Public Document Pack

WIRRAL

Cabinet

Date:	**Monday, 25 November 2019**
Time:	**10.00 a.m.**
Venue:	Committee Room 1 - Wallasey Town Hall

This meeting will be webcast at
https://wirral.public-i.tv/core/portal/home

Contact Officer: Andrew Mossop
Tel: 0151 691 8501
e-mail: andrewmossop@wirral.gov.uk
Website: http://www.wirral.gov.uk

AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

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

2. MINUTES

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

RECOMMENDATION: That the minutes be approved and adopted.

LEADER'S UPDATE

3. EXECUTIVE KEY DECISIONS TAKEN UNDER DELEGATED POWERS

Key Decisions – taken under delegated powers. Period 25 October, 2019 (date of publication of last Cabinet agenda) to date.

Sale of Freehold Reversion of Marine Point, New Brighton

Decision Maker: Leader of the Council
Date of decision: 12 November, 2019
Effective from: 20 November, 2019

CABINET MEMBER REPORTS

4. WIRRAL HEALTH AND CARE COMMISSIONING PEER REVIEW ON INTEGRATED SOCIAL WORK (ADULT SOCIAL CARE) (Pages 1 - 22)

5. COUNCIL TAX 2020/21 (TAX BASE, DISCOUNTS AND EXEMPTIONS AND LOCAL COUNCIL TAX REDUCTION SCHEME) (Pages 23 - 32)

6. QUARTER 2 2019/20 REVENUE FINANCIAL MONITORING (Pages 33 - 46)

7. QUARTER 2 2019/20 CAPITAL FINANCIAL MONITORING (Pages 47 - 58)

8. MINIMUM REVENUE PROVISION RE-PROFILING (Pages 59 - 64)

9. TREASURY MANAGEMENT MID-YEAR REPORT 2019/20 (Pages 65 - 78)

10. APPLICATION FOR FINANCIAL ASSISTANCE (1) (Pages 79 - 84)

11. APPLICATION FOR FINANCIAL ASSISTANCE (2) (Pages 85 - 90)

12. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

The following items contain exempt information.

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

13. APPLICATION FOR FINANCIAL ASSISTANCE (1) - EXEMPT APPENDIX (Pages 91 - 94)

Exempt appendix to agenda item 10.

14. APPLICATION FOR FINANCIAL ASSISTANCE (2) - EXEMPT APPENDIX (Pages 95 - 98)

Exempt appendix to agenda item 11.

Audio/Visual Recording of Meetings

Everyone is welcome to record meetings of the Council and its Committees using non-disruptive methods. For particular meetings we may identify a 'designated area' for you to record from. If you have any questions about this please contact Committee and Civic Services (members of the press please contact the Press Office). Please note that the Chair of the meeting has the discretion to halt any recording for a number of reasons, including disruption caused by the filming or the nature of the business being conducted.

Persons making recordings are requested not to put undue restrictions on the material produced so that it can be reused and edited by all local people and organisations on a non-commercial basis.

This page is intentionally left blank

WIRRAL

CABINET

25 NOVEMBER 2019

WIRRAL HEALTH & CARE COMMISSIONING PEER REVIEW ON INTEGRATED SOCIAL WORK (ADULT SOCIAL CARE)

Councillor Chris Jones, Cabinet Member for Adult Care, Health and Wellbeing, said:

"This was a really comprehensive review and I am really pleased to hear that the overarching message that the review team received was that the integration was seen to be; "*the right thing to do*" and that those the team spoke with were positive about what has been achieved so far".

REPORT SUMMARY

In May 2019 a Peer Review took place in Wirral focusing on the quality of front-line Adult Social Work practice. The review was led by a regional team of directors and senior leaders in Adult Social Care and was supported by the Association of Directors of Adult Social Services (ADASS) in the North West, and the Local Government Association (LGA).

The key findings were as follows;

- "Integration is the right thing to do."
- Integrating social care and health is having a positive impact on the frontline and people who use services.
- Co-location of teams is having a positive impact on innovation and opportunities to share good practice.
- More positive joint working at neighbourhood level, particularly complex cases with the ability to share information resulting in improved co-ordination and oversight of cases.
- Problem solving across health and social care is much easier

This paper relates to the pledges "Older People Live Well" and "People with a Disability Live Independently" from the Wirral Plan. This matter affects all Wards within the Borough. The decision is not a key decision.

RECOMMENDATION/S

Members are asked to note the report and its recommendations.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

N/A

2.0 OTHER OPTIONS CONSIDERED

2.1 There are different types of Peer Review. This was an in-depth and comprehensive approach that involved senior experienced reviewers, and which was supported by the LGA.

3.0 BACKGROUND INFORMATION

3.1 In May 2019, a Peer Review took place in Wirral focusing on the quality of frontline Adult Social Work practice. The review was led by a regional team of senior leaders in Adult Social Care and supported by the Association of Directors of Adults Social Services (ADASS) in the North West, and the Local Government Association (LGA). Peer Reviews are designed to help an authority and its partners assess current achievements, areas for development and capacity to change. The Peer Review is not an inspection. Instead, it offers a supportive approach acting as a "critical friend". It aims to help an organisation identify its current strengths, as much as what it needs to improve on. But it should also provide it with a basis for further improvement.

3.2 The review focused on the quality of frontline Adult Social Work practice within the context of integration, personalisation and neighbourhood working and was completed over three days with intensive interviews and examination of key documentation and data. The review was carried out by a team of senior leaders from across the North West, led by a Director of Adult Social Services. The work was jointly commissioned by the three partner organisations, Wirral Health and Care Commissioning (WHCC), Wirral Community Health and Care NHS Foundation Trust (WCHC), and Cheshire and Wirral Partnership NHS Trust (CWP). Partners were seeking an external view to consider how the transfer of Social Workers has created a seamless, integrated care and health service that provides an improved response to people in need of support. The partner organisations intend to use the findings of this Peer Review to strengthen their work on promoting a strengths-based approach to prevention and access to appropriate services. The review made several recommendations in relation to future development and direction and was positive about what had been achieved to date.

3.3 WHCC, WCHC and CWP are producing a joint development plan in response to this review.

4.0 FINANCIAL IMPLICATIONS

4.1 There are no financial implications arising from this review.

5.0 LEGAL IMPLICATIONS

5.1 The integrated social care services are subject to a Section 75 Agreement under the National Health Service Act 2006.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

6.1 The Peer Review involved a number of interviews and meetings from staff across the relevant Health Trusts and the Council.

7.0 RELEVANT RISKS

7.1 Integrated services support a more co-ordinated and timely response to adult care and health needs.

8.0 ENGAGEMENT/CONSULTATION

8.1 The review considered accounts from users of Adult Social Care Services under the integrated arrangements.

9.0 EQUALITY IMPLICATIONS

9.1 Equality Impact Assessment not required as was a review of existing services.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and/or recommendations contained within this report are expected to have no impact on emissions of CO_2

REPORT AUTHOR: **Simon Garner**
Lead Commissioner All Age Independence
telephone: (0151 666 3726)
email: simongarner@wirral.gov.uk

APPENDICES
Appendix 1 - Wirral Health & Care Commissioning Peer Review Report on Integrated Social Work (2019)

BACKGROUND PAPERS
N/A

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Adult Care & Health Overview & Scrutiny Performance Working Group: Integration Update	19 August 2019
Adult Care & Health Overview & Scrutiny Performance Working Group: All Age Disability & Mental Health Update	9 October 2019

directors of adass
adult social services
North West

Wirral Health & Care Commissioning Peer Review Report on Integrated Social Work

May 2019

Feedback Report

Table of contents

Executive Summary

Wirral Community Health and Care NHS Foundation Trust (WCHC), together with Wirral Health and Care Commissioning (WHCC) and Cheshire and Wirral Partnerships NHS Foundation Trust (CWP) asked the North West region of the Association of Directors of Adult Social Services (NW ADASS) to conduct an Adults' Peer Review focussing on the quality of front-line Social Work practice within the context of integration, personalisation and neighbourhood working. The work was jointly commissioned by the three partner organisations, which are seeking an external view to consider how the transfer of Social Workers has created a seamless, integrated care and health service that provides an improved response to people in need of support. The partner organisations intend to use the findings of this peer review to strengthen their work on promoting a strengths-based approach to prevention and access to appropriate services. The review team was asked to concentrate its efforts on:

1 – Front Line Social Work Practice – current arrangements: Consider the extent to which current arrangements for Social Work practice provides opportunity to improve social care outcomes for individuals in line with the requirements of the Care Act

2 - Outcome Based Practice: Consider the extent to which current Social Work practice is outcome based in line with the core principles of the Care Act

3 - Maintaining the Professional Status of Social Work: Consider the current arrangements for supporting the ongoing development of professional Social Work practice across the system and suggest any other strengthening opportunities. A significant factor in planning the integrated services was to ensure protection and enhancement of the Social Work professional status.

The team spoke with representatives from a wide range of organisations and the findings in this report are based on the evidence that was obtained from the meetings undertaken whilst on site and the documents presented. The main findings are:

The overarching message that the review team received was that the integration was seen to be; "*the right thing to do*" and that those the team spoke with were positive about that has been achieved so far.

The approach to and delivery of training is a key strength and staff have noted that there are more opportunities for training and development since transferring from the local authority to the Trust. Some of the Social Work staff raised issues around the Trust's mandatory training and the applicability and relevance to Social Work. There is an opportunity to broaden the overall mandatory programme so that it includes Social Care issues (including The Care Act), which both Health and Social Work staff then participate in.

At the time of the review the Principal Social Worker (PSW) had been in post for five weeks. There had been a period of time between the previous PSW leaving and

now when the PSW functions had been delivered by a number of senior staff, both in WHCC and WCT. This situation has led to a general lack of clarity as to who was undertaking the PSW role. Staff were interviewed said that they went to two individuals when they had Social Work concerns, including the Associate Director for Social Care (ADfSC) and the Lead Commissioner All Age Independence. There is a need to communicate to all staff what the PSW is there to do and who is undertaking this role.

Where Multi-Disciplinary Teams (MDT) are in place they provide a speedier and more proactive response to individuals. Staff reported that the MDT approach meant they are more able to problem solve due to an increased understanding by Health colleagues of Safeguarding issues and the Social Care approach to these. The model of integration also supports an approach where the professional skill set can be better matched with the individual's presenting needs and required outcomes.

The ability of the present IT systems to share information between them, is potentially hampering the effective flow of communication. Action needs to be driven at pace to ensure that both staff and service users are not unduly affected through duplications in data entry and the sharing of information.

More needs to be done to increase the effective engagement of General Practitioners (GPs) through the developing GP networks so that they become involved in the Trust's neighbourhood model of care delivery. There are also opportunities for Social Work staff to become more involved and increase the level of working with GPs.

The opportunities to listen to the voice of the service users needs to be strengthened on a strategic level so that there is a clearer understanding of what is happening with people and how their needs are planned for.

The ability to recruit Social Workers and how running with vacancies will impact on the demands of the job needs to be resolved. There needs to be a communication strategy (focussed both internally to tackle the concerns of existing front-line staff and externally to attract new staff) to support the Workforce Plan and promote the benefits of working in an integrated organisation. Consideration should also be given to any interim staffing measures to address priority areas of work and addressing obstacles that arise through NHS temporary staffing rules and processes, thereby ensuring the partnership is not adversely impacted by wider market forces.

There is an over focussing on delivering Key Performance Indicators (KPI) and that by mainly concentrating on quantitative data some of the more qualitative information, on how personal outcomes are being met, may not be fully recognised.

Staff reported that co-location and the developing culture of integration is leading to fewer hand-offs between what was traditionally viewed as Health and Social Care and that there are fewer professional barriers between functions.

The Trust(s) needs to consider how the workforce is supported to take on the new Liberty Protection Safeguards (LPS). Where training and briefing opportunities are identified there may also be opportunities to broaden this delivery beyond Social Workers so that a whole workforce understanding, across both Trusts, is promoted.

Accessing the activities being coordinated by North West Employers' could help in this delivery.

Social Workers said that they felt listened to by Senior Managers and that their professional voice is heard. Where issues are raised, staff said they have seen that action is taken. However, more could be done to show how Social Work practice is recognised and held accountable at Board level and how this is effectively communicated to staff.

Report
Background

1. Wirral Community Health and Care NHS Foundation Trust (WCT), together with Wirral Health and Care Commissioning (WHCC) and Cheshire and Wirral Partnerships NHS Foundation Trust (CWP) asked the North West region of the Association of Directors of Adult Social Services (NW ADASS) to conduct an Adults' Peer Review focussing on the quality of front-line Social Work practice within the context of integration, personalisation and neighbourhood working. The work was jointly commissioned by the three partner organisations, which are seeking an external view to consider how the transfer of Social Workers has created a seamless, integrated care and health service that provides an improved response to people in need of support. The partner organisations intend to use the findings of this peer review to strengthen their work on promoting a strengths-based approach to prevention and access to appropriate services. The review team was asked to concentrate its efforts on:

   1 – Front Line Social Work Practice – current arrangements: Consider the extent to which current arrangements for Social Work practice provides opportunity to improve social care outcomes for individuals in line with the requirements of the Care Act

   2 - Outcome Based Practice: Consider the extent to which current Social Work practice is outcome based in line with the core principles of the Care Act

   3 - Maintaining the Professional Status of Social Work: Consider the current arrangements for supporting the ongoing development of professional Social Work practice across the system and suggest any other strengthening opportunities. A significant factor in planning the integrated services was to ensure protection and enhancement of the Social Work professional status.

2. Peer review is designed to help an authority and its partners assess current achievements, areas for development and capacity to change. The peer review is not an inspection. Instead it offers a supportive approach, undertaken by friends; albeit 'critical friends'. It aims to help an organisation identify its current strengths, as much as what it needs to improve. But it should also provide it with a basis for further improvement.

3. The members of the peer challenge team were:

   - **Sue Wallace-Bonner:** DASS, Halton Borough Council
   - **Rachel Cleal:** Deputy Director of People's Services, St Helens Council
   - **Mark Albiston:** Divisional Director, Salford Royal Foundation Trust
   - **Bev Johnson:** PSW, Adult Services, Bury Council

- **Karen Turner:** Social Care Lead, Community Services, Wigan Council
- **Jonathan Trubshaw:** Peer Review Manager

4. The team was on-site from Tuesday 7th – Thursday 9th May 2019. To identify the strengths and areas for consideration in this report, the peer review team reviewed over 30 documents, held over 35 meetings and met and spoke with over 100 people during the three on-site days and collectively spent more than 220 hours to determine their findings. The programme for the on-site phase included activities designed to enable members of the team to meet and talk to a range of internal and external stakeholders. These activities included:

- interviews and discussions with officers, partners and providers
- focus groups with managers and frontline staff
- collecting information from those who access services
- reading a range of documents provided by the three organisations.

5. The NW ADASS would like to thank; Karen Howell, Chief Executive (WCHC), Graham Hodkinson, Director of Health and Care – Deputy Chief Officer (WHCC), Val McGee Chief Operating Officer (WCHC) and Suzanne Edwards, Associate Director of Operations – Specialist Mental Health and Learning Disabilities (CWP), for welcoming the team into their organisations. The team would also like to thank; Sarah Alldis, Associate Director for Social Care (WCHC), Simon Garner, Lead Commissioner All Age Independence (WHCC) and Adrian Moss, All Age Disability and Mental Health Transformation Manager (CWP) for the excellent job they did to make the detailed arrangements for a complex piece of work across key partners with a wide range of staff and those involved in the access to services. The peer team would like to thank all those involved for their authentic, open and constructive responses during the review process and their obvious desire to improve outcomes; the team members were all made very welcome.

6. Our feedback to the Trusts and Council on the last day of the review gave an overview of the key messages. This report builds on the initial findings and gives a more detailed account of the review.

Key Messages

7. The team was impressed that everyone they spoke with agreed that the integration of Social Workers was; "*the right thing to do*". No one said that they needed to go back to the Council and this positive experience was echoed by colleagues in Health.

8. There was a general recognition of the success that has so far been achieved in integrating Heath and Social Care. The positive impact on front-line staff and the people that they support was evidenced through the encouraging feedback that the team received.

9. There was particularly strong feedback where staff worked in Multi-disciplinary Teams (MDT). These teams were able to make an impact in the communities that they support, and people appreciated the difference in service. Where teams are co-located this speeds up communication and promotes innovation through improved sharing of information and ideas on how to change services. One example was of Therapy teams, where historically there was some lack of clarity as to whether responsibility sat with an Occupational Therapists (OT) in Health or Social Care. Bringing them together has revealed where possible duplications might have occurred and now OTs have shared the responsibility for waiting times; minimising delays in hand-offs and building on a can-do attitude.

10. However, there is an issue with the estate portfolio's ability to provide suitable accommodation to facilitate effective co-location in some areas. Some staff reported that although they were now housed in the same building the teams were based in separate rooms. To some extent this may maintain the physical and cultural divide between Health and Social Care, which is not supported by the lack of harmony in the various IT infrastructures. The team recognised that the Trust and its partners were aware of the issues and have plans to address them, which need to be implemented as soon as possible.

11. The team recognised that the significant work already undertaken on integration has highlighted that there is still more that the two Trusts can do to further the integration of Social Work. Opportunities include the continued development of future Social Work practice, which should be developed in line with the priorities of the Chief Social Worker for Adults, the Local Government Association essential employment standards and the developments arising from Social Work England, which will take over regulation of the workforce.

12. Social Work staff reported that there were issues of working under the NHS brand and undertaking conversations with individuals about charged for services. Some staff said that service users appeared to be confused by conversations with NHS staff about the charging for social care, as the perception is that the NHS is free at the point of delivery. More work is required to improve general communication about the integration and how services are branded.

13. Much has been done to promote the professional standing of Social Work with Health colleagues and there was some acknowledgement that the visibility of

Social Work was stronger now than it had been when they were based within the Council. However, feedback from the front-line was that they were not aware of all the mechanisms and activity that are in place to maintain their professional status. More and on-going work to communicate this activity needs to be undertaken to reassure front-line Social Work staff that their identity and standing is being maintained within the integration. Without this enhanced communication it is clear that there is a risk that this will impact negatively on the professional status of Social Work. The development of a Social Work strategy and professional Social Work Forum could support this.

14. The team was made aware of a number of areas of good practice including; the development of the Trusted Assessor model, the provision of Occupational Therapy, multi-disciplinary triage at the Front Door and the integrated approach to Reablement. More could be done to celebrate where improvements are being made and to communicate this to staff, service users and the wider public. In the team's view other local authorities would also be interested in hearing about the positive benefits of integration.

15. The approach to and delivery of training was perceived by those participating in the review as being a key strength and was identified across a number of the teams. Staff have noted that there are more opportunities for training and development since transferring from the local authority to the Trust. There is a culture of promoting wider opportunities for learning, which includes some of the specialist training with Health colleagues particularly around mental health work. There are also increased opportunities to share and adopt good practice on a multi-professional basis.

16. Some of the Social Work staff raised issues around the Trust's mandatory training and the applicability and relevance to Social Work. These included the mandatory engagement in e-learning programmes for Health, e.g. handwashing, manual lifting, etc. There is a need to explain the relevance of these programmes for all staff, as well as to broaden the overall mandatory programme so that it includes Social Care issues (including The Care Act), which both Health and Social Work staff then participate in. There is also an opportunity to clarify who provides Social Work training on specialist subjects, for example Deprivation of Liberty Safeguards (DoLS); the Trust or the local authority? Developing delivery plans for the Liberty Protection Safeguards (LPS) should clarify the situation.

17. Opportunities to innovate and take ownership are encouraged, including some Social Workers who have established a peer driven Continuous Professional Development (CPD) forum. The minutes from these meetings show an increasing willingness to promote the profession and could be encouraged further. The Advanced Practitioner groups also provide opportunities to share good practice and steer the direction of these professional groups.

18. However, more could be done to increase the opportunities for team and joint development across the Trusts as there are still areas where a them-and-us culture persists. In some locations the language used to describe Social Care colleagues included; "*they came over to us*", "*just because we're co-located doesn't mean we're working closer together*", "*Social Workers are a lot more noisy than nurses*" and "*some* (nurses) *feel put out because they've had to move desks*". These comments were balanced with observations of positives of integration including "*Social Workers and nurses now come together to sort out a package of support for an individual – before they wouldn't know who to talk to*".

19. There are also more opportunities to link up with colleagues on a regional level through the NW ADASS and the NW PSW Network to take advantage of the training resources offered by the network. This includes opportunities for frontline staff and their managers to attend conferences, seminars, action learning and sector led improvement activities. Ensuring emails and alerts that are sent to the Council are passed on in a timely manner to the relevant staff in the Trust would help encourage take-up. The team acknowledges that once the PSW role is fully re-established these activities will be covered as part of their overall remit and that both the Trust and the Local Authority have a role in improving communications.

20. There was a general lack of clarity as to who was undertaking the PSW role across the system. Although the current PSW had only been in post for five weeks at the time of the review staff who were interviewed said they went to a number of individuals when they had Social Work concerns, including the Associate Director for Social Care (ADfSC) and the Lead Commissioner All Age Independence. Further communication is required to ensure staff know who the PSW is and what the main functions of the role are. This may be helped with more face-to-face meetings with the PSW at team meetings, workshops, etc. An increased understanding within front-line teams of who is undertaking the PSW role would also help clarify who has the responsibility for the management and governance of the Social Care agenda within the Trust.

21. Feedback in regard to MDTs indicated that they are now able to provide a speedier and more proactive response to individuals. This was partly attributed to staff having a greater understanding and knowledge of what each other do and are therefore able to have informed informal conversations that keep the whole support network up to date with an individual's situation. Handoffs were being reduced and as a result of this, the team heard evidence of strategies being put in place that enabled much earlier intervention, focussing on prevention activities delivered by Social Workers in cases that had traditionally sat with Health colleagues.

22. Staff reported that the MDT approach meant they are more able to problem solve, particularly at traditionally difficult times; for example, late on Friday afternoons. A key area was the increased understanding by Health colleagues of Safeguarding issues and the Social Care approach to these. This has led to more appropriate referrals with areas of concern being discussed between colleagues rather than formally referred in the first instance.

23. There was acknowledgement from staff that the IT systems currently in use and limitations around their ability to share information between them, is hampering the effective flow of communication. This in turn impacts on the timeliness of interventions and use of staff's time in duplicating records. There is also a danger of information not being clearly identified enough, for example hazard warnings on the summary page of case files resulting in staff not being aware of situations they may be entering. The team recognise that the Trust and the Local Authority are aware of the issues and that work is being undertaken to address them. The team acknowledge the increased focus on the prevention approach when working with individuals. It was recognised that this will be a key area when looking to the future and managing long-term care and hospital admissions.

24. Social Workers commented that Health colleagues' understanding and respect of them as a professional group has increased since transferring to the Trust. This has stemmed from a greater appreciation of the breadth and complexity of the Social Worker role including the day-to-day personal involvement with individuals.

25. The team received feedback from front-line workers that they appreciated the senior leadership engagement in their role. Staff said they knew who the senior managers were and that they had a degree of visibility. Some senior

managers had shadowed some of the Social Workers to gain a greater understanding of their work. The transferring staff said that they felt valued and understood as being new to the organisation(s).

26. Social Work staff reported that they identified as being part of the Trust as well as being part of their team, including where they were a member of an MDT. They also recognised that they were positively involved in growing the culture of the integrated organisation and were enthusiastic about further changes.

27. More needs to be done to increase the effective engagement of General Practitioners (GPs) through the developing GP networks so that they become involved in the system neighbourhood model of care delivery. There are also opportunities for Social Work staff to become more involved and increase the level of working with GPs.

28. Staff reported that there are issues relating to the effectiveness of the Multi-Agency Safeguarding Hub (MASH), especially as there are high volumes of Safeguarding Alerts. There are staffing issues resulting from an on-going vacancy and the availability of cover for the current Social Worker. This needs to be addressed quickly to avoid duplication of work and ensure that 'work-arounds' do not become default practice.

29. Greater clarity is needed in the line management structure and responsibilities within the CWP Older People's team. This is to ensure that professional needs are adequately addressed and staff know where to go with any concerns that they may have. Some Social Workers reported a lack of clarity on who is managing who and whether there was sufficient management capacity as professional support was being provided by a manager who is not responsible for the service.

30. Some Social Workers in the community mental health teams raised concerns that in their perception they are being used as Care Co-ordinators and are unable to undertake Care Act Assessments. There were also some issues raised by some of those professionals working in neighbourhoods who reported difficulty in having a referral accepted into the LD and MH teams.

31. The opportunities to listen to the voice of the service users, needs to feature strongly in any strength based approach that is being adopted. This could include a section in the; assessment, support plan and review documents, to capture the service users voice and record that an assets based approach is in place. Other suggestions which may be considered include; random sample questionnaires, asking Health Watch or the VCSE to undertake some specific engagement events, reviewing the effectiveness of case file audits to understand the 'so what' question, etc. The one service user whom the team met was very complimentary about the service they received and was more than happy to tell their story.

32. There were some concerns expressed by front-line staff regarding the ability to recruit Social Workers and how current vacancies may will impact on the demands of the job. This included whether potential Social Work recruits would want to come and work for a Health Trust or is a more traditional Social Care arrangement more familiar and attractive. There needs to be a

communication strategy (focussed both internally to tackle the concerns of existing front-line staff and externally to attract new staff) to support the Workforce Plan and promote the benefits of working in an integrated organisation. The Workforce Plan needs to recognise the differing demands of the neighbourhoods including that some teams may need resizing based on the demand in each area and of the different areas of the workforce e.g. the Specialist Mental Health workers are an aging workforce and this needs to be addressed through a specific strategy. There were concerns raised about the number of Approved Mental Health Practitioners (AMHP) in post and that there needs to be a clear strategy for the recruitment and retention of AMHP's. It was also reported that Care Navigators did not find the title helpful and would welcome this being reconsidered.

Outcome Based Practice

34. In the team's view the contract between the Council and the Trust is clear, specifying what partners in both organisations are required to do. Areas for development and next steps are identified and seen to be positive.

35. Feedback from staff was that there is an over focussing on delivering Key Performance Indicators (KPI) and that by mainly concentrating on quantitative data some of the more qualitative information, on how personal outcomes are being met, may not be fully recognised; focusing on data 'targets' e.g. 28 day target for completing assessments may impede outcome focused work. The perception from some staff is that the current approaches impact on Social Workers' ability to fully carry out their Social Work practice. More needs to be done to inform the whole workforce about the Board level discussions that are being held between the Trust and the Council to move away from performance driven approaches towards more outcome focussed practice, balanced against the demands in relation to timeliness of the Adult Social Care Outcomes framework. Engaging Social Workers in what this might look like could ensure a more robust system for gathering relevant information.

36. All Social Care staff have access to Research in Practice for Adults (RiPfA) training and are seen to be putting this into practice. The team heard of some good examples of Strengths Based work being undertaken and evidence of improved outcomes for individuals who use the services. These were heard clearly in the session with Care Navigators and the Advanced Practitioners and included examples of; training to deliver strengths based working, the community connector model, Making Safeguarding Personal training, leisure passes provided through the carers offer, etc.

37. The team heard that there are planned audits to evidence the improving outcomes and to support the anecdotal feedback from service users. The team also heard evidence that the integration of Social Work and Health supports better and earlier conversations between professionals, which in turn leads to better outcomes for individuals. The team was also made aware of a planned review of documentation to ensure the way in which policies and procedures are written supports Outcome Focussed Practice. All partners would benefit from a systematic approach to capturing and sharing 'good news' stories and good practice examples of how integration has led to achieving better outcomes for people. Some stories were heard during the review but there did not appear to be a mechanism for systematically capturing and sharing these to ensure their impact is not lost.

38. The third sector partners that participated in the review said that there was a good level of engagement and that work was undertaken with a wide variety of partners. There now needs to be greater clarity on how the system will develop the relationship with GPs and how Social Workers and the increasing focus on outcomes based practice will feature.

39. The integrated front-door services appear to be working well with a focus on prevention and wellbeing. People from a variety of services and organisations are co-located and have a high level of understanding of what each other do.

40. Staff reported that co-location and the developing culture of integration is leading to fewer hand-offs between what was traditionally viewed as Health and Social Care and that there are fewer professional barriers between functions. Staff are sharing responsibility for the care of a person and considering how to keep them well.

41. However, more needs to be done to develop closer working across the two Trusts to strengthen the voice of Social Workers and improve pathways. The team was made aware of number of planned activities and projects to continue the progress of integration. There needs to be an overarching framework across the three organisations that ensures all the various elements are working harmoniously and maps initiatives to ensure staff are not over-loaded at any one time.

42. CWP's Head of Nursing has plans to establish a network for Social Workers. More details are required on how this network will function and how the approach will be shared across the Trusts and the Local Authority to ensure there is a level of commonality and also to avoid unnecessary duplication.

43. The current CWP policy for the care programme approach has not been updated since the introduction of the Care Act 2014 and makes numerous references to the NHS & Community Care Act 1990 and the eligibility criteria as set out in the fairer access to care services. This document needs to be updated to ensure the policy and associated practice are in line with the current legislative framework.

44. Based on the documents reviewed and the interviews conducted the team was unsure as to how the DASS is assured of the delivery of statutory duties in Mental Health. This needs to be considered and clearly set out for both potential internal and external audiences, for example by reviewing provision against the Better Social Work for Mental Health developed by the DHSC. The Trust(s) needs to consider how the workforce is supported to take on the new LPS. Where training and briefing opportunities are identified there may also be opportunities to broaden this delivery beyond Social Workers so that a whole workforce understanding, across both Trusts, is promoted. There may also be opportunities to engage with NW ADASS and NW PSW network and access events that they are offering.

Maintaining the Professional Status of Social Work

45. The team heard reports that professional supervision, including critical reflection, is in place and appears to be working well. Staff said that they received regular formal supervision and had sufficient access to managers whenever they felt the needed to raise an issue.

46. The Practice Educator role is fully supported and valued by staff. There have been a number of new opportunities for staff to complete this training, which has led to an increase in the number of students that can be supported; all of which have positive benefits for the service.

47. There are some Social Work forums and peer support activities in place (please see above). Where activities have been independently initiated to fill a gap where a perceived need has been identified this is being undertaken separately from anything else. There are opportunities for this to feed up to Board level so that the positive work already being undertaken can be shared and opened up more widely. As well as aligning activities to meeting the professional needs of all Social Workers.

48. Social Workers reported that the training offer and opportunities around career development, particularly around integrated working, have been discussed with them. They viewed the offer as being a strength and one that is being more clearly identified to specific roles so that it meets their professional needs. Work is also progressing to develop joint plans for Social Work development and training across the two Trusts, which needs to ensure it links to the professional standards and competencies frameworks for Social Workers.

49. Social Workers said that they do feel listened to by Senior Managers and that their professional voice is heard. Where issues are raised, staff said they have seen that action is taken, an example given was that progression routes were seen as being; "*A little draconian and harsh*". When this was fed back there was an immediate response and a change in the process, resulting in individuals feeling able to apply for promotion.

50. The team heard that there have been positive changes to the governance structures that ensures the voice of Social Workers is heard and included.

51. In the team's view the leadership team values and supports the Social Work teams. Efforts have been made to visit and understand the professional roles. There is now a non-executive director with a Social Work background on the Board and service user stories are used to ground the Board's decisions. There is also professional representation at the Board through the ADfSC.

52. More could be done to promote communication as to how the Board works to the Social Work teams, so that they more fully understand the professional line-of-sight and interest that there is at the Board. At present, the feedback from some front-line Social Workers is that they are unclear how their voice is heard at Board level. Examples of how this might be addressed include; more personal presentations, a 'day-in-the-life-of-a-Social-Worker' where individual

staff members present the information themselves rather than through a manager, proving opportunities for staff to shadow Board members. Social Workers said that they are keen to do more to encourage culture change and further improve integration. This would also help ensure that the Social Work profession is clearly seen as having an equal standing with other Health Care professions.

53. There are several strategies and plans around Social Work practice within the Trust(s) that need to be developed; this includes thinking around the Three Conversations model, continuing the Strengths Based approaches and the direction of professional supervision. The Local Government Association (LGA) have developed essential standards for employing social workers, which gives a framework for ensuring there is a well lead Professional Environment and this might be useful in aiding framing the common strategic approach. Although work is underway on this it needs to be done with more pace and increased communication to provide clarity to the teams about what work is being developed.

54. Concerns were raised by some front-line staff that there might be Social Worker fragmentation as the workforce is split between the two Trusts. Integrated training and events that bring the workforce together could help address these concerns; together with an increased level of communication setting out what staff are doing and sharing good practice. The role of the ADfSC in working across both Trusts could be highlighted and made more visible to staff so that they a more fully aware of the support and representation available to them as one professional group.

Recommendations

The following are the team's recommendations for LCC, together with partners, to consider further and determine what action is required to:

55. 'Touch base' and revisit team building to address any silo working – the team was aware that team building work has already taken place. The evidence from front-line staff suggests that this requires on-going and visible management activity to maintain the integration momentum.

56. Listen to people who use services to fully understand the changes that integration is having on them – the team did not receive much evidence of this during the review. Invite groups of service users to share their experiences in semi-structured settings. More use could be made of electronic feedback surveys.

57. Be clear and transparent within the Trust(s) about the responsibilities for Social Work practice – increase the level of communications around the PSW role and how this links with the ADfSC in the Trust and the DASS in the Council. The PSW should be more visible and accessible to all the Social Work teams in both Trusts.

58. Address recruitment issues for social workers: sell the benefits of working in an integrated system – advertise Social Work vacancies on sites visited by Social Workers. It is unclear as to how effective it is to advertise these vacancies on Health websites. More needs to be done to promote the benefits of working in a Health setting.

59. Develop a strategy for estates and IT to support agile multi-agency working – increase the pace around finding rooms that can accommodate MDTs in one place and ensure that information can be shared between the different IT systems

60. Strengths based practice needs to be embedded in all professions – provide training and develop a culture that supports the strengths based approach across all the professions so that it does not just sit with Social Workers.

61. Develop a community directory of services in relation to self-care – this was identified by a number of staff, partners and service users as a gap. An on-line directory that can be easily accessed would help develop community resilience and support the wider strengths based working.

62. Share success stories and areas of good practice to embed learning – the team was impressed with the benefits that the integration is delivering. Wirral could do more to promote the approach; case studies, video stories, presentations to the community as well as other professionals at the local, regional and national stage. It is important that staff can see that their involvement is recognised by demonstrating how integration is working at an organisational level, the benefits it provides for staff and the people who use the whole range of Health and Social Care services.

WIRRAL

CABINET

25 NOVEMBER 2019

COUNCIL TAX 2020/21 (TAX BASE, DISCOUNTS AND EXEMPTIONS AND LOCAL COUNCIL TAX REDUCTION SCHEME)

Councillor Pat Hackett, Leader of the Council, said:

"It is vital we maximise council tax collection, so we can continue to fund the services which residents rely on every day, particularly in the face of such prolonged austerity policies from Central Government.

However, it is equally important we remember our commitment to social justice and protecting the most vulnerable. I am incredibly proud we have been able to exempt all care leavers from paying council tax until they reach the age of 25 and extend our Local Council Tax Reduction Scheme from next year - helping those who need it most in our community.

We are also able to continue give Wirral Women's and Children's Aid a 100% discount on their Council Tax, reflecting the fantastic work they do for our borough."

REPORT SUMMARY

This report brings together related issues regarding the proposed Council Tax Base for 2020/21 upon which the annual billing and Council Tax levels will be set; the proposed Council Tax Discounts including Local Discounts, exemptions for 2020/21 and the Local Council Tax Reduction Scheme to be used during 2020/21. These need to be approved by Council by 31 January 2019.

The matter affects all Wards within the Borough.

RECOMMENDATIONS

That Cabinet recommend to Council:

1 The figure of 93,965.9 be approved as the Council Tax Base for 2020/21 subject to the items below being approved;

2 The level and award of each local discount for 2020/21 be:-

Wirral Women's & Children's Aid

To continue to award Wirral Women & Children's Aid 100% discount.

Care Leaver's Discount

To award Care Leavers the requisite discount to reduce their Council Tax liability to zero until they are 25, from the 1st April 2020. This remains unchanged from 2019/20.

Empty Property Discounts

Discount category D = 0% Full charge on properties undergoing renovations.

Discount category C = 0% Full charge on empty properties from date they become unoccupied.

Both remain unchanged.

Empty Property Premium = 100% (200% Council Tax) for unfurnished properties empty for more than two years. 200% (300% Council Tax) for unfurnished properties empty more than five years. This is allowed by the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018. This has previously been reported to Cabinet on the 4th November 2019.

Council Tax Discretionary Hardship Relief Scheme

The Council Tax Discretionary Hardship Relief Scheme, approved by Cabinet in October 2013, continues in its current format for 2020/2021. The Scheme offers help and assistance in exceptional cases of hardship.

3. **Local Council Tax Reduction Scheme (LCTRS)**

The Local Council Tax Reduction Scheme, previously reported to Cabinet on the 4th November 2019, be the approved Scheme for 2020/2021.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

1.1. The Council has to agree the Council Tax Base for 2020/21 by 31 January 2020.

1.2. The Council has to decide on the level of Local Discounts and Exemptions by 31 January 2020.

1.3 The Council has to determine annually the Local Council Tax Reduction Scheme.

2.0 OTHER OPTIONS CONSIDERED

2.1 In respect of the Council Tax Base this has to be set by 31 January each year and there are no other options.

2.2. The Local Discounts, Exemptions and the Local Council Tax Reduction Scheme are reviewed annually and could be amended which will have a financial impact for the authority as set out in this report.

3.0 BACKGROUND INFORMATION

3.1. The Council has a statutory duty to take decisions each year regarding the administration of Council Tax which must be agreed by the Council by 31 January.

COUNCIL TAX BASE 2020/2021

3.2 The Authority is required to annually determine its Council Tax Base in order to determine the appropriate levels for Wirral, the Preceptor Authorities (Police & Crime Commissioner and Fire & Rescue Services) and the Environment Agency (Flood Defence). The Council Tax Base has a direct impact on the Council Tax that will be levied for Wirral for 2020/2021.

3.3 The Council Tax Base must be agreed by 31 January 2020 and will be used to calculate the Council Tax charges for 2020/2021.

3.4 The Tax Base calculation process is as follows;

- Calculate the number of properties at September 2019 and adjust for changes due to demolitions and new builds up to 31 March 2021 which are then converted to a full year Band D equivalent. Adjust for discounts, exemptions and disabled relief and add in any changes expected over the year reflecting the Local Council Tax Reduction Scheme and changes to empty property discounts.

- Convert the number of "discounted" dwellings in each Council Tax Band to Band D equivalent;

- Adjust the total number of Band D equivalents by the estimated Council Tax collection rate for the year. The amended calculation is as below and will be utilised in calculating the Council Tax charge for 2020/21.

3.5 Forecast properties per Council Tax band within Wirral as at October 2019:-

Table 1: Wirral Council Tax Bandings Forecast

Band	Value (£)	Properties 2019	Change	Properties 2020	Band %	Ratio
A	<40,000	60,165	105	60,270	40.2	6/9
B	40,001-52,000	32,325	180	32,505	21.7	7/9
C	52,001-68,000	27,332	152	27,484	18.4	8/9
D	68,001-88,000	13,355	47	13,402	9.0	9/9
E	88,001-120,000	8,180	86	8,266	5.5	11/9
F	120,001-160,000	4,285	40	4,325	2.9	13/9
G	160,001-320,000	3,120	35	3,155	2.1	15/9
H	>320,000	264	9	273	0.2	18/9
Total		149,026	654	149,680	100.0	

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

Table 2: Wirral Council Tax Band D calculation 2020/21

Band	Properties 2020	Changes due to LCTRS discounts, exemptions	Revised property equivalent	Ratio to Band D	Net Band D equivalent
A	60,270	(24,545)	35,725	6/9	23,817
B	32,505	(7,245)	25,260	7/9	19,647
C	27,484	(4,057)	23,427	8/9	20,824
D	13,402	(1,500)	11,902	9/9	11,902
E	8,266	(738)	7,528	11/9	9,201
F	4,325	(303)	4,022	13/9	5,810
G	3,155	(209)	2,946	15/9	4,910
H	273	(36)	237	18/9	474
Band A Disabled		69	69	5/9	38
Total	149,680	(38,564)	111,116		96,623
Collection Rate					x 97.25%
Adjusted Council Tax Base					93,965.9

3.7 The Collection Rate takes into consideration previous experience and current collection rates. An exercise has taken place analysing previous year's collection rates and it would be prudent to apply a collection rate of 97.25%. This has been reflected in the setting of the Council Tax Base.

3.8 The Collection Rate is the rate that best reflects collection over more than just the current year and will therefore take longer than the financial year to achieve. All previous year collections have met or exceeded projections and this rate should be achieved for 2020/21.

3.9 The recommended figure for 2020/21 is 93,965.9. Compared to the 2019/20 figure of 93,497.8 this is an increase of 468.

3.10 The level of Council Tax is confirmed at Budget Council which for 2020/21 is scheduled for 2 March 2020.

COUNCIL TAX LOCAL DISCOUNTS & EXEMPTIONS 2019/20

3.11 Local Discounts and Exemptions are subject to an annual review and impact directly upon the Council Tax income being fully met by the Council. From 1 April 2013 the Council adopted 0% discount levels for empty properties and properties undergoing construction, where previously they had been exempt for 6 and 12 months respectively thus receiving a 100% discount. This report reviews these reduced discounts and increased charges and also the current levels of specific local discounts. Any amendment or granting of discount agreed as part of this report will come into force from 1 April 2020.

3.12. Local Discounts can be granted under Section 13a of the Local Government Act 1992. The Local Government Finance Act 2012 introduced changes in national Council Tax discounts and exemptions. These were considered and adopted for 2013/14 by Cabinet on 24 January 2013 and cover the level of discount awarded on empty properties and the premium charged on long term empties. Wirral chose to maximise the amount payable in each category and must review its charges each year.

A LOCAL DISCOUNTS - LOCAL GOVERNMENT ACT 1992

3.13 Local Discounts, as used by Wirral, are granted under Section 13a of the Local Government Act 1992 and reviewed annually. Amounts detailed below.

Table 3: Local Government Act 1992 Local Discounts in Wirral

	£
Wirral Women & Children's Aid	4,254
Council Tax Discretionary Relief (Hardship)	50,000
Care Leaver's Discount	120,000
Total	**174,254**

Wirral Women & Children's Aid

3.14 Cabinet on 22 July 2004 awarded a local discount to Wirral Women's and Children's Aid, the discount leaving no Council Tax to pay, on the basis of the valuable work undertaken at the premises. The circumstances have remained unaltered and the cost of the award is currently £4,254. A decision is required as to whether this discount continues for 2020/21.

Council Tax Discretionary Hardship Relief

3.15 Regulations allow that a discount can be granted to an individual in a case of extreme hardship, covered by the Council's Council Tax Discretionary Relief policy (minute 71, 10 October 2013) or alternatively a discount can be granted to all empty properties within a specific area, such as a clearance area. This can give more flexibility to the Council which has to fund any locally defined discounts. A decision is required as to whether Council Tax Discretionary Hardship Relief continues in its current format for 2020/21.

Care Leaver's Discount

3.16 A local discount will be awarded from 1st April 2020 removing the requirement to pay Council Tax from Care Leavers until they become 25. The discount is awarded after all other reliefs and discounts have been granted and recognises the financial burden that leaving care can cause. This remains unaltered from last year.

B DISCOUNTS & EXEMPTIONS - LOCAL GOVERNMENT ACT 2012

3.17 The Local Government Finance Act 2012 introduced changes in national Council Tax discounts and exemptions which gave Local Authorities local discretion on discount levels. These were considered and adopted by Cabinet on 24 January 2013 (minute 166) for the 2013/14 financial year and have continued in subsequent years. Wirral chose to maximise the charges it raises by minimising the discount awarded, i.e. 0%.

Table 4: Local Government Act 2012 Empty Property Discounts

Income from minimising discounts	**£**
Empty properties –unoccupied/renovation (Discount C+D) = 0%	2,500,000
Empty property – premium of 100% (Council Tax charge 200%)	880,000
Empty property – premium of 200% (Council Tax charge 300%)	336,000
Total	**3,716,000**

Empty Properties Discount

3.18 The changes allowed by the 2012 Act covered charges made against empty property and second homes. In broad terms this removed the exempt classifications A and C and allowed Councils to define their own level of discounts re-categorising them as discounts C and D. The Regulations also allowed Councils to apply a premium on properties that had been empty for more both than two years and from 2020 those empty for over 5 years.

3.19 The Council chose to award 0% discount (Discount D) – full charge - on properties undergoing renovations which were previously entitled to a 12 month exemption, or 100% discount.

3.20 The Council chose to similarly award a 0% discount (Discount C) – full charge - on empty properties that had previously been exempt for the first six months that they were empty, or 100% discount.

3.21 As previously reported to Cabinet on the 4th November 2019, it is recommend that the Council uses its powers to charge the maximum amount of Premium on properties that had been empty for more than two years which will be 100% (200% of the Council Tax payable) and for properties that have been empty for more than 5 years which will be 200% premium (300% of the Council Tax). The aim is to encourage prompt property re-occupation and discourage properties being held empty by speculators waiting for an increase in values. To remove the Premium would cost £1,216,000 in lost potential Council Tax income.

C LOCAL COUNCIL TAX REDUCTION SCHEME

3.22 Central Government abolished Council Tax Benefit (CTB) on 31 March 2013 and tasked each administering Council to formulate an individual Local Scheme to replace it. At the same time Central Government reduced the grant they awarded to Councils for CTB by 10%. The Government also stated that any Local Council Tax Reduction Scheme devised should leave pensioners no worse off than they were under the 2012/13 CTB scheme. The option was also given to define vulnerable groups and offer the groups the same level of protection as pensioners. Wirral designated persons classed as disabled or with disabled children as vulnerable in 2013/14. The Scheme must be approved by each year prior to the year it will be applied.

3.23 Having regard to the financial pressures the Council resolved, on 28 January 2013, that it could not find funding from its existing budgets to make up the shortfall caused by the governments changes and decided to pass on the reduction to Local Council Tax Reduction Scheme recipients that resulted in non-vulnerable working age claimants paying a minimum of **22%** of the Council Tax charge.

3.24 A report has been before Cabinet on the 4th November 2019 recommending that this minimum amount be reduced from 22% to 12%. This will help some of the poorest households in the borough.

3.25 Council Tax payment levels of Local Council Tax Reduction Scheme recipients were anticipated to be lower than the main level, projecting a 74% collection rate on these specific sums. Thus far actual is in line with projections.

3.26 The Scheme, its impacts and costs are continually monitored and need to be annually reviewed and approved prior to the year it will be applied.

4.0 FINANCIAL IMPLICATIONS

4.1. The Council Tax Base is used to calculate Council Tax levels for 2020/21. Failure to comply with timescales could delay Council Tax bills with the potential to affect collection and cash-flow. On the assumption that the levels of support under the Local Council Tax Reduction Scheme and the Discounts and Exemptions are adopted the increase in the Council Base from 2019/20 to 2020/21 will result in increased Council Tax Base of 468 Band D properties.

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

Table 6: Local Government Act 1992 Local Discounts

	£
Wirral Women & Children's Aid	4,254
Council Tax Discretionary Relief (Hardship)	50,000
Care Leaver's Discount	120,000
Total	**174,254**

Table 7: Local Government Act 2012 Empty Property Discounts/ Charges

Income from minimising discounts	**£**
Empty properties –unoccupied/renovation (Discount C+D) = 0%	2,500,000
Empty property – premium of 100% (200% Council Tax)	880,000
Empty property -premium of 200% (300% Council Tax)	336,000
Total	**3,716,000**

4.3. For 2020/21 a revised Local Council Tax Reduction Scheme has been recommended. The additional support for low income families will be in the region of £800,000. In total the value of the support provided for all eligible claimants, including pensioners, will be in the region of £29 million.

5.0 LEGAL IMPLICATIONS

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

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

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

7.0 RELEVANT RISKS

7.1. If the Council Tax Base figure is not declared by 31 January 20120 the Council and Preceptor Authorities will be unable to make considered budgetary

decisions that could delay the Council Tax bills and income streams for 2020/21.

7.2. In respect of Local Discounts and Exemptions the changes made to domestic empty property charges are expected to generate over £3.7m million of additional Council Tax charges. Given the nature of the charges, the policy whilst raising additional revenue is likely to reduce the overall average collection rate. On a simple comparison of collection rates without the context, this would make Wirral look less effective at collection than those authorities offering more generous discounts and applying no empty property premiums. Any changes to the current level of discounts or reduction to the Empty Premium would see a reduction in Council Tax raised and the income lost would have to be replaced by an alternative income stream.

7.3. The revised Local Council Tax Reduction Scheme will give an increased level of support to people. For the Council, this Scheme is a growth item and will impact on its overall budgetary position.

7.4 The proposed new Local Council Tax Reduction Scheme has been to Cabinet on 4th November. If the scheme is not approved by Council then the Council Tax Base would need to be recalculated. The revised figure would be 94,392.8.

8.0 ENGAGEMENT/CONSULTATION

8.1. No consultation is required in the calculation of the Tax Base. The Discount and Exemptions are proposed to be maintained at the previous year's level and no direct consultation has been undertaken on discount levels. The level of changes for discounts and exemptions were consulted upon in 2012/13 and no specific consultation has been undertaken as they are not proposed to be changed. A consultation did take place on the changes to the Council Tax Reduction Scheme but the numbers who took part in the consultation were not sufficient for any meaningful data to be reported. However, there were no adverse comments. The Director of Finance and Investment has written to the Preceptors informing them of the proposed changes both to the Council Tax Reduction Scheme and the Empty Homes Premium. No feedback has been received.

9.0 EQUALITY IMPLICATIONS

9.1. The link to the Equality Impact Assessment for the Local Council Tax Reduction Scheme
https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2017/delivery

10.0 ENVIRONMENTAL AND CLIMATE IMPLICATIONS

10.2 There will be no measurable environmental impact.

REPORT AUTHOR: P McCann
Senior Manager Income Policy & Strategy
Telephone 0151 666 3410
Email petermccann@wirral.gov.uk

BACKGROUND PAPERS

Department for Communities and Local Government; - Council Tax (CTB1) form and accompanying documentation.
Local Government Finance Act 1992, 2003 and 2012.
Valuation Office Agency - Valuation List.
Welfare Reform Act 2012.
Council Tax Reduction Scheme (Default Scheme) (England) Regulations 2012.
Rating (Property in Common Occupation) & Council Tax (Empty Dwellings) Act 2018

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	8 December 2016
Cabinet	27 November 2017
Cabinet	26 November 2018

WIRRAL

CABINET

25 NOVEMBER 2019

QUARTER 2 2019/20 REVENUE FINANCIAL MONITORING

Councillor Janette Williamson, Cabinet Member for Finance and Resources, said:

'We continue to deal with huge financial pressures, resulting from a combination of austerity policies and continually increasing demand for and cost of services. We do everything we can to protect our front-line services from the worst of these cuts. We make commercial investments and decisions to make money to replace the funds which have been taken away from us, and we continually develop new ways to deliver services with less money.

"We will continue to act responsibly with public money, and get the best possible value for Wirral residents. This does not get any easier, as the cuts continue to bite and put almost unprecedented pressure on our finances and the services we provide. We will deliver a balanced budget for this year – despite the issues we face – and, later in the year, we will consult with local people on a new five year financial strategy which will aim to stabilise our long-term financial position."

REPORT SUMMARY

This Statement provides a summary of the projected year-end revenue position as at Quarter 2, Month 6 (September 2019).

The year-end forecast recorded as part of September's financial monitoring activity represents an adverse variance to budget of £7.155m. The Council is encountering significant cost pressures, which are being managed, but known total budget pressures of £12.955m exist. Due to the Council's financial position, an adverse budget variance is not viable.

This matter is a key decision which affects all Wards within the Borough.

RECOMMENDATION/S

Revenue

1 To note the Year end forecast position at Quarter 1 of £7.115 million Adverse.

2 To note the level of achievement of savings proposed for 2019-20.

3 To note the revisions to Medium Term Financial Strategy (MTFS) 2020-2025.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 Regular monitoring and reporting of the Revenue Budgets, savings achievements and MTFS position enable decisions to be taken faster which may produce revenue benefits and will improve financial control in Wirral Council.

2.0 OTHER OPTIONS CONSIDERED

2.1 No other options have been considered.

3.0 BACKGROUND INFORMATION

3.1 Revenue Budget and Forecast

3.1.1 The year-end forecast for revenue expenditure, recorded as part of September financial monitoring activity, represents an adverse variance to budget of £7.155m.

Table 1: Wirral Council 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year Budget £m	Forecast £m	Variance (+ Fav, - Adv) £m	%	Adv/Fav	Previous Forecast Variance £m
Adult Care & Health	87.172	88.138	(0.965)	-1%	Adverse	*(0.000)*
Children	86.581	89.892	(3.311)	-4%	Adverse	*(2.711)*
Business Management	5.781	6.210	(0.429)	-7%	Adverse	*(0.198)*
Economic Housing Growth	28.854	28.561	0.292	1%	Favourable	*0.079*
Delivery	45.267	48.008	(2.741)	-6%	Adverse	*(1.634)*
Directorate Total	**253.654**	**260.809**	**(7.155)**	**-3%**	**Adverse**	***(4.463)***
Support / Admin Building Overhead	31.555	31.555	(0.000)	0%		*0.000*
Organisational Total	**285.209**	**292.364**	**(7.155)**	**-3%**	**Adverse**	***(4.463)***

3.1.2 The year-end forecast, recorded as part of September financial monitoring activity, represents an adverse variance to budget of £7.155m. The Council is encountering significant cost pressures, which are being managed, but known total budget pressures of £12.955m exist:

Table 2: Wirral Council 2019/20 Pressure Statement

Pressure Statement 19/20	**£m**	**£m**
Forecast Adverse Revenue Position		(7.155)
Pressures		
Adult Care & Health	(5.200)	
Children's Complex Needs	(0.600)	
Total Budget Pressure		**(12.955)**

3.1.3 Due to the Council's financial position, an adverse budget variance is not viable and Corporate Directors are being supported to ensure that a balanced budget can be achieved by year-end. The main actions being undertaken are detailed in the table 3.

3.1.4 There is an Action Plan in place to address the position. There are also a series of actions being developed, these include:

- Marketing activity to improve demand for leisure services;
- Marketing activity to improve garden waste subscriptions;
- Strategic transport review
- Assisted travel policy

Paragraph 3.2 provides more detail about the drivers of the pressures and existing mitigations.

Table 3: Wirral Council Summary of 2019/20 Action Plan to Mitigate Budget Gap

	Total	Adult Care & Health	Children	Business Management	Economic & Housing Growth	Delivery
	£m	£m	£m	£m	£m	£m
Gross Forecast Budget Pressure	**(12.955)**	(6.165)	(3.911)	(0.429)	0.292	(2.741)
Actions (In Progress)						
Use of Reserve (One Off)	**2.200**	2.200				
Settlement of old-year joint funded cases	**0.600**	0.600				
Full recovery of Third Party Top-ups	**0.400**	0.400				
Direct Payments Audit (year-end)	**0.300**	0.300				
Savings achievable from Wirral Community Foundation Trust and Cheshire Wirral Partnership	**1.700**	1.700				
Shift of existing placements from residential care to in house provision	**0.600**		0.600			
Sub-total	**5.800**	5.200	0.600	0.000	0.000	0.000
Net Forecast Budget Pressure	**(7.155)**	**(0.965)**	**(3.311)**	**(0.429)**	**0.292**	**(2.741)**

3.2 Revenue Budget Monitoring Position by Directorate

3.2.1 Adult Care and Health: Forecast - £0.965m Adverse Variance Position

3.2.2 Demand for services is the key driver of risk in Adult Care and Health and has caused an adverse movement in expenditure forecast of £0.965m from a balanced position in the last quarter. Failure to achieve some or all of the Actions in Progress will result in a net budget deficit at year-end; the maximum risk exposure is £6.2m.

Table 5: Adult Care and Health 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year Budget £000	Forecast £000	Variance (+ Fav, - Adv) £000	%	Adv/Fav
Health & Care Outcomes	91,110	90,656	454	0%	Favourable
Integrated Commissioning Programme	(1,578)	764	(2,342)	-148%	Adverse
All Age Disability Service	(2,178)	(3,100)	923	42%	Favourable
Health & Wellbeing	(183)	(183)	0	0%	Favourable
Directorate (Surplus) / Deficit	**87,172**	**88,138**	**(965)**	**-1%**	**Adverse**
Support / Admin Building Overhead	3,498	3,498	(0)		
Total (Surplus) / Deficit	**90,670**	**91,635**	**(965)**	**-1%**	**Adverse**

3.2.3 Health & Care Outcomes

- The forecast budget deficit of £0.492m relates to care packages. This is due to increased demand for domiciliary care packages, where demand has risen by 5.8% since April 2019, causing an adverse variance to budget of £0.996m. This is partially mitigated by reduced demand for long-term residential care and direct payments, which are forecast to outturn a favourable variance of £0.504m.
- The forecast budget surplus of £1.109m relating to income. Due to an overall increase in demand for social care services, the income budgets for client charges and NHS joint funding are forecast to be in surplus by £0.662m and £0.321m respectively. Additional grant income accounts for the remaining surplus balance of £0.126m

3.2.4 Integrated Commissioning Programme

- A forecast budget deficit of £4.542m exists, relating to increasing demand and acuity in care packages. This is partially mitigated by the anticipated use of £2.200m of social care reserves (subject to audit approval).

3.2.5 All Age Disability Programme

- £0.173m forecast budget deficit relates to care packages and is caused by increased demand for direct payments and home care services.
- There are some forecast budget surplus of £0.722m, which has been caused by staff vacancies and £0.374m relating to income from the national Social Care Support Grant. This is mitigated by a forecast budget deficit in NHS joint funding.

3.2.6 Health & Wellbeing

- This represents the activity relating to the use of ringfenced Public Health grant (total value £28m), and is forecast to be balanced against budget.

3.2.7 Children: Forecast - £3.311m Adverse Variance Position

3.2.8 The £3.311m forecast adverse position is a £0.737m increase from Quarter 1 forecast position (£2.711m). The adverse position is largely due to the Looked After Children Placement and additional service pressures described below; some of these pressures are forecast to be mitigated by employee vacancy savings.

Table 6: Children 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year Budget £000	Forecast £000	Variance £000	Variance %	Adv/Fav
Children's Social Care	45,013	48,977	(3,964)	-9%	Adverse
Modernisation & Support	5,250	5,061	189	4%	Favourable
Early Help & Prevention	10,192	9,958	234	2%	Favourable
Safer Wirral Hub	4,495	4,502	(7)	0%	Adverse
Schools - Core	20,789	20,552	237	1%	Favourable
Schools - DSG	841	841	0	0%	
Directorate (Surplus) / Deficit	**86,581**	**89,892**	**(3,311)**	**-4%**	**Adverse**
Support / Admin Building Overhe	8,179	8,179	0		
Total (Surplus) / Deficit	**94,759**	**98,071**	**(3,311)**	**-3%**	**Adverse**

3.2.9 Children's Social Care

- The average weekly rate for the residential placements continues to be high due to the market trend and complexity of needs. The average rate for this period is £3,178 per week, increased further compared with the average of the previous quarter (£3,091 per week).

- The current placement budget is based on the average weekly rate plus 2% inflation, however the weekly rate of the residential placements has increased by 23% driven by external market forces.

- The Looked After Children Commissioning budget for this quarter is forecast to £3.893m adverse position. The residential/semi-independent placements' forecast has increased to reflect the addition of and one new secure placement with the cost of £0.204m and increased contingency costs relating to existing placements increased weekly costs.

- The number of Independent Fostering Agency (IFA) placements has been reduced by 5 (from 105 placements at the end of August to 100 placements this period), reducing the cost by £0.099m. We have also secured Unaccompanied Asylum Seeking Children (UASC grant income relating to 2 children (income £0.083m).

- The review of the existing placements is currently ongoing to transfer more of the residential and IFA placements towards the in-house provisions, in order to reduce the adverse position within this financial year.

- There is £0.201m pressure from the contact contract with Active8 (outsourced service for supervised contact visits) due to the extension of this contract and a delay to changing the operating model to an in-house service. This service delivery model is currently under review.

- £0.365m forecast adverse variance relates to items identified within savings targets, which remain at risk of non-delivery, however saving plans are in development, please see 3.5.3 for more detail.

3.2.10 Modernisation & Support

- Favourable position of £0.189m relates to staff vacancies

3.2.11 Early Help & Prevention

- Contextual Safeguarding shows an adverse position of £0.177m. Increasing concerns arising for the safeguarding of children has resulted in the need for a Complex Investigation Team. Some of the growth is offset by a favourable position in the Compass team due to staff vacancies and a joint funded approach is being investigated to mitigate the remaining pressure.

- Wirral Attendance Service shows an adverse position of £0.133m. This is due to loss of income from the cessation of a non-statutory service offered to schools. This service was aimed at supporting schools in managing the root causes of pupil non-attendance, many schools now oversee this activity in-house.

- Adverse position of £0.211m in the Integrated Front Door Service due to the use of agency staff.

- The pressure on the Emergency Duty Team is £0.186m due to delay in moving to new operating model and use of agency staff.

- The service pressures are being mitigation by the delay of the implementation of the Pause Programme (£0.450m), which works with women who have experienced, or are at risk of, repeated pregnancies that result in children needing to be removed from their care and aims to reduce demand for Children Social Care in the long term.

- The Troubled Families income target is challenging. The original target was based on a combination of a guaranteed Government Grant (£0.350m) and Payment by Results activity (£1.373m). The payment by result activity is forecast to deliver £0.873m, and the reduction is driven by the increased complexity of information demanded by the Government, leading to number of successful claims reducing and therefore less income. A review of the process is underway to increase the success rate of the claims. The forecast position is mitigated through the use of a reserve £0.5m.

3.2.12 Schools Core

- There is a £0.237m favourable variance in the Council funded elements of the schools' budget driven by in year staffing vacancies across a range of services. Until the vacancies are filled, the organisation is at risk on non-compliance in statutory services, such as Special Education Needs Assessments. Recruitment is underway to address this.

3.2.13 Schools Dedicated Schools Grant (DSG)

- Schools are funded by a ringfenced grant. Ringfenced reserves are not taken into account in assessing the Councils ability to set a lawful balanced budget, and as such a DSG deficit would not need to be covered by an equivalent amount in general reserves.

- Work has been ongoing with the service to establish a projected cost for 2019/20 and a £3.761m adverse variance is anticipated against the ringfenced schools grant.

- The pressure has arisen due to the increased volume and complexity of SEND pupils. This

has led to an increase in the number of Education Health & Care Plans (EHCPs), particularly in primary schools (2,600 units of funding in 2019 compared to 2,000 in 2018). There are also additional places required in special schools from September 2019, both maintained and independent.

- The forecast overspend would result in a call on DSG reserves of £3.761m if realised. However, at the end of 2018/19 there was only £2.209m remaining in the DSG reserves meaning the deficit would be £1.552m at the end of 2019/20.

- An additional £700m was announced as part of the government's autumn spending round, it is unlikely the deficit will be met without changes to service provision. Any changes to service provision are currently subject to the outcome of the independent SEN review expected from Premier Advisory Group during the autumn term.

- In addition, individual school budgets are under increasing pressure, and although additional funding for schools was announced by central government, the impact of this is not yet clear. There was £8.890m remaining in the school balances reserve at the end of 2018/19, this leads to a likelihood that the reserve will reduce further by the end of 2019/20.

3.2.14 **Business Management: Forecast - £0.429 Adverse Position**

3.3.15 The £0.429m forecast adverse position is a £0.238m increase from Quarter 1 forecast position (£0.198m). The adverse position is largely due to income targets not being fully met and increased costs from the Coroners Service. some pressures are forecast to be mitigated by employee vacancy savings.

Table 7: Business Management 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				
	Budget	**Forecast**	**Variance** *(+ Fav, - Adv)*		**Adv/Fav**
	£000	£000	£000	%	
Change & Organisational Design	5,847	5,788	59	1%	Favourable
Finance & Investments	(21,508)	(21,413)	(95)	0%	Adverse
Commercial Management	(523)	(416)	(107)	-20%	Adverse
Strategic Commissioner Environmen	16,485	16,485	0	0%	
Culture & Visitor Economy	1,478	1,516	(38)	-3%	Adverse
Governance & Assurance	4,002	4,251	(248)	-6%	Adverse
Directorate (Surplus) / Deficit	**5,781**	**6,210**	**(429)**	**-7%**	**Adverse**
Support / Admin Building Overhead	9,875	9,875	(0)		
Total (Surplus) / Deficit	**15,655**	**16,085**	**(429)**	**-3%**	**Adverse**

3.2.16 Finance & Investment

- This is due to income shortfalls due to reduction in the Housing Benefit Admin Grant from Department of Work and Pensions (DWP). The grant is reduced each year and replaced with smaller ad hoc grants throughout the year, however, these grants are insufficient to

replace the shortfall. The overall shortfall against income is projected to be £1.204m. This pressure has been partly mitigated through a favourable variance within Employees of £1.106m due to part year staffing vacancies.

3.2.17 Commercial Management

- This is due to a projected shortfall of income within the Design Team and has been forecast prudently as the Design Team are not operating at full capacity due to staff vacancy. Recruitment for this role is underway and is expected to improve income from Quarter 2 onwards.

3.2.18 Legal & Governance

- The key driver for the deficit is within the Coroners service. The deficit position is due to an increase in Central Government costs and an increase in demand for the service. Currently the risk is not mitigated, but analysis is being undertaken with Liverpool City Council as this is a shared service, with the aim of reducing expenditure in future years.

3.2.19 Economic and Housing Growth: Forecast - £0.292m Favourable Variance Position

3.2.20 The £0.292m forecast favourable position is a £0.212m improvement from Quarter 1 forecast position (£0.079m). The favourable position is largely to Housing function moving to this directorate from Delivery.

Table 8: Economic and Housing Growth 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				
	Budget	Forecast	Variance (+ Fav, - Adv)		Adv/Fav
	£000	£000	£000	%	
Major Growth & Housing Delivery	23,234	23,374	(140)	-1%	Adverse
Corporate Director for Economic & Housing Growth	(5,193)	(5,250)	57	1%	Favourable
Regeneration & Inward Investment	990	990	(0)	0%	
Housing	9,822	9,447	374	-4%	Favourable
Directorate (Surplus) / Deficit	**28,854**	**28,561**	**292**	**1%**	**Favourable**
Support / Admin Building Overhead	1,552	1,552	0		
Total (Surplus) / Deficit	30,405	30,113	292	1%	**Favourable**

3.2.21 Major Growth & Housing Delivery

- The adverse forecast expenditure of £0.140m is due planning related expenses, a review is underway to manage these costs through the capital programme.

- Delivery of the Local Plan remains a key priority. Reserves have been set aside to cover the local plan costs, estimated cost of delivery is £1.400m in 2019/20, £0.200m in 2020/21 and £0.400m in 2021/22.

3.2.22 Corporate Director for Economic & Housing Growth Management

- Favourable variance of £0.057m due to salary budget slippage from vacant Director post Apr – Jul 2019.

- Income of £3.65m was originally anticipated in 2019/20 from development within the Wirral Growth company. However, as the partnership with Muse has matured, the partnership agreement has been refocused to ensure any development is designed in consultation with residents, members and partners to ensure the maximum financial benefits can be realised for the Council. This may result in additional income being received in future years. This will be funded by a transfer from the Economic Growth reserve which was established to cover such delays in regeneration developments.

3.2.23 Housing Services

- The favourable position within Housing is forecast from the current cost of Supported Housing contracts based on current occupancy rates.

3.2.24 Delivery Services: Forecast - £2.741m Adverse Variance Position

3.2.25 The £2.741m forecast adverse position is a £1.107m deterioration from Quarter 1 forecast position (£1.634m). The adverse position is largely due to delays / reversals of key decisions relating to income generation and Housing function moving from this directorate to Economic and Housing Growth (£0.374m favourable variance).

Table 9: Delivery 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				
	Budget	**Forecast**	**Variance** *(+ Fav, - Adv)*		**Adv/Fav**
	£000	£000	£000	%	
Community Services	14,432	15,719	(1,287)	-9%	Adverse
Delivery Services Management	183	189	(6)	-3%	Adverse
Highways & Streetscene Services	26,797	28,201	(1,404)	-5%	Adverse
Asset Management	3,855	3,898	(43)	-1%	Adverse
Directorate (Surplus) / Deficit	**45,267**	**48,008**	**(2,741)**	**-6%**	**Adverse**
Support / Admin Building Overhead	8,452	8,452	0		
Total (Surplus) / Deficit	**53,719**	**56,460**	**(2,741)**	**-5%**	**Adverse**

3.2.26 Community Services

- There are income pressures (£0.49m) within Sport & Recreation caused by: the slippage of the development of the 3G pitches at Leasowe has delayed the income generation in year; a delay to realising commercial opportunities at the West Kirby Lake Sailing Centre facilities whilst awaiting completion of the building improvements and the ongoing negotiations to transfer the Beechwood Leisure Centre to an alternative provider. The commercial team are developing plans to improve the leisure centre offer with new gym equipment and classes. This will increase demand for memberships and improve income streams.

- The expectation of the 2019/20 budget was for the approved budget savings relating to the transfer of operations at the Floral Pavilion and two golf courses to expert providers, to be fully achieved. However, continuing delays in the transfer of the Floral Pavilion (£1.5m capital receipt and £0.55m revenue adverse variance) and Members recommendation to not proceed with the transfer of the Golf Courses (£0.11m) will mean that the saving target will not be realised in 2019/20.

3.2.27 Highways & Streetscene

- Due to reduced demand, car parking income is expected to fall short of the budget (£0.3m adverse). A comprehensive review of the transport strategy is being undertaken in this area to recommend improvements to Members

- The termination of the Council's contract with Kingdom, which enforced fines for environmental breaches such as dog fouling, littering, trade waste and smoking offenses, has generated a budget shortfall (£0.5m adverse) within the Waste & Environment Service Area; alternative options are being reviewed with regard environmental enforcement.

- There has been a slower than anticipated take up of the Garden Waste Subscription service, if this trend were to continue the forecast adverse budget variance of £0.2m. Work is underway to attract new subscribers through promotional activity and advertising, to mitigate this variance in year.

- Assisted Travel (£0.4m adverse) is due to the increased demand for home to school transport and adult transport. There is currently a policy review of this area being undertaken to help address this organisation-wide issue of increasing demand which will be reported in November 2019.

3.3 Achievement of 2019/20 Savings

3.3.1 In March, Council approved £45m savings to balance the 2019/20 budget. As at Q2, £34.940m are achieved or expected to be achieved, see appendix 1 for a more detailed breakdown of the savings initiatives.

3.3.2 The remainder are partly achieved or require further work to ensure the full saving can be achieved by the end of the year.

3.3.3 Those at risk of not being delivered are:

- Children – Business Support Saving. This was originally planned to be delivered through a back-office review and restructure. The pressures in Children Social care mentioned in paragraph 3.3.9 puts this saving at risk of non-achievement.
- Children – Troubled Families Income. Changes in the funding assumptions have increased risk of the saving achievement, please see the comment in paragraph 3.4.4.
- Children – Looked After Children. The pressures in Children Social care mentioned in paragraph 3.4.2 puts this saving at risk of non-achievement.
- Transfer the Floral Pavilion to an expert provider - The saving was predicated on a full year saving of Revenue costs (£0.550m) and a capital receipt (£1.5m), which will not fully materialise in this financial year.
- Transfer of Golf courses to an expert provider – This decision has been reversed and the saving will not be realised (£0.11m)

3.3.4 Medium Term Financial Strategy (MTFS) 2020 - 2025 update

3.3.5 Government funding as part of the one year Spending Review for 2020-21 has been communicated, although not finalised, and current estimates illustrate an improvement to the Council's position of £11.7m in comparison to previous estimates, comprising £1.9m Business Rates, £3.4m for Council Tax and £6.4m in social care grants. However, pressures on expenditure have increased to £36.5m. The savings to offset these pressures in 2020-21 total £12.6m. This includes a change to Pensions calculations and innovative and preventative activities to offset demand, increase income and staffing

changes. Therefore, the anticipated budget gap for 2020-21 is £12.2m. Further savings proposals are under development to meet this gap.

3.3.6 In recent years, the Council Financial reserves have been heavily utilised, further utilisation of reserves to meet this gap may put the whole organisation at risk of financial failure.

3.3.7 At present there is uncertainty over the level of funding available from the Government for 2021/22 and beyond, based on existing assumptions and the additional pressures presented in 2020/21, our expected budget gap is £50m. The outcome of the funding formula review has not yet been announced, and the general election is likely to delay this announcement even further making it very difficult to plan over the longer term.

4.0 FINANCIAL IMPLICATIONS

4.1 This is the Quarter 2 budget monitoring report that provides information on the forecast outturn for revenue expenditure. The Council has robust methods for reporting and forecasting budgets in place and alongside formal Quarterly reporting to Cabinet, the financial position is reported monthly at each Directorate Management Team and corporately at the Strategic Leadership Team (SLT). In the event of any early warning highlighting pressures and potential overspends, the SLT take collective responsibility to identify solutions to resolve these to ensure a balanced budget can be reported at the end of the year.

5.0 LEGAL IMPLICATIONS

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

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no implications arising directly from this report.

7.0 RELEVANT RISKS

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

(i) Senior Leadership / Directorate Teams regularly reviewing the financial position.
(ii) Availability of General Fund Balances.
(iii) Acceleration of 2020/21

8.0 ENGAGEMENT/CONSULTATION

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

9.0 EQUALITY IMPLICATIONS

9.1 No because this report is essentially a monitoring report on financial performance.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 This report has no impact on emissions of CO2

REPORT AUTHOR: **Vikki Gregorich**
Senior Finance Manager
telephone: (0151) 666 3104
email: vikkigregorich@wirral.gov.uk

APPENDICES

Appendix 1 – Savings Statement

BACKGROUND PAPERS

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Council **Council Meeting**	**4th March 2019** **2nd September 2019**

Appendix 1 – Savings Statement

		2019-20 £m						
		Agreed at Full Council	Achieved	Yet to be delivered			Mitigation	Commentary
Directorate	**Saving Description**	**£**	**Blue £**	**Green £**	**Amber £**	**Red £**	**£**	
Economic Housing & Growth	Increase in Planning Income	- 0.100	- 0.100					Budget adjusted to reflect the saving
Delivery Services	Assisted Travel Procurement	- 0.125	- 0.125					Budget adjusted to reflect the saving
Cross Cutting	Capitalisation of salaries	- 0.150	- 0.150					Budget adjusted to reflect the saving
Children	Remove Golden Hellos	- 0.200	- 0.200					Budget adjusted to reflect the saving
Cross Cutting	Reducing Interims	- 1.000	- 0.350	- 0.650				On target to be achieved during the year with £350k achieved at Q1
Business Management	Pensions regulatory changes	- 0.400	- 0.400					Budget adjusted to reflect the saving
Children	Children's Management restructure	- 0.500	- 0.500					Budget adjusted to reflect the saving
Corporate	Increase Council Tax Collection Rate	- 0.500	- 0.500					Budget adjusted to reflect the saving
Children	Reduced Agency	- 1.000	- 0.700	- 0.300				Delivered in conjunction with the Children Management Restructure. £700k has been achieved. Further analysis on £300k remainder is underway to ensure appropriate allocation
Children	Special Guardianship Allowance	- 0.800	- 0.800					Budget adjusted to reflect the saving
Business Management	Senior Manager and Back Office Reduction	- 1.900	- 1.100	- 0.800				Recent restructuring and EVR complete with £1.1m achieved. Remainder of saving will be achieved via vacancy management througout the year
Adult Care & health	LD Transformation Programme	- 2.000	- 2.000					The department is building on the success of last year's £2m LD Transformation Programme in order to drive a further £2m savings in 2019/20. This includes reviewing accommodation arrangements and exploring a number of initiatives around the use of assistive technology
Business Management	Transformation funding reduction	- 2.000	- 2.000					Budget adjusted to reflect the saving
Business Management	Treasury investments	- 2.000	- 2.000					Budget adjusted to reflect the saving
Corporate	One Off Reserves	- 2.000	- 2.000					Budget adjusted to reflect the saving
Cross Cutting	Supplies and Services	- 2.500	- 2.400				- 0.100	Majority achieved with £0.1m being achieved via other means

		2019-20 £m						
		Agreed at Full Council	Achieved	Yet to be delivered			Mitigation	Commentary
Directorate	**Saving Description**	**£**	**Blue £**	**Green £**	**Amber £**	**Red £**	**£**	
Corporate	Changes in Assumptions to Funding	- 3.935	- 3.935					Budget adjusted to reflect the saving
Delivery Services	Street Lighting LED savings	- 0.050	- 0.050					The street lighting phase 2 LED project is progressing well, with work scheduled to start later in the year. The revenue saving from reduced energy costs of £50k are expected to be achieved
Cross Cutting	Efficiencies from centralising IT budgets	- 0.180		- 0.180				Project in progress to centralised all IT budgets ans spend to hold central control of all software, hardware and licences
Delivery Services	Cems & Crems increased fees	- 0.200		- 0.200				The proposed implementation of the service offer are progressing well. A staffing restructure has been completed, the implementations of a new IT system has commenced and price changes across the service have been applied from 1 April 2019. It is anticipated that the savings will be achieved in 2019/20
Economic Housing & Growth	Benefits of Economic Regeneration	- 4.150		- 0.500			- 3.650	£3.65m is income from Wirral Growth Company which will be rephased to 2020/21 due to agreed strategic changes to approach within the Growth Company partnership. This will be funded from the Economic Growth Reserve. £0.5m income from Vue Cinema is achievable
Adult Care & health	Use of grant funding for Public Health Services	- 0.850		- 0.850				Existing Public Health contracts values are lower following retendering enabling grant funding to be used on oyher public health related services
Corporate	Asset Sales Capital Receipts	- 1.500		- 1.500				Forecast Receipts as at 31/5/2019 are £1.516
Cross Cutting	Contract review	- 1.500		- 1.500				Saving identiifed from re-tendering contracts in 2019/20 at lower value within a range of areas
Economic Housing & Growth	Sale of Freehold Investment Capital Sale	- 4.000		- 3.950			- 0.050	Current expectations is majority of target will be achieved, with 50k shortfall to be met from other capital receipts.
Adult Care & health	Mitigating Adult Social Care demand through maximising independence and well being	- 5.800		- 5.200	- 0.600			This expenditure pressure is being partially mitigated with £5.2m additional grant funded income (Better Care Fund, Social Care Support Grant, Winter Pressures Funding) in 2019/20. The remaining £3.0m is being is met through partnership working with the Council's NHS partners (Wirral Community Trust and Cheshire & Wirral Partnership). This will manage demand for social care by maximising service users' independence and wellbeing. Target efficiency values have been agreed with each NHS partner and are being monitored through a robust contract management process.
Business Management	Culture income target	- 0.100			- 0.100			Income received as match funding from external sources and sponsorship being agreed during the year for the borough of culture events programme
Children	Looked After Children reduced numbers	- 0.400				- 0.400		Project in Progress: Work is being completed to reduce overall demand, however in year issues specifically related to the alignment of market rates for high complex cases remains challenging.
Children	Troubled Families Earned Autonomy funding	- 0.600			- 0.600			Project in Progress: This is an income target, made up of one off grant and results-based income. The Grant element was cut after the setting of the target, which has created an additional pressure on the results-based income. Work is in progress to analyse the impact of the change
Business Management	Service Review	- 1.000			- 1.000			Series of services reviews underway across the Council with potential for the saving to be achieved at the end of the year
Cross Cutting	Fees & Charges	- 1.000			- 1.000			Project in progress: Analysis is underway to identify where the savings will be allocated
Delivery Services	Expert Operator: Golf courses	- 0.110				- 0.110		A preferred provider has been identified, as an expert operator for the golf courses, however following an O&S Committee the saving is yet to be realised. The delay in the project will impact the level of revenue savings which can be achieved in 19/20. The £110k shown was predicted on a full year saving
Children	CYP Business Support Saving	- 0.400				- 0.400		Project in Progress: Full analysis being completed (Children / Finance Collaboration)
Delivery Services	Expert Operator: Floral Pavilion	- 2.050				- 2.050		Submissions from preferred providers of an expert operator model for the Floral will be received by 15th July 219, with a recommendation passed to the Portfolio Holder to enable negotiatioms. The saving was predicated on a full year saving of Revenue costs (£550k), which will not fully materialise in this financial year
		- 45.000	**- 19.310**	**- 15.630**	**- 3.300**	**- 2.960**	**- 3.800**	

WIRRAL

CABINET

25 NOVEMBER 2019

QUARTER 2 2019/20 CAPITAL FINANCIAL MONITORING

Councillor Janette Williamson, Cabinet Member for Finance and Resources, said:

"We are making major investments in Wirral this year – improving infrastructure, supporting business growth and improving the public realm and local environment which residents are rightly proud of.

This report demonstrates this investment, it provides a helpful overview of our progress, and makes it clear that we are using the resources available to us to their best effect to help improve services, environment and opportunities for local people".

REPORT SUMMARY

The report provides an update on the progress of the Capital Programme 2019/20 at the end of September 2019. It recommends that Cabinet agree the 2019/20 Capital Programme of £52.889 million which takes account of re-profiling, additional funding requirements and grant variations identified since June.

This matter is a key decision which affects all Wards within the Borough.

RECOMMENDATION/S

Capital

1 That Cabinet recommend to Council the approval of additional funding for the schemes referred to in paragraph 3.3.

2 That Cabinet recommend to Council the approval of the revised Capital Programme of £55.889 million for 2019-20.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 Regular monitoring and reporting of the Capital Programme enable decisions to be taken faster which may produce revenue benefits and will improve financial control in Wirral Council.

2.0 OTHER OPTIONS CONSIDERED

2.1 No other options have been considered.

3.0 BACKGROUND INFORMATION

3.1 Capital Programme 2019/20 Position by Directorate

Table 1: Wirral Council 2019/20 Full Year Capital Budget and Forecast Position

	Full Year Budget £m	Forecast £m	Variance £m	Variance %
Adult Care & Health	6.747	2.114	4.633	69%
Children	6.255	7.837	(1.582)	-25%
Business Management	12.915	10.895	2.020	16%
Economic Housing Growth	27.712	6.076	21.636	78%
Delivery	36.454	25.967	10.487	29%
Organisational Total	**90.083**	**52.889**	**37.194**	**41%**

NB: the full detail of scheme performance is in Appendix 1

3.1.1 Table 1 provides an update on the 2019/20 capital Programme. A number of significant variations have arisen since the programme was agreed in March 2019. These include the inclusion of additional grant funded schemes, variations to spend forecasts and the re-profiling of expenditure into and out of the 2019/20 financial year. Further detail is provided below.

3.1.2 Adult Care and Health

- Alcohol Treatment (£0.406m increase): Part of an overall grant of £6 million allocated to 23 authorities. The aim is to assist local authorities to prioritise alcohol treatment, invest in equipment and facilities and ensure that treatment expertise is enhanced to better meet the needs of people with alcohol problems.
- Learning Disability Extra Care Housing (£3.0m decrease): Demand is less than expected due to the private sector finding alternative funding sources to back their developments such as through the supported living regime.
- Extra Care Housing (£2.11m decrease): Two Extra Care developments which have been awarded Council grant are on currently on site. Barncroft is scheduled for completion in January 2020 and will provide 21 units of Extra Care and the Woodpecker Close site is scheduled for completion in September 2020, providing 78 units. No other developments are planned for this year.

3.1.3 Children

- Basic Needs (£1.133m increase): An additional grant allocation was notified in May.

3.1.4 Business Management

- Tower Road National Productivity Investment Fund (£0.51m decrease): Design and procurement of the scheme have taken longer than originally anticipated. Contractor has yet to be appointed.
- Key Route Network: Funding brought forward from 2018/19 (£0.3m increase). Additional costs will be incurred in respect of cabling on the A41. Transfer from the savings on the street lighting budget (£0.6m increase).
- TAG Feasibility Studies: Additional grant funding was approved by the Combined Authority on 26th July 2019. The A41 North Corridor scheme (£0.65m increase) and the Wirral Waters scheme (£0.53m increase).
- Sustainable Transport: Funding brought forward from 2018/19 (£0.47m increase)
- Windows 10: the programme to provide all staff with the latest Operating System (Windows 10) and additional software to enable agile working is continuing. Three additional areas of work have been identified: Computer Aided Design and Geographical Information Systems; schools installations; the additional demand for docked type monitors. The net additional requirement for this year (£0.35m) can be funded from savings anticipated in the Digital Corporate Storage scheme.
- Digital Corporate Storage: A reassessment of the budget requirement indicates that costs will be less than anticipated with some of these savings utilised to fund the additional schemes referred to above in the Windows 10 project (decrease £0.46m)
- Enterprise Resource Planning: soft market testing has been undertaken and suppliers have profiled their cloud based offer. We are now approaching the procurement phase but the significant costs will only start to be incurred in the following financial year (decrease £4.1m).

3.1.5 Economic and Housing Growth

- Investment in properties: Costs with respect to the acquisition of specific properties relating to regeneration have been included in the current year projections with other schemes anticipated to commence in 2020-21 (decrease £8.60)
- Wirral Waters Investment Fund: the Marine Energy Automotive Park project does not yet have planning permission and therefore, it is anticipated that it will commence in the last quarter of this financial year at the earliest. Anticipated spend £0.375m (decrease £5.62m).
- Housing Infrastructure Fund Marginal Viability: part of Homes England grant of £6m for infrastructure, land remediation, public realm works and utilities provision at Northbank, Wirral Waters. Estimated grant drawdown this year is £1m with the balance reprofiled into 2020/21 (decrease £2.0m).
- Community Bank: A due diligence exercise will review the case to establish a North West Regional Community Bank covering Cumbria, Lancashire and Merseyside. Depending on the outcome the majority of the Council's contribution will not be required this financial year (decrease £4.25m).
- New Ferry Regeneration Strategic Acquisitions: 25 properties have been identified for acquisition with 4 completed to date. Not all those identified will be completed this year (decrease £0.7m).

3.1.6 Delivery

- Transport for Growth: Adjustment to Integrated Transport grant allocation £1.1m and balance of funding brought forward from 2018/19 (increase £2.10m).
- Aids, adaptations and DFGs: Substantial additional grant funding was included in the original budget. In May the Council received a further £4.3m. A realistic level of grant

allocation is estimated to be £2.5m based on applications and resources available. The balance of funding has been re-profiled into 2020/21 (decrease £3.33m).

- West Kirby flood defence: The expected tender period is December and January with appointment in February. Start on site will not be until the end of the financial year so apart from the ongoing consulting costs and some preliminary site work there will not be any significant capital outlay (decrease £2.37m).
- LED street lighting/column replacement: Contract awarded in September, works commencing October. Majority of expenditure will be incurred December onwards (decrease £5.47m).
- Leasowe Leisure Centre/Evolutions: Various design options are still being considered in order to provide the most economical and effective solution. The scheme itself is unlikely to start until the new financial year (decrease £1.0m)

3.2 Capital Funding Requirements

Table 2: Financing the Capital Programme 2019/20

Capital Programme Financing	Capital Strategy £m	Revised Programme £m
Borrowing	53.443	30.477
Grants / Loans	30.640	22.037
Capital Receipts	0.000	0.000
Business Rates (Wirral Waters, ringfenced)	6.000	0.375
Total	**90.083**	**52.889**

3.2.1 Any re-profiling that reduces borrowing will produce one-off revenue savings. A permanent saving only occurs if schemes cease, otherwise the full budget will be required in 2020-21 when the re-profiled expenditure is incurred.

3.2.2 The Public Works Loans Board (PWLB) has announced a 1% increase in the rate of borrowing. The current capital programme includes a funding requirement of £30 million from borrowing, the full year impact of this will therefore increase financing costs by £300,000 per annum. There will be an increased cost of financing for future capital schemes financed by PWLB borrowing. These costs impact upon the revenue budget but will mainly be incurred from 2020/21.

3.3 Recommendations for Approval to Full Council

3.3.1 Capitalisation in order to achieve revenue savings (£0.317m)

- A full organisational review is in place to identify items which are capital items, but have been funded in the revenue accounts, so that these can be capitalised, which is within the capital guidance. The associated annual borrowing costs can be accommodated with the existing revenue Treasury Management budget.

3.3.2 Birkenhead Town Hall kitchen health and safety works (£0.090m)

- The electrical supply in the kitchen needs to be renewed completely and a new extractor fan installed. The flooring needs to be renewed and up to date kitchen equipment installed.

3.3.3 Studio Refurbishment Les Mills classes (£0.216m)

- This represents a new capital invest to save bid. Group fitness is part of the Invigor8 membership and available to casual (pay-and-play) customers. A quality group fitness offer would not only act as a sales tool, but also as a key retention tool to reduce the attrition rate of current Invigor8 members. Loss making classes will be removed and some replaced with industry leading classes to transform our offer into an income generating programme and provide the right classes for our residents. The intention is to introduce the Les Mills virtual classes brand and to reduce the diversity of fitness classes provided with those remaining categorised into more consumer-friendly groups. At the same time upgrade the cycling and main studios at four leisure centres to incorporate virtual sessions and introduce Les Mills "The Trip" to the Tennis Centre.

4.0 FINANCIAL IMPLICATIONS

4.1 This is the Quarter 2 budget monitoring report that provides information on the forecast outturn and progress against the capital Programme. The Council has robust methods for reporting and forecasting budgets in place and alongside formal Quarterly reporting to Cabinet, the financial position is reported monthly at each Directorate Management Team and corporately at the Strategic Leadership Team (SLT). In the event of any early warning highlighting pressures and potential overspends, the SLT take collective responsibility to identify solutions to resolve these to ensure a balanced budget can be reported at the end of the year.

5.0 LEGAL IMPLICATIONS

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

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no implications arising directly from this report.

7.0 RELEVANT RISKS

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

(i) Senior Leadership / Directorate Teams regularly reviewing the financial position.
(ii) Availability of General Fund Balances.
(iii) Acceleration of 2020/21

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

8.0 ENGAGEMENT/CONSULTATION

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

9.0 EQUALITY IMPLICATIONS

9.1 No because this report is essentially a monitoring report on financial performance.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 This report has no impact on emissions of CO2

REPORT AUTHOR: **Vikki Gregorich**
Senior Finance Manager
telephone: (0151) 666 3104
email: vikkigregorich@wirral.gov.uk

APPENDICES

Appendix 1 - 2019/20 Significant variations to the 2019/20 Capital programme

BACKGROUND PAPERS

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Council **Council Meeting**	**4th March 2019** **2nd September 2019**

Appendix 1 – 2019/20 Significant variations to the 2019/20 Capital programme

	Original Budget 2019/20	Forecast Outturn 2019/20	Variance	Commentary
	£000	£000	£000	
Business Management				
Tower Road National Productivity Investment Fund	2,700	2,188	-512	Design and procurement of the scheme have taken longer than originally anticipated. Contractor has yet to be appointed
Sustainable Transport Enhancement Programme (STEP)	393	863	470	The variance is accounted for by funding brought forward from 2018/19
Key Route Network	2,964	3,878	914	Funding brought forward from 2018/19 (£0.3m). Additional costs will be incurred in respect of cabling on the A41 which can be funded from savings on the street lighting contract.
Transport Advisory Group Feasibility Studies A41 Corridor and Wirral Waters		1,189	1,189	Additional grant funding was approved by the Combined Authority on 26th July 2019.The A41 North Corridor scheme (£0.651m) and the Wirral Waters scheme (£0.538m).
Windows 10 Rollout	608	958	350	Three additional areas of work have become apparent: Computer Aided Design and Geographical Information Systems replacement; delivering the schools installations has required additional staffing resources; additional demand for the new docked type monitors. The additional

				requirement can be funded from savings anticipated in the digital Corporate Storage scheme.
Digital Corporate Storage - upgrade & refresh technologies	1,225	761	-464	A reassessment of the budget requirement indicates that costs will be less than anticipated with some of these savings utilised to fund the additional schemes referred to above in the Windows 10 project
Enterprise Resource Planning (ERP)	4,340	240	-4,100	Soft market testing has been undertaken and following this, suppliers have profiled their cloud based offer to provide greater benefits to our business. The scheme is now approaching the procurement phase but the significant costs will only start to be incurred in the following financial year.
Delivery Services				
Transport for Growth	557	2,659	2,102	Adjustment to Integrated Transport grant allocation £1.1m and balance of funding brought forward from 2018/19
Bridges	551	816	265	Funding brought forward from 2018/19, primarily the balance of funding for Lingham Lane
LED street lighting/ column - Replacement	7,102	1,624	-5,478	Contract awarded in September, works commencing October. Majority of expenditure will be incurred December onwards.
West Kirby Flood alleviation	2,854	486	-2,368	The expected tender period is December and January with appointment in February. Start on site will not be until the end of the financial year so apart from the ongoing consulting costs and some preliminary site work there will not be any significant capital outlay.

Aids to navigation	800	80	-720	Contract awarded in June. Estimated costs of design work in 2019/20 are £80,000. The remainder reprofiled as work cannot be undertaken during the bird breeding season coupled with the fact that there is a short weather window during which work can be undertaken. Work will commence in April 2020
Eastham Youth Hub		442	442	Work has been ongoing for a number of years on a scheme to relocate Eastham Youth Club to a new facility co-located with Anselmians' Rugby Club. The funding was approved by Council on 14th October 2019
Aids, Adaptations and Disabled Facility Grants	5,834	2,500	-3,334	Substantial additional grant funding was included in the original budget. In May the Council received a further £4.3m. A realistic level of grant allocation is estimated to be £2.5m based on applications and resources available. The balance of funding has been re-profiled into 2020/21.
Leasowe Leisure Centre/Evolutions	1,000	0	-1,000	Various design options are still being considered in order to provide the most economical and effective solution. The scheme itself is unlikely to start until the new financial year.
Parks Machinery and Vehicles	1,875	0	-1,875	The budget represents the first year estimate of a 3 year rolling programme to update parks machinery and vehicles. Given the scale of the overall investment required (£3.9m) the programme has been deferred for further consideration.

Economic and Housing Growth				
Wirral Waters Investment Fund	6,000	375	-5,625	The Marine Energy Automotive Park project (£1.5m) does not yet have planning permission and therefore, it is anticipated that it will commence in the last quarter of this financial year at the earliest. The Green/Civilised Streets project was reported to Cabinet 0n 30th September, seeking £400,000 of financial support for infrastructure improvement at Tower Road, Birkenhead. Funding will be required in 2020/21.
Housing Infrastructure Fund Marginal Viability	3,000	1,000	-2,000	Part of Homes England grant of £6m for infrastructure, land remediation, public realm works and utilities provision at Northbank, Wirral Waters. Estimated grant drawdown this year is £1m with the balance reprofiled into 2020/21.
Business Investment Fund	1,306	1,036	-270	8 bids have been received for financial assistance from this fund with the latest estimate for likely approval from this year's allocation being £1.036 million.
New Ferry Regeneration Strategic Acquisitions	1,300	600	-700	25 properties have been identified for acquisition with 4 completed to date. Not all those identified will be completed this year.
Investment in Properties	10,106	1,500	-8,606	Closely linked to the progressing Wirral Growth Company it is intended to fund potential acquisitions. Costs in respect of Milton Pavement have been included in the current year projections with other schemes anticipated to commence in 2020/21.

Community Bank	5,000	750	-4,250	A due diligence exercise will review the case to establish a North West Regional Community Bank covering Cumbria, Lancashire and Merseyside. Depending on the outcome the majority of the Council's contribution will not be required this financial year.
Adult Care and Health				
Alcohol Treatment Capital Fund		406	406	Part of an overall grant of £6 million allocated to 23 authorities. The aim is to assist local authorities to prioritise alcohol treatment, invest in equipment and facilities and ensure that treatment expertise is enhanced to better meet the needs of people with alcohol problems.
LD extra care housing	3,000	0	-3,000	Demand is less than expected due to the private sector finding alternative funding sources to back their developments such as through the supported living regime.
Extra Care Housing	2,560	450	-2,110	Two Extra Care developments which have been awarded Council grant are on currently on site. Barncroft is scheduled for completion in January 2020 and will provide 21 units of Extra Care and the Woodpecker Close site is scheduled for completion in September 2020, providing 78 units. No other developments are planned for this year.

Children's Services				
Basic Needs	577	1,710	1,133	Grant allocation notified in May

WIRRAL

CABINET

25 NOVEMBER 2019

MINIMUM REVENUE PROVISION RE-PROFILING

Councillor Janette Williamson, Cabinet Member for Finance and Resources, said:

"We continue to face huge financial pressures, as increasing demand, rising costs and ongoing austerity policies combine to place unprecedented strain on our budget, and services. This is an excellent example of how, when we need to look to new and innovative ways to provide services, we are able to continue to find new ensure this Council is in a position to protect our most vulnerable."

REPORT SUMMARY

The Authority's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management ("the Code").

Proactive Treasury Management activity – working in conjunction with external advisors - has resulted in a proposal to change the way that the Council calculates its Minimum Revenue Provision (MRP).

This proposal to change the method of calculation results in a re-profiling of MRP charges - rather than a permanent reduction in MRP charges - and flows from the inclusion of long-term debtors and deferred charges in the calculation for the first time, as now permitted under statutory guidance.

RECOMMENDATION/S

That Cabinet endorse the proposal to re-profile MRP charges resulting in a reduction of MRP charges by over £2m pa over the next ten years, recouped via higher charges in subsequent years - and recommends it to the Council for approval.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

1.1 Under statutory guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003, a Local Authority may change the method(s) that it uses for calculating part or all of its MRP at any time.

1.2 Where a Council changes the method used to calculate MRP, this should be explained in an Annual Minimum Revenue Provision Statement, submitted to full Council for approval at the start of the financial year, explaining why the change will better allow it to make prudent provision.

1.3 The proposal included in this paper, to effectively re-profile MRP charges, was only finalised in October 2019 due to the timing of external advice received on this matter and the need for discussion with Grant Thornton, the Council's auditors during the 18/19 audit process. As such, this report is in addition to the Annual Minimum Revenue Provision Statement presented at the start of the financial year.

2 OTHER OPTIONS CONSIDERED

2.1 Other options considered include:

- Leaving the MRP calculation unchanged; and
- Spreading the benefit of re-profiling over an alternative time period to the ten years recommended in this report.

2.2 Given that the Council can legitimately change the method of MRP calculation to one which, in this case, results in lower MRP charges in earlier financial years than had previously been anticipated, the option of leaving the MRP calculation unchanged has been discounted.

2.3 Spreading the benefit of re-profiling over the next ten years – enabling taxpayers to benefit in earlier years - is considered to be reasonable and prudent and aligns with time periods selected by other Councils.

2.4 Recognising the full benefit of re-profiling MRP charges immediately (ie in a single financial year), rather than spreading the benefit over the next ten years is not an option. This would effectively create a negative MRP charge which would not be in line with statutory guidance.

2.5 In producing the first draft of the Statement of Accounts, it was initially proposed to hold the whole amount of MRP available for re-profiling in a separate Earmarked Reserve within General Fund Reserves, for gradual release in future years. This treatment effectively transferred £26.36m from the Capital Adjustment Account (forming part of Unusable Reserves) into General Fund Reserves (forming part of Useable Reserves). However, this treatment was reversed in the second draft of the Statement of Accounts following discussion with the auditors. This means that the whole balance of MRP available for re-profiling will remain within the Capital

Adjustment Account, from where it is proposed that it will be released over the next ten years.

3.0 BACKGROUND INFORMATION

3.1 Where the Council finances capital expenditure by debt, resources must be put aside to repay that debt in later years. The amount charged to the General Fund for the repayment of debt is known as Minimum Revenue Provision (MRP) and is based on the Capital Financing Requirement (CFR) of the Council.

3.2 The Minimum Revenue Provision is an annual charge that Councils which are not debt free are required to make in their accounts for the repayment of debt (as measured by the underlying need to borrow, rather than actual debt). The underlying debt is needed to finance the capital programme. It is, therefore prudent to charge an amount for the repayment of debt (usually over the life of the asset), allowing borrowing to be matched to asset lives. Setting aside an amount for the repayment of debt, through an annual Minimum Revenue Provision, allows for future borrowing to be taken out to finance assets when they need to be replaced at no incremental cost.

3.3 Under Regulation 27 of the 2003 Regulations, Local Authorities are required to charge MRP to their revenue account in each financial year. Before 2008, the 2003 Regulations contained details of the method that Local Authorities were required to use when calculating MRP. This has been replaced by the current Regulation 28 of the 2003 Regulations, which gives local authorities flexibility in how they calculate MRP, providing the calculation is 'prudent'. In calculating a prudent provision, Local Authorities are required to have regard to Ministry of Housing, Communities and Local Government (MHCLG) guidance, entitled 'Capital Finance: Guidance on Minimum Revenue Provision (Fourth Edition) - as last updated on 2 February 2018.

3.4 The broad aim of the MHCLG guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

3.5 The Council commissioned a review of its MRP provision by Link Asset Services in March 2019. The purpose of this review was to consider the appropriateness of the MRP calculation for the repayment of the underlying debt liability and to assess any options that could generate a short to medium term benefit to the General Fund. Only options considered prudent and fully compliant with statutory guidance would be considered.

3.6 Based on calculations provided by Link Asset Services, the Council has estimated that it has an historic amount of MRP available for re-profiling of c £26.36m, primarily due to the exclusion of long-term debtors and deferred charges from Capital Financing Requirements. This is made up of:

- £21.451m – in respect of transferred debt liability, taken over by the Authority in 1988 following the demise of the Merseyside County Council. This

calculation is based on an annual saving of £4.469m pa at 4% pa on an accumulating basis; and

- £4.909m – in relation to other long-term debtors and deferred charges of £8.182m at 4% pa for 15 years.

3.7 Changes to MRP charges resulting from the above cannot be made retrospectively. As such, future charges will be reduced to reflect re-profiling of this £26.36m over a proposed ten-year period starting in 2019/20.

3.8 While the amount of MRP required will not change in total over the life of current capital investments, the profile will change as a result of this proposal. This results in lower charges in the next ten years than would otherwise have been experienced, followed by higher charges in later years.

3.9 The first reduction in MRP charges will be made in 2019/20, at a value of £2.63m. Thereafter the amount of the annual reduction will gradually reduce over the ten year period to £2.17m by year 10 – as set out in the table in Appendix 1. This gradual reduction in the expected benefit is due to the MRP re-profiling reduction leading to a higher Capital Financing Requirement in future years than would otherwise have been the case. MRP charges beyond the initial ten year period then start to increase but the total MRP charge remains unchanged at £26.36m. Over the next 43 years, the total amount of MRP charges remains unchanged, as it is only the profiling of the charges that alters.

3.10 The annual MRP charge is calculated from the Capital Financing Requirement by applying a rate of 2% on an annuity basis, to which no change is proposed.

4.0 FINANCIAL IMPLICATIONS

4.1 The re-profiling of MRP will be released to the General Fund over the next 10 years as set out in the table in Appendix 1, creating a reduction in MRP charges of over £2m pa. Thereafter, MRP charges will gradually increase each year over the next 33 years.

4.2 Over the total 43 year period, the total charge for MRP remains unchanged, with only the profile of the annual charges affected.

5.0 LEGAL IMPLICATIONS

5.1 Under Regulation 27 of the 2003 Regulations, Local Authorities are required to charge MRP to their revenue account in each financial year. Before 2008, the 2003 Regulations contained details of the method that Local Authorities were required to use when calculating MRP. This has been replaced by the current Regulation 28 of the 2003 Regulations, which gives local authorities flexibility in how they calculate MRP, providing the calculation is ‘prudent’. In calculating a prudent provision, Local Authorities are required to have regard to Ministry of Housing, Communities and Local Government (MHCLG) guidance, entitled ‘Capital Finance: Guidance on Minimum Revenue Provision (Fourth Edition) - as last updated on 2 February 2018.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are none arising directly from this report.

7.0 RELEVANT RISKS

7.1 Following an assessment of external advice received from Link Asset Services Limited, the Council's view is that the MRP proposal included in this report represents a prudent assessment, in line with MHCLG guidance. The risk of challenge to this view is considered low.

8.0 ENGAGEMENT/CONSULTATION

8.1 Information contained in this report has been shared with the Council's auditors, Grant Thornton LLP.

9.0 EQUALITY IMPLICATIONS

9.1 There are none arising directly from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and/or recommendations contained within this report are expected to have no impact on emissions of CO2.

REPORT AUTHOR: Shaer Halewood
Director of Finance and Investment (S151)
0151 691 8688
shaerhalewood@wirral.gov.uk

APPENDICES

APPENDIX 1 – Impact on Annual MRP Charges

BACKGROUND PAPERS

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

APPENDIX 1 – Impact on Annual MRP Charges

Year	Year ending 31st March	Opening Capital Financing Requirement	Annuity based MRP	Closing Capital Financing Requirement	Proposed Re-Profiling Adjustment	Additional MRP resulting from the higher Capital Financing Requirement (created by lower MRP charges)	Net MRP Adjustment
		£'m	£'m	£'m	£'m	£'m	£'m
1	2020	170.05	2.53	167.52	(2.64)	0.01	(2.63)
2	2021	167.52	2.58	164.93	(2.64)	0.05	(2.59)
3	2022	164.93	2.63	162.30	(2.64)	0.09	(2.55)
4	2023	162.30	2.69	159.61	(2.64)	0.13	(2.50)
5	2024	159.61	2.74	156.87	(2.64)	0.18	(2.45)
6	2025	156.87	2.80	154.08	(2.64)	0.23	(2.40)
7	2026	154.08	2.85	151.23	(2.64)	0.29	(2.35)
8	2027	151.23	2.91	148.32	(2.64)	0.34	(2.29)
9	2028	148.32	2.97	145.35	(2.64)	0.40	(2.23)
10	2029	145.35	3.03	142.32	(2.64)	0.46	(2.17)
11	2030	142.32	3.09	139.24	0.00	0.52	0.52
12	2031	139.24	3.15	136.09	0.00	0.53	0.53
13	2032	136.09	3.21	132.88	0.00	0.55	0.55
14	2033	132.88	3.28	129.60	0.00	0.56	0.56
15	2034	129.60	3.34	126.26	0.00	0.57	0.57
16	2035	126.26	3.41	122.85	0.00	0.58	0.58
17	2036	122.85	3.48	119.38	0.00	0.59	0.59
18	2037	119.38	3.55	115.83	0.00	0.60	0.60
19	2038	115.83	3.62	112.22	0.00	0.61	0.61
20	2039	112.22	3.69	108.53	0.00	0.63	0.63
21	2040	108.53	3.76	104.77	0.00	0.64	0.64
22	2041	104.77	3.84	100.93	0.00	0.65	0.65
23	2042	100.93	3.91	97.01	0.00	0.66	0.66
24	2043	97.01	3.99	93.02	0.00	0.68	0.68
25	2044	93.02	4.07	88.95	0.00	0.69	0.69
26	2045	88.95	4.15	84.79	0.00	0.71	0.71
27	2046	84.79	4.24	80.56	0.00	0.72	0.72
28	2047	80.56	4.32	76.23	0.00	0.73	0.73
29	2048	76.23	4.41	71.83	0.00	0.75	0.75
30	2049	71.83	4.50	67.33	0.00	0.76	0.76
31	2050	67.33	4.59	62.74	0.00	0.78	0.78
32	2051	62.74	4.68	58.07	0.00	0.79	0.79
33	2052	58.07	4.77	53.29	0.00	0.81	0.81
34	2053	53.29	4.87	48.43	0.00	0.83	0.83
35	2054	48.43	4.96	43.46	0.00	0.84	0.84
36	2055	43.46	5.06	38.40	0.00	0.86	0.86
37	2056	38.40	5.17	33.23	0.00	0.88	0.88
38	2057	33.23	5.27	27.96	0.00	0.89	0.89
39	2058	27.96	5.37	22.59	0.00	0.91	0.91
40	2059	22.59	5.48	17.11	0.00	0.93	0.93
41	2060	17.11	5.59	11.52	0.00	0.95	0.95
42	2061	11.52	5.70	5.82	0.00	0.97	0.97
43	2062	5.82	5.82	0.00	0.00	0.99	0.99
				Total	**(26.36)**	**26.36**	**(0.00)**

WIRRAL

CABINET

25 NOVEMBER 2019

TREASURY MANAGEMENT MID-YEAR REPORT 2019/20

Councillor Janette Williamson, Cabinet Member for Finance and Resources, said:

"An innovative, commercial, entrepreneurial but responsible approach to Treasury Management is important. This report to Cabinet demonstrates that our efficient approach in this area has delivered savings to Wirral residents – money which is now available to invest in the services our residents rely on.

In addition, the report highlights how we have a projected balanced outturn despite the £2 million reduction in budget that has been applied to Treasury Management in 2019/20. This is the result of reduced 2019/20 interest payments and close management of the authority's capital financing."

REPORT SUMMARY

The Authority's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management ("the Code"), which requires the production of annual Prudential Indicators and a Treasury Management Strategy Statement on likely financing and investment activity. The Code also recommends that Members are informed of treasury management activities at least twice a year.

This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance.

Proactive Treasury Management activity has resulted in:-

- A projected balanced outturn despite the £2 million reduction in budget that has been applied to Treasury Management in 2019/20. This is due to reduced 2019/20 interest payments and management of the Authority's Capital Financing.

This matter affects all Wards within the Borough.

The decisions in this report are key decisions.

RECOMMENDATIONS

That the Treasury Management Mid-Year Report for 2019/20 be agreed.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 Wirral has adopted the CIPFA Code of Practice on Treasury Management ("the Code"), which includes regular update reports to Members of treasury activity. This report is the mid-year review for 2019/20.

1.2 Under the Council's financial regulations any surplus resources are returned to balances and so used to support the delivery of other Council services.

2.0 OTHER OPTIONS CONSIDERED

2.1 No other options have been considered.

3.0 BACKGROUND INFORMATION

3.1 Treasury management is defined by CIPFA as: "The management of the local authority investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

3.2 Cabinet approves the Treasury Management Strategy at the start of each financial year. This identifies how it is proposed to finance capital expenditure, borrow and invest in the light of capital spending requirements, the interest rate forecasts and the expected economic conditions. The Authority is able to borrow and/or invest substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are, therefore, central to the Authority's treasury management strategy. During the year the Cabinet receives a mid-year report on treasury management activities and at the end of each financial year an Annual Report.

ECONOMIC BACKGROUND

Growth & Inflation

3.3 UK Consumer Price Inflation (CPIH) fell to 1.7% year/year in August 2019 from 2.0% in July, weaker than the consensus forecast of 1.9% and below the Bank of England's target.

3.4 The most recent labour market data for the three months to July 2019 showed the unemployment rate edged back down to 3.8% while the employment rate remained at 76.1%, the joint highest since records began in 1971. Nominal annual wage growth measured by the 3-month average excluding bonuses was 3.8% and 4.0% including bonuses. Adjusting for inflation, real wages were up 1.9% excluding bonuses and 2.1% including.

3.5 The Quarterly National Accounts for Q2 GDP confirmed the UK economy contracted by 0.2% following the 0.5% gain in Q1 which was distorted by

stockpiling ahead of Brexit. Only the services sector registered an increase in growth, a very modest 0.1%, with both production and construction falling and the former registering its largest drop since Q4 2012. Business investment fell by 0.4% as Brexit uncertainties impacted on business planning and decision-making.

3.6 Further afield the trade difficulties between the US and China continue, with both sides imposing further tariffs on each other's goods. The potential remains to damage not just to China but also other Asian economies in the supply chain. These tariff complications combined with economic uncertainty both domestically and within the Eurozone, risks contributing to a pronounced global slowdown in economic activity and growth.

Monetary Policy

3.7 The Bank of England maintained Bank Rate at 0.75% and in its August Inflation Report noted the deterioration in global activity and sentiment and confirmed that monetary policy decisions related to Brexit could be in either direction depending on whether or not a deal is ultimately reached by 31st October.

Market Reaction

3.8 After rallying early in 2019, financial markets have been adopting a more risk-off approach in the following period as equities saw greater volatility and bonds rallied (prices up, yields down) in a flight to quality and anticipation of more monetary stimulus from central banks. The Dow Jones, FTSE 100 and FTSE 250 are broadly back at the same levels seen in March/April.

3.9 The UK government issues bonds to raise funding, these bonds are known as 'Gilts'. The pricing of Gilts can fluctuate and depends on market opinion on areas such as interest rate expectation and investors perception of the condition of the economy.

3.10 Gilt yields remained volatile over the period on the back of ongoing economic and political uncertainty. From a yield of 0.63% at the end of June, the 5-year benchmark gilt yield fell to 0.32% by the end of September. There were falls in the 10-year and 20-year gilts over the same period, with the former dropping from 0.83% to 0.55% and the latter falling from 1.35% to 0.88%. The interest rates at which the government issues bonds act as a base in rate setting for loan and investment opportunities that the Council may be presented with, for example the Public Works Loan Board (PWLB) would charge the Council a rate of interest of gilts & a fixed margin for any borrowing we arrange from them. It is for this reason that the gilt market is under constant review, in case any favourable borrowing conditions arise for the Council.

THE COUNCIL TREASURY POSITION

3.11 The table shows how the position has changed since 31 March 2019.

Table 1: Summary of Treasury Position

	Balance 31 Mar 19 £m	Maturities £m	Additions £m	Balance 30 Sep 19 £m
Investments	42	(250)	240	32
Borrowings	(263)	298	(287)	(252)
Other Long-Term Liabilites	(42)	1	0	(41)
Net Debt	(263)	49	(47)	(261)

Throughout the first six months of the year the level of net debt has reduced due to the repayment of debt as it fell due.

3.12 The decrease in Net Debt is the result of repaying loans as they fall due and managing Capital financing requirements via 'internal borrowing' to minimise interest costs payable by the Authority. Internal borrowing is discussed further in this report.

TREASURY INVESTMENT ACTIVITY

3.13 Both the CIPFA and the MHCLG's Investment Guidance require the Authority to invest prudently and have regard to the security and liquidity of investments before seeking the optimum yield. These investments arise from a number of sources including General Fund Balances, Reserves and Provisions, grants received in advance of expenditure, money borrowed in advance of capital expenditure, Schools' Balances and daily cashflow / working capital.

3.14 At 30 September 2019 the Council held investments of £32 million. Table 2 below shows the level of investment decreasing to £35 million at 30 June 2019 (from £42 million as 31 March 2019) due to the loans being repaid.

3.15 **Table 2: Investment Profile**

Investments with:	**31 Mar 19 £m**	**30 Jun 19 £m**	**30 Sep 19 £m**
UK Banks	8	4	3
Non-UK Banks	4	5	5
Money Market Funds	21	17	16
Community Interest Companies	2	2	1
Other Pooled Funds:			
- Property Funds	1	1	1
- Strategic Bond Funds	1	1	1
- Cash Plus Funds	5	5	5
TOTAL	**42**	**35**	**32**

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

Table 3: Investment Sources

Usable Reserves	31 Mar 19 £m	30 Jun 19 £m	30 Sep 19 £m
General Fund	11	11	11
Earmarked Reserves	60	60	60
Capital Receipts Reserve	1	1	2
Capital Grants Unapplied	16	27	30
	88	**99**	**103**
Internal Borrowing in lieu of External Borrowing	(46)	(64)	(71)
Reserves Invested	**42**	**35**	**32**

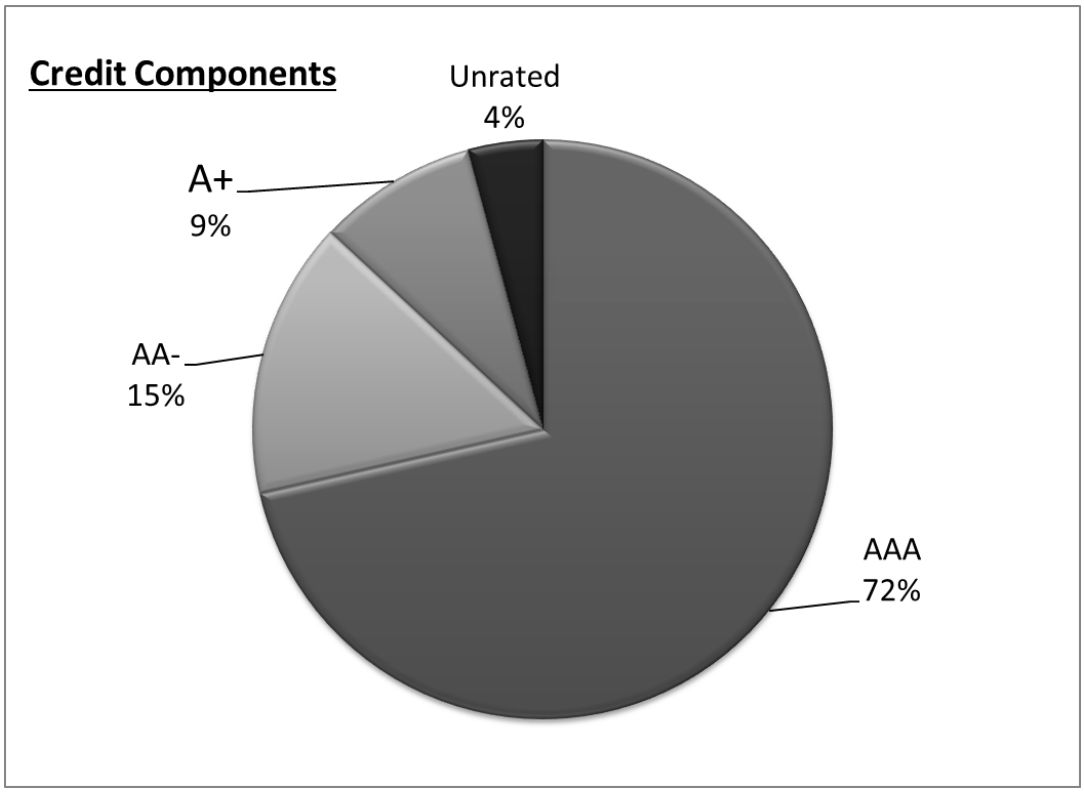
3.17 With short-term investment interest rates having remained at historic low levels, it is more cost effective, in the short-term, to use internal resources rather than undertake longer term external borrowing. By doing so, the Authority is able to reduce net borrowing costs despite foregone investment income and also reduce overall treasury risk. Whilst such a strategy is most likely to be beneficial over the short term, internal resources are reducing and it is unlikely that such a policy can be sustained long term. The benefits of internal borrowing are monitored regularly against the potential for incurring additional costs by deferring borrowing into future years, when long-term borrowing rates are forecast to eventually rise.

3.18 Security of capital remains the main investment objective. This is maintained by following the counterparty policy set out in the Treasury Management Strategy Statement for 2019/20 which defined high credit quality organisations as those having a long-term credit rating of A- or higher.

3.19 Counterparty credit quality is assessed and monitored with reference to credit ratings (the Authority's minimum long-term counterparty rating for 2019/20 is A- across rating agencies Fitch, S&P and Moody's); Credit Default Swap (CDS) prices, financial statements, information on potential government support and reports in the quality financial press.

3.20 The following chart shows the credit composition of the Council's investment portfolio as at 30th September 2019:

Chart 1: Investment Portfolio – Credit Components



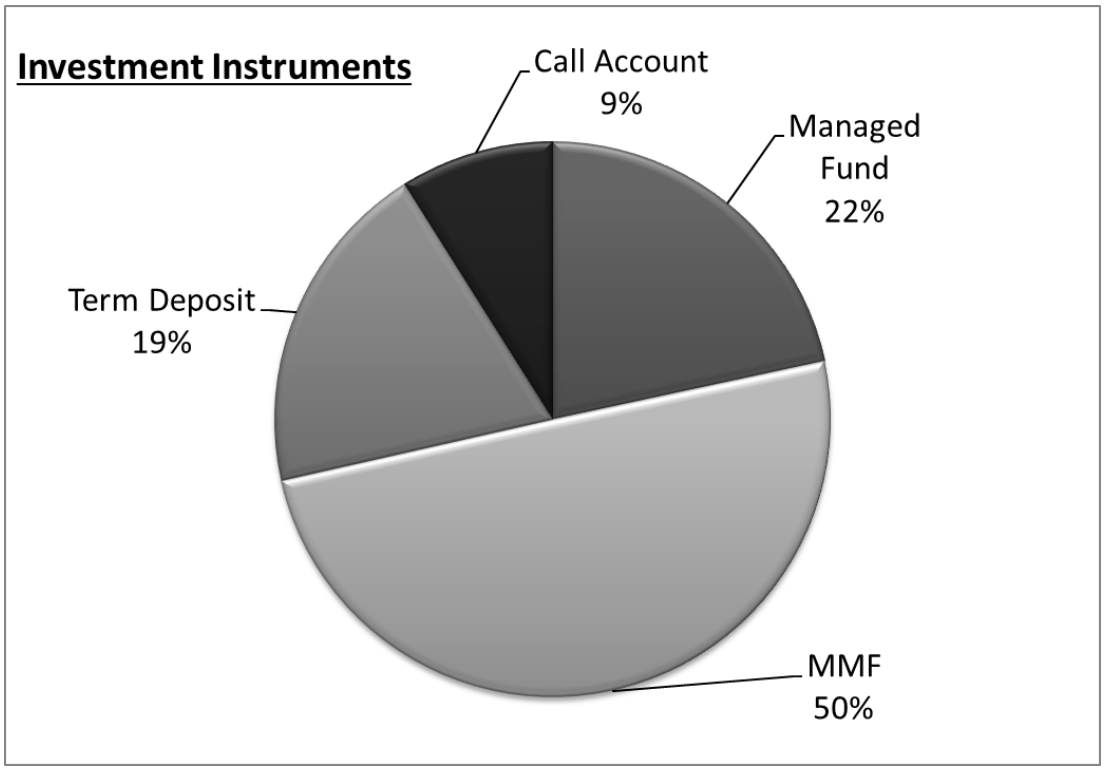
Note: *'Unrated' institutions are organisations that despite the absence of a formal rating, are deemed credit worthy due to analysis of their performance over a variety of credit metrics. These institutions are subject to a lower counterparty limit than those with formal credit ratings*

3.21 Investments with banks were primarily call accounts and fixed-rate term deposits. The maximum duration of any new investment was constantly reviewed in line with the prevailing credit outlook during the year as well as market conditions.

3.22 In keeping with the MHCLG Guidance on Investments, the Council maintained a sufficient level of liquidity through the use of Money Market Funds and the use of call accounts.

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

Chart 2: Investment Portfolio – Financial Instruments



3.24 £7m of the Authority's investments are held in externally managed strategic pooled bond, property and cash plus funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds generated an average total return of 4.95%, comprising of income return which is used to support services in year, and capital growth.

3.25 As these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates. In light of their performance over the medium to long-term and the Authority's latest cash flow forecasts, investment in these funds has been maintained.

3.26 The budget for investment income is £560,000 but achievable income will be in the region of £300,000. The shortfall of income will be offset by reduced costs in terms of interest payable on borrowings. This reduction in investment income is attributable to two key factors:

a) Low interest rates offered for investments and
b) The continuing policy of relying on internal borrowing to temporarily fund and thereby delay borrowing for the capital programme, which reduces balances available to put into investments but generates larger savings in interest incurred.

3.27 The UK Bank Rate remained at 0.75% throughout the first half of the year. The average income return on investments at the end of September was 0.96%, with the portfolio invested in secure counterparties with a good level of liquidity. However this does not reflect the savings of an estimated 2.5% on delayed borrowing for amounts internally borrowed.

3.28 The return on investments, along with our policy of internally borrowing, reflects prevailing market conditions and the objective of optimising returns commensurate with the overriding principles of security and liquidity.

BORROWING AND DEBT MANAGEMENT

3.29 The Council undertakes borrowing to fund capital expenditure. As short-term investment interest rates have remained, and are likely to remain at least over the immediate future, lower than long-term borrowing rates, the Authority determined it was more cost effective in the short-term to use internal resources instead.

3.30 The use of internal borrowing will not be sustainable over the medium term. Elements of the Capital programme the Council will ultimately require funding via borrowing from external sources. As reserves are called upon the resources temporarily available to use in lieu of external borrowing diminish, meaning the Council will reach a point when it is no longer possible to delay borrowing any further. Internal borrowing does not remove the need to externally borrow, it merely delays incurring the debt and consequently the financing costs.

3.31 The decision to continue to use internal resources in lieu of borrowing for capital purposes, thereby reducing borrowing costs will generate savings in 2019/20. The level of savings will be dependent upon the borrowing requirement of Capital schemes delivered within the financial year. In future years, as cash flows diminish through use of reserve and/or interest rates rise, external borrowing will have to increase. The Treasury Management team will continue to proactively manage the Authority's cash flow to delay external borrowing for as long as is possible and prudent to generate savings.

3.32 With external longer-term borrowing reducing, the Council has used the Local Authority loan market to delay entering into more costly debt, generating savings as illustrated below. The deferral of further borrowing costs through internal borrowing and policy amendments have provided substantial one-off savings to the Council:

Table 4: Debt Levels and Savings Achieved

Year	Capital Financing Loans £m	Contribution to General Fund £m
2015/16	199.4	4.0
2016/17	190.9	9.4
2017/18	181.8	6.8
2018/19	173.9	2.1

3.33 Effective utilisation of the short term Local Authority loan market has further delayed the need to enter into more costly longer term loans. At 30th September the Council had £79.5 million borrowed via such loans running at an average rate of 0.66%. These temporary, short dated loans, from other local authorities remain affordable and attractive for periods of low cash flow, with rates available between 0.75% and 0.90% for one and three month periods.

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

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

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

3.37 The Council has not entered into any new lease agreements during 2019/20.

3.38 The table shows Council debt at 30 September 2019:

Table 5: Council Debt at 30 September 2019

Debt	Balance 31 Mar 19 £m	Maturities £m	Additions £m	Balance 30 Sep 19 £m
Borrowings				
PWLB	(21)	1	0	(20)
Market Loans (Fixed Rate)	(44)	0	0	(44)
Market Loans (LOBO)	(108)	0	0	(108)
Interest Free Loans	(1)	0	0	(1)
Total Capital Finance Loans	**(174)**	**1**	**0**	**(173)**
Other Long Term Liabilities	(42)	1	0	(41)
Temporary Cashflow Loans	(89)	297	(287)	(79)

The reduction in total debt is due to a combination of repaying temporary cashflow loans that were required over the latter part of 2018/19 and the repayment of longer term PWLB loans, through the use of internal resources rather than arranging new loans to replace the maturing debt.

3.39 LOBO loans: The Authority continues to hold £108m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. No banks have exercised their option during the first half of the year.

COMPLIANCE WITH TREASURY INDICATORS

3.40 The Chief Finance Officer reports that all treasury management activities undertaken during the quarter complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in Appendix 1 below.

INTEREST RATE FORECAST

3.41 Our treasury advisor Arlingclose expects Bank Rate to remain at 0.75% for the foreseeable future but there remain substantial risks to this forecast, dependant on Brexit outcomes and the evolution of the global economy. Arlingclose also expects gilt yields to remain at low levels for the foreseeable future and judge the risks to be weighted to the downside and that volatility will continue to offer longer-term borrowing opportunities

	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Cas	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

4.0 FINANCIAL IMPLICATIONS

4.1 Capital debt finance has reduced to £174 million (Table 5), a decrease of £90 million since 2012, despite additional annual Capital commitments. This has also contributed to the generation of substantial savings.

4.2 Investment income has also helped to generate resources for service delivery.

4.3 The Treasury Management team will endeavour to further reduce interest costs wherever possible during the second half of the year.

5.0 LEGAL IMPLICATIONS

5.1 The Council's has adopted the CIPFA Code of Practice on Treasury Management. This requires the annual production of Performance Indicators and a Treasury Management Strategy Statement and the reporting of treasury management activities at least twice a year.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

6.1 There are none arising directly from this report.

7.0 RELEVANT RISKS

7.1 The Council is responsible for treasury decisions and activity and none of these decisions are without risk. The successful identification, monitoring and control of risk are important and the main risks are:-

- Liquidity Risk (Inadequate cash resources).
- Market or Interest Rate Risk (Fluctuations in interest rate levels).
- Inflation Risk (Exposure to inflation).
- Credit and Counterparty Risk (Security of investments).
- Refinancing Risk (Impact of debt maturing in future years).
- Legal and Regulatory Risk.

8.0 ENGAGEMENT/CONSULTATION

8.1 There has been no specific consultation with regards to this report.

9.0 EQUALITY IMPLICATIONS

9.1 There are none arising directly from this report

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and/or recommendations contained within this report are expected to have no impact on emissions of CO2.

REPORT AUTHOR: Gary Mitchell
Senior Finance Business Partner - Treasury Management
telephone: 0151 666 3418
email: garymitchell@wirral.gov.uk

APPENDICES

Appendix 1 Treasury Indicators 2019/20

BACKGROUND PAPERS

CIPFA Code of Practice on Treasury Management

SUBJECT HISTORY

Meeting	Date
Treasury Management Strategy Statement 2019-20	**18th February 2019**
Treasury Management Annual Report 2018-19	**22nd July 2019**

APPENDIX 1

TREASURY MANAGEMENT INDICATORS 2019/2020

Background

Treasury management indicators are not in the 2017 edition of the CIPFA Treasury Management Code itself but in the separate Treasury Management Code guidance notes for local authorities, which was last published in 2011. The Authority measures and manages its exposures to treasury management risks using the following indicators.

Treasury Management Indicators

1. Security

The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target	As at 30.09.19
Portfolio average credit rating	A-	AA-

2. Liquidity

The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount it can borrow each quarter without giving prior notice.

Liquidity risk indicator	Target	As at 30.09.19
Total sum borrowed in past 3 months without prior notice	£15m	£139m

3. Maturity Structure of Borrowing

This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Maturity Structure of Borrowing	Lower Limit 2019/20 %	Upper Limit 2019/20 %
Under 12 Months	0	90
12 Months and within 24 months	0	50
24 Months and within 5 years	0	50
5 years and within 10 years	0	50
10 years and over	0	100

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment, including LOBO loans, many of which have repayment options every six months. The Authority complied with this indicator in the first half of the year.

4. Principal Sums Invested For Periods Longer Than a Year

The Council has placed an upper limit for principal sums invested for periods longer than a year. This limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

Price risk indicator	**2019/20**	**As At 30.09.19**
Limit on principal invested beyond year end	£30m	£0m

This page is intentionally left blank

WIRRAL

CABINET

25 NOVEMBER 2019

COMPANY NAMED IN APPENDIX 1 – APPLICATION FOR FINANCIAL ASSISTANCE (1)

Councillor Tony Jones, Cabinet Member for Regeneration and Growth, said:

"We want Wirral to be seen as a welcoming and supportive place to do business, with a local authority that gives them the best possible chance to succeed and thrive. We recognise that successful local businesses contribute much to the local economy, creating jobs and opportunities for local people and bringing further investment to the area as they develop and grow. Providing financial assistance at the right time to companies who have viable plans for growth within Wirral is the right thing for the local authority to do."

REPORT SUMMARY

This report seeks approval to provide a grant to enable the company named in Appendix 1 to expand and create jobs, in line with the objectives of the Council's Business Investment Fund and Wirral Growth Plan.

Appendix 1 of this report contains commercially sensitive project and company information. Accordingly, Appendix 1 is deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the Local Government Act 1972 (as amended). This report should be read in conjunction with Appendix 1.

This matter affects the Birkenhead and Tranmere ward.

It is not a key decision.

RECOMMENDATION/S

1. It is recommended that a grant in the sum of £100,000 be paid from the date of the signing of the legal agreement, subject to the conditions outlined in the report, towards the business growth project being undertaken by the company named within Appendix 1 to the report.

2. It is recommended that a loan in the sum of £320,000 be paid from the date of the signing of the legal agreement, subject to the conditions outlined in the report, towards the business growth project being undertaken by the company named within Appendix 1 to the report.

3. The Director of Governance and Assurance be authorised to draw up and sign a legal agreement between the Council and the business subject to the conditions outlined in this report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 To enable the company named in Appendix 1 to expand and create jobs, in line with the objectives of the Council's Business Investment Fund and Wirral Growth Plan.

1.2 The Council's Capital Programme includes an allocation for funding for business growth grants via the Business Investment Fund. The aim of the scheme is to provide support to businesses for viable projects that will support employment growth and business expansion within the Borough, which would not proceed without public sector intervention and which are not able to access any other external funding.

2.0 OTHER OPTIONS CONSIDERED

2.1 Grant funding will enable maximum benefits realisation for this project. The applicant has explained that without the grant, they would be unable to expand into additional premises, despite demand from their existing clients and new customers. The applicant has also stated that the company would have to increase use of overdraft facilities, something that would be undesirable, as any subsequent reduction in liquidity may lead to loss of business from customers who set strict credit rating criteria.

3.0 BACKGROUND INFORMATION

3.1 The company named in Appendix 1 provides printing services to the food and drinks industry.

3.2 In recent years the company has expanded its operations to include new print technologies, enabling the company to meet market demand from a blue-chip customer base which includes household names and supermarket own brands.

3.3 The company has grown its market share over recent years and has the opportunity for further growth. To meet this demand, the company has identified a requirement to install an additional production line.

3.4 The report seeks approval for £100,000 of grant and £320,000 of loan support from the Business Investment Fund to enable the growth and development of the company in Wirral. The assistance of funds is required to enable the expansion into additional premises, the undertaking of commercial fit out and installation of new production lines in support of the company's diversification into new markets.

3.5 APPLICATION

3.5.1 The company named in Appendix 1 has outlined an ambitious plan for the Birkenhead operation that will enable it to grow their operations in response to changes in the market for printed labels and increased demand from existing customers.

3.5.2 The company occupies 85,000 sq ft commercial space in Birkenhead, employing 110 staff. The company forecasts that they will recruit an additional 15 full time equivalent employees by 31/03/2021 as a result of this project. In delivering this project, the future of the company and the current FTE staff will be increasingly secure.

3.6 **STRATEGIC FIT**

3.6.1 The Wirral Plan – A 2020 Vision sets out the vision for the borough and has economic growth at its heart to ensure residents can access good, high paying jobs in a stable and thriving economy. The plan identifies 20 key pledges that the Council, and its partner agencies, must deliver and this project directly supports three of these, while indirectly supporting many others:

- Greater job opportunities in Wirral
- Increased inward investment
- Thriving small businesses

3.7 **ASSESSMENT**

3.7.1 Applications for Business Investment Fund are considered by the Council's Wirral Waters Programme Board, comprising senior officers from the council's regeneration, legal, strategic transport, place and investment and finance departments. Applications are assessed against criteria including reviewing the plans and proposals for compliance against the objectives as well as the deliverability of the project and future sustainability. This process includes an assessment of outputs in respect of employment opportunities, investment leveraged, and the degree of financial support requested.

4.0 FINANCIAL IMPLICATIONS

4.1 The applicant is solvent, and it is expected that the project will significantly enhance the company's capacity and employee numbers. The project plans are viable and provided that the usual safeguards are built into any agreement, there are no financial reasons why the £100,000 grant and £320,000 loan requested should not be offered to the Company. The application should be recommended on that basis.

4.2 The forecasts of business activity appear consistent with the project assumptions. The application does not omit any material costs or income from its forecasts, which are consistent with previous experience.

5.0 LEGAL IMPLICATIONS

5.1 The offer of financial assistance is always subject to state aid compliance. State Aid rules exist in order to prevent any form of aid to a commercial undertaking distorting, or threatening to distort, competition within the European Community.

5.2 The offer of financial assistance will be made to the company subject to a legal contract being put in place between Wirral Council and the applicant.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 None as a result of this report.

7.0 RELEVANT RISKS

7.1 The project appraisal assesses risks in relating to the financial stability of the company and also the company's ability to fund other elements of the project proposal.

7.2 The applicant is solvent with a sound business proposal to significantly enhance the company's capacity and range of services. The project plans are viable, and the company accounts give no indication of financial difficulties. Provided that the usual safeguards are built into the grant funding agreement, there are no financial reasons why the £100,000 grant and £320,000 loan requested should not be offered to the company.

7.3 Under State Aid Compliance Regulations, (Annex 1 GBER), any public funded support up to a value of "Euro 200,000 per undertaking during three fiscal years is not considered as aid". A de-minimis declaration is, however, required from the company detailing the value of aid received to date, covering a period of three fiscal years.

7.4 The company has submitted a de-minimis declaration which states that they have received no de-minimis aid within the past three financial years.

7.5 The grant funding agreement will include conditions for claw-back of any grant or loan paid to the company if the project is not completed, or jobs not created.

8.0 ENGAGEMENT/CONSULTATION

8.1 This project supports three of the 20 pledges in the Wirral Plan: A 2020 Vision which was developed following full consultation with partner organisations and residents. The Wirral Growth Plan has also been informed by consultation which has taken place with a number of public and private sector partners and with local businesses

9.0 EQUALITY IMPLICATIONS

9.1 The potential impact has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Growth Plan.
https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and/or recommendations contained within this report are expected to have no impact on emissions of CO_2.

REPORT AUTHOR: *Ben Lavell*
Economic Development Lead
Telephone: (0151 691 8027)
Email: benlavell@wirral.gov.uk

APPENDICES

Appendix 1 to this report, titled Supporting Information, contains commercially sensitive project and company information. Accordingly, Appendix 1 is deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the Local Government Act 1972 (as amended).

BACKGROUND PAPERS

Appraisal papers have been used in the preparation of this report which are held by the Place and Investment Team. These documents are commercially confidential.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

This page is intentionally left blank

WIRRAL

CABINET

25 NOVEMBER 2019

COMPANY NAMED IN APPENDIX 1 – APPLICATION FOR FINANCIAL ASSISTANCE (2)

Councillor Tony Jones, Cabinet Member for Regeneration and Growth, said:

"We want Wirral to be seen as a welcoming and supportive place to do business, with a local authority that gives them the best possible chance to succeed and thrive. We recognise that successful local businesses contribute much to the local economy, creating jobs and opportunities for local people and bringing further investment to the area as they develop and grow. Providing financial assistance at the right time to companies who have viable plans for growth within Wirral is the right thing for the local authority to do."

REPORT SUMMARY

This report seeks approval to provide a grant to enable the company named in Appendix 1 to relocate to Wirral, expand and create jobs, in line with the objectives of the Council's Business Investment Fund and Wirral Growth Plan.

Appendix 1 of this report contains commercially sensitive project and company information. Accordingly, Appendix 1 is deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the Local Government Act 1972 (as amended). This report should be read in conjunction with Appendix 1.

This matter affects the Bromborough ward.

It is not a key decision.

RECOMMENDATION/S

1. It is recommended that a grant in the sum of £275,000 be paid from the date of the signing of the legal agreement, subject to the conditions outlined in the report, towards the business growth project being undertaken by the company named within Appendix 1 to this report.

2. The Director of Governance and Assurance be authorised to draw up and sign a legal agreement between the Council and the business subject to the conditions outlined in this report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 To enable the company named in Appendix 1 to relocate to Wirral, expand and create jobs, in line with the objectives of the Council's Business Investment Fund and Wirral Growth Plan.

1.2 The Council's Capital Programme includes an allocation for funding for business growth grants via the Business Investment Fund. The aim of the scheme is to provide support to businesses for viable projects that will support employment growth and business expansion within the Borough, which would not proceed without public sector intervention and which are not able to access any other external funding.

2.0 OTHER OPTIONS CONSIDERED

2.1 Grant funding will enable maximum benefits realisation for this project. The applicant has explained that without the grant, they would be unable to create the space and facilities required at the new site in order to grow.

3.0 BACKGROUND INFORMATION

3.1 The company named in Appendix 1 provides product research, development and advanced manufacturing for high value sectors.

3.2 In recent years the company has expanded its operations at a science park outside of Wirral, in the North West of England. The company has the opportunity to expand and has identified Wirral as the best location for their future growth and development.

3.3 The company has provided accounts that show a track record of consistent year on year growth that is between 30-50% and has outlined a pipeline of projects that pave the way for threefold growth in turnover and employees over the next 36 months.

3.4 In order to meet these demands on growth, the company plans to move into a purpose-built Biotech and Product Development Laboratory and Advanced Manufacturing facility in Bromborough.

3.5 The report seeks approval for £275,000 of grant support from the Business Investment Fund to enable the growth and development of the company in Wirral. The assistance of funds is required to enable project costs of c£1.85m for the relocation into additional premises, the undertaking of commercial fit out and installation of new laboratories to enable the company's continued expansion in to high value markets.

3.6 APPLICATION

3.6.1 The company named in Appendix 1 has outlined an ambitious plan to relocate to Wirral International Business Park, Bromborough. The company has identified new build premises from which to base their operations.

3.6.2 Currently the business has a limited capacity for projects. This expansion plan creates the physical space and resource capacity to allow the business to grow by taking on more projects with their international and domestic clients.

3.6.3 With the continued growth of the business, the Wirral location will also have the opportunity for further expansion in the ceiling void to add a second floor at a later date. This will be funded by the business as part of its long-term growth planning.

3.7 STRATEGIC FIT

3.7.1 The Wirral Plan – A 2020 Vision sets out the vision for the borough and has economic growth at its heart to ensure residents can access good, high paying jobs in a stable and thriving economy. The plan identifies 20 key pledges that the Council, and its partner agencies, must deliver and this project directly supports three of these, while indirectly supporting many others:

- Greater job opportunities in Wirral
- Increased inward investment
- Thriving small businesses

3.8 ASSESSMENT

3.8.1 Applications for Business Investment Fund are considered by the Council's Wirral Waters Programme Board, comprising senior officers from the council's regeneration, legal, strategic transport, place and investment and finance departments. Applications are assessed against criteria including reviewing the plans and proposals for compliance against the objectives as well as the deliverability of the project and future sustainability. This process includes an assessment of outputs in respect of employment opportunities, investment leveraged, and the degree of financial support requested.

4.0 FINANCIAL IMPLICATIONS

4.1 The applicant is solvent, and it is expected that the project will significantly enhance the company's capacity, exports and employee numbers. The project plans are viable and provided that the usual safeguards are built into any agreement, there are no financial reasons why the £275,000 grant requested should not be offered to the Company. The application should be recommended on that basis.

4.2 The forecasts of business activity appear consistent with the project assumptions. The application does not omit any material costs or income from its forecasts, which are consistent with previous experience.

5.0 LEGAL IMPLICATIONS

5.1 The offer of financial assistance is always subject to state aid compliance. State Aid rules exist in order to prevent any form of aid to a commercial undertaking distorting, or threatening to distort, competition within the European Community.

5.2 The offer of financial assistance will be made to the company subject to a legal contract being put in place between Wirral Council and the applicant.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 None as a result of this report.

7.0 RELEVANT RISKS

7.1 The project appraisal assesses risks relating to the financial stability of the company and the company's ability to fund other elements of the project proposal.

7.2 The applicant is solvent with a sound business proposal to significantly enhance the company's capacity and range of services. The project plans are viable, and the company accounts give no indication of financial difficulties. Provided that the usual safeguards are built into the grant funding agreement, there are no financial reasons why the £275,000 grant requested should not be offered to the company.

7.3 As per Annex one of GBER, (General Block Exemption Rule), the company is classified as a "Small sized company" i.e. less than 50 employees and turnover under Euro 10 million. The company can therefore receive up to 30% of the total eligible project costs under Regional Investment Aid; (Regional aid intensity under regional aid at 10% + 20% bonus for small enterprises). Legal advice will be gained prior to any award of funding.

7.4 The grant funding agreement will include conditions for claw-back of any grant paid to the company if the project is not completed, or jobs not created.

8.0 ENGAGEMENT/CONSULTATION

8.1 This project supports three of the 20 pledges in the Wirral Plan: A 2020 Vision which was developed following full consultation with partner organisations and residents. The Wirral Growth Plan has also been informed by consultation which has taken place with a number of public and private sector partners and with local businesses

9.0 EQUALITY IMPLICATIONS

9.1 The potential impact has been reviewed with regard to equality and links to the existing EIA conducted for Wirral's Growth Plan.
https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014-0

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The content and/or recommendations contained within this report are expected to have no impact on emissions of CO_2.

REPORT AUTHOR: *Ben Lavell*
Economic Development Lead
Telephone: (0151 691 8027)
Email: benlavell@wirral.gov.uk

APPENDICES

Appendix 1, titled Supporting Information, contains commercially sensitive project and company information. Accordingly, Appendix 1 is deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the Local Government Act 1972 (as amended).

BACKGROUND PAPERS

Appraisal papers have been used in the preparation of this report which are held by the Place and Investment Team. These documents are commercially confidential.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank