provision in Children's Social Care

Agreed by:

Agreed:

Implemented:

Lead Officer: Strategic Service Manager, Children's Resources

Contact Officer: Simon Garner

Author: Simon Garner
Amended by Cecilia Rathe, Clive Groves Andrew Roberts

Version Number: 2.05 (7.9.09)

Review Date:

Replaces: Criteria for transport provision for people who use our services agreed February 07

2002-2003
Community Legal Services
2003-2004
Transforming Secondary Education
Child & Adolescent Mental Health Services

Contents

Introduction

In accordance with Schedule 2 paragraph 8 Children Act 1989 the Council shall make such provision as they consider appropriate for facilities for travelling to and from home for the purposes of taking advantage of services provided under that Act or any similar service. In addition travel subsistence may be paid for looked after children who are visiting relevant persons. The Council shall also make such provision for transport as may be appropriate for the social economic or environmental wellbeing of relevant carers or children pursuant to Local Government Act 2000.

Principles governing the approval of transport provision

A core assessment must have been undertaken to determine a need for transport provision. Essential information from this needs to be conveyed appropriately to the provider on the appropriate commissioning form at the point of requesting a service.

All transport provision must be recorded as a task that "otherwise a social worker or care provider would have to carry out". This should be recorded at a placement meeting, service provision agreement meeting, core group, or, planning meeting.   Transport provision must be regularly reviewed in line with other services provided as part of a care plan.

Agreement to commission transport must be with team managers within their delegated responsibilities under the financial policy and in line with the criteria set out below.

All agreements to funding must be made in advance of commissioning the provision and not retrospectively.

In certain circumstances following a needs assessment where a care provider or parent cannot transport a child and the child is unable to travel on public transport themselves, transport may be commissioned.

Where funding is to be reimbursed for public transport, bus/train tickets must be provided as proof of expenditure.

Criteria for the provision of transport

Transport will only be provided where it is recognised as necessary following an assessment of need. Assessment factors which would indicate the need for transport are detailed below:

Children in need

- **Children at risk of coming into care where the provision of transport for a specific task would reduce this risk.** This will be short-term only with an expectation that it would discontinue after a maximum of four weeks.

- **Children with a child protection plan at further risk due to non-attendance at children or family centres where this is a requirement of the plan.** This will be short term only with clear expectations that parents or carers will then use public transport following a review within four weeks.

- **Children with a disability attending a specific provision to meet their assessed needs**. Families of children with disabilities who do not have transport, in a small number of cases, may not be able to use public transport due to the nature of their child's disability. In this instance it would be expected that families finance transport through the provision of disability living allowance. Parent carers need to be reminded of their responsibilities to transport their own children. Social workers need to ensure that DLA mobility funds are used appropriately for disabled children who are in care. Where it has been identified through an assessment that specific provision is necessary then consideration may be given to providing transport. Transport may be provided by the service provider who will then charge the parents/carers and in such circumstances cost sharing arrangements may be negotiated with parents/carers.

When a child is required to attend hospital appointments the health authority should be approached to request transport or provide financial assistance toward transport in order to facilitate a child receiving appropriate health care provision.

Children in care

- **Transport to facilitate a care placement.** When arranging/changing a care placement it is the social workers responsibility to make the placement.

- **Transport arrangements for children in care.** Provision to meet the costs incurred by carers transporting children is included within the foster care allowance. Therefore, in relation to contact arrangements where young children have to travel the foster carers are required to provide transport in the first instance. If the foster carer is employed by an Independent Foster Agency and is unable to transport/accompany the child/young person to contact, the additional transport costs must be costed into the package and referred to the Independent Placement Panel.

  Parents and relatives who see children as part of a contact plan can be provided with financial assistance equivalent to that of public transport rates for the journey.

  Where carers need to attend hospital appointments with a child in care and do not have access to their own transport, public transport should be used. Commissioning it through transport section should only be considered in exceptional circumstances. Prior to commissioning transport the health authority should be approached to request transport or financial assistance towards transport in order to facilitate a child in care receiving health care provision.

  Transport arrangements for respite placements should be agreed between carers and the family placement officer and should not require transport to be commissioned, unless specifically adapted vehicles are required to manage children with complex needs.

- **Transport to facilitate attendance at a specific appointment which a Court orders a parent carer to attend as part of the proceedings.** The local authority should take reasonable steps to commission appropriate transport that ensures prompt attendance.

School transport

- **Transport for looked after children of insufficient maturity or reliability or who are at risk of travelling unaccompanied**. Generally the care provider should be able to transport the children to school or accompany them on public transport. If the care provider is unable to transport/accompany the child/young person to their education provision, the additional transport costs must be costed into the package and referred to the Independent Placement Panel. The Contracts Section should be notified of any agreed transport arrangements so that they may be included within the Individual Placement Agreement.

- Where children are placed within the Borough the expectations should be that secondary school aged children should use public transport unless their assessment indicates that they are not sufficiently mature or reliable, or may be at risk to travel unaccompanied.

- In relation to children with a disability, transport to school will be provided in accordance with the existing home to school transport policy.

- For placements outside of Wirral Borough, consideration needs to be given as to where and how a child's education is provided. In such cases transport must be costed into the package and referred to the Independent Placement Panel. The Contracts Section should be notified of any agreed transport arrangements so that they may be included within the Individual Placement or Service Agreement.

- Staff need to ensure full use is made of the bus passes provided to children in care that allow them free use of the bus service within the Borough.

Young carers

- **Transport provided where there is an assessed need for a child or young person to attend the young carers' project.** Generally, where reasonable and appropriate to the child's age, public transport should be used. A copy of the completed assessment must be made available to the appropriate team manager for a decision to be made and this should be reviewed in line with any other child's plans.

Notification of changes

Providers of care must be told at the placement agreement meeting that they can cancel but **not commission additional** transport arrangements if circumstances warrant this and be given the contact details of the relevant transport provider.

Financial assistance with purchasing vehicles for approved foster carers, prospective special guardians or prospective adopters

It is expected that any support for additional transport costs will be met from the element of the weekly fostering, adoption or special guardianship allowance that is to assist with transport; and from Disability Living Allowance where the child receives the mobility element of this allowance.

Vehicles will only be provided by the local authority in exceptional circumstances taking account of the needs of the child (or children) in care and the carers ability to provide for that child (or children) and in accordance with best value principles of the Authority.

The criteria which may indicate **exceptional circumstances** are:

- normal arrangements for using public transport is not appropriate and the children cannot be routinely transported by other reasonable means **AND**

For foster carers

- more than three children are placed in the care of the foster carer and are subject to an exemption, **AND**

- this is the permanent placement for the children, matching has been formally approved and the carers are seeking to secure the children with them through residence, special guardianship or adoption;

For adopters and special guardians

- more than two children are placed with a potential adopter of special guardian and this brings the total number of children in the household under 18 years of age to 4 or more children.

The purchase of vehicles in these circumstances is subject to approval by the lead member of the Council for Children's Services under delegation.

Procedure for vehicle purchase

Where it is agreed that there is a need for a vehicle to be purchased the following procedure will apply.

- The Councils procurement procedures will be used to identify three estimates for the purchase of a suitable vehicle taking into account the needs of the carers and looked after children and the best value principles of the Council.

- Having identified a suitable vehicle, the Council will grant fund to the carers an appropriate sum for the purchase of the vehicle. This may be the total purchase price or a proportion of that price, as is appropriate or necessary with regards to the best value principles of the Council and the ability of the carers to contribute. This should be negotiated with the carers. Where agreement cannot be reached the carers will then have a right to complain under the Councils complaints procedure.

- The grant funding arrangement will be subject to a Legal Agreement. The following terms will be standard :

  o The carers shall have ownership of the vehicle and will be responsible for all costs associated with such ownership including insurance; car tax and registration; maintenance and MOT and the purchase of fuel.

  o The Council shall not be liable for any loss or damage, howsoever caused, incurred to the vehicle, any driver, passenger or third party.

  o There shall be no sale of the vehicle whilst it is needed for the purposes of caring for the children unless the purpose of such sale is to fund the purchase of a suitable replacement vehicle with the agreement of the council.

  o Any sale of the vehicle other than for the purchase of such a replacement vehicle shall be notified to the Council and will be subject to the proportionate reimbursement of the original grant funding based upon the current value of the vehicle. (For example, a vehicle purchased with 100% grant funding at a cost of £5000 and currently valued at £2000 will require reimbursement of £2000 to the Council on sale. The same vehicle, purchased with 50% grant funding, will be subject to reimbursement of £1000). This reimbursement is to ensure the proper use of public funds and is in accordance with the best value principles of the Council.

  o Priority use of the vehicle is to be given to fulfilling the responsibilities of the carer to the children

Legal Services should be requested to advise on the detail of the Legal Agreement.

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