

# Public Document Pack

**Sefton Council** 

MEETING: CABINET  
DATE: Thursday 6th December, 2018  
TIME: 10.00 am  
VENUE: Committee Room, Town Hall, Bootle

DECISION MAKER: **CABINET**

Councillor Maher (Chair)  
Councillor Atkinson  
Councillor Cummins  
Councillor Fairclough  
Councillor Hardy  
Councillor John Joseph Kelly  
Councillor Lappin  
Councillor Moncur  
Councillor Veidman

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The Cabinet is responsible for making what are known as Key Decisions, which will be notified on the Forward Plan. Items marked with an \* on the agenda involve Key Decisions

A key decision, as defined in the Council's Constitution, is: -

- any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater
- any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

**If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.**

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# A G E N D A

Items marked with an \* involve key decisions

<u>Item No.</u>	<u>Subject/Author(s)</u>	<u>Wards Affected</u>
1	<b>Apologies for Absence</b>	
2	<b>Declarations of Interest</b>  Members are requested at a meeting where a disclosable pecuniary interest or personal interest arises, which is not already included in their Register of Members' Interests, to declare any interests that relate to an item on the agenda.  Where a Member discloses a Disclosable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation.  Where a Member discloses a personal interest he/she must seek advice from the Monitoring Officer or staff member representing the Monitoring Officer to determine whether the Member should withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest or whether the Member can remain in the meeting or remain in the meeting and vote on the relevant decision.	
3	<b>Minutes of the Previous Meeting</b>  Minutes of the meeting held on 1 November 2018	(Pages 5 - 18)
4	<b>Digital Inclusion Working Group Final Report</b>  Report of the Chief Legal and Democratic Officer  Councillor McKinley, the Lead Member of the Working Group will attend to present the conclusions and recommendations set out in the report	All Wards  (Pages 19 - 50)

5	<b>Local Government Association Peer Review Feedback</b> Report of the Head of Strategic Support	All Wards	(Pages 51 - 70)
6	<b>Programme of Meetings – 2019/20 Municipal Year</b> Report of the Chief Legal and Democratic Officer	All Wards	(Pages 71 - 92)
* 7	<b>Revenue and Capital Budget Plan 2018/19 – 2019/20</b> Report of the Head of Corporate Resources	All Wards	(Pages 93 - 108)
* 8	<b>Revenue and Capital Budget Update - Treasury Management Position to October 2018</b> Report of the Head of Corporate Resources	All Wards	(Pages 109 - 120)
* 9	<b>LCR Procurement of a Flexible Purchasing System for Complex Care</b> Report of the Head Adult Social Care	All Wards	(Pages 121 - 128)

THE "CALL IN" PERIOD FOR THIS SET OF MINUTES ENDS AT 12 NOON ON TUESDAY 13 NOVEMBER, 2018. MINUTE NO. 62 IS NOT SUBJECT TO "CALL – IN."

## CABINET

### MEETING HELD AT THE COMMITTEE ROOM, TOWN HALL, BOOTLE ON THURSDAY 1ST NOVEMBER, 2018

PRESENT: Councillor Maher (in the Chair)  
Councillors Atkinson, Hardy, John Joseph Kelly,  
Lappin, Moncur and Veidman

APRESENT: Councillor Sir Ron Watson

#### 52. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Cummins and Fairclough.

#### 53. DECLARATIONS OF INTEREST

No declarations of any disclosable pecuniary interests or personal interests were received.

#### 54. MINUTES OF THE PREVIOUS MEETING

##### Decision Made:

That the minutes of the Cabinet Meeting held on 4 October 2018 be confirmed as a correct record.

#### 55. SAND DUNES NURSERY SCHOOL – OUTCOME OF THE CONSULTATION ON THE PROPOSAL TO CLOSE THE SCHOOL BECAUSE IT IS NOT FINANCIALLY VIABLE.

In accordance with the Council's Constitution, the Head Teacher of Sand Dunes Nursery School had submitted a petition, containing the signatures of 88 residents of the Borough, which opposed the closure of the Nursery. Michelle Hoang, a parent, was permitted to address the Cabinet for a period of up to 5 minutes on the content of the petition which stated that:

*"Sand Dunes Nursery School in Seaforth is facing possible closure in July 2019. The school is well-established within the area and has been part of the immediate community for over 80 years. Sand Dunes provides a very strong support network for all their families, not only providing high quality education and care for children in the critical early stages of their*

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*development but supporting parents in numerous ways which include educational advice, support and general guidance which our families need and rely upon. The families that access Sand Dunes are very concerned that there will not be spaces available to cater for their children if this setting was to close and they are keen to make sure their children continue to receive the same high quality education and support.*

*Independent research has shown that Maintained Nursery Schools provide the highest quality Early Years Education, meeting higher standards and employing the most qualified staff. They provide a different service to other early years providers, closing the achievement gap for some of the most disadvantaged children in the country.”*

During her presentation, Michelle Hoang referred to the number of children who currently attend Sand Dunes Nursery School, who are classed as vulnerable and have external involvement from various other agencies and she suggested that there were other alternatives to closing the maintained nursery that are potentially viable and should be fully explored before a decision is made to close the nursery, such as:

- Merging or working with other maintained nurseries in the area, before Sefton runs the risk of losing all four, and having a bigger cumulative financial debt.
- Using Sand Dunes as a profitable educational training hub. Many other settings are having to attend courses/training outside of the area, and Sand Dunes are already providing advice and training for other local settings.
- Consider using Sand Dunes as a specialist provision for those with Special Educational Needs, to free up places in similar settings, such as Rowan Park.

The Cabinet then considered the report of the Head of Schools and Families which indicated that the Cabinet at its meeting held on 26 July 2018 (Minute No. 29) had been advised that the Governing Body of Sand Dunes Nursery School had informed Council Officers that it was unable to set a budget and produce a plan to bring the school back into budget and consequently the school was no longer financially viable. The Cabinet had agreed to undertake a statutory consultation and the report provided details of the outcome of the consultation on the proposed closure of Sand Dunes Nursery School, the current financial position of the school and sought approval to publish a Statutory Notice relating to the proposal. All consultation responses are available and the issues raised were detailed in the body of the report.

The report indicated that the school was currently overspending by approximately £140,000 a year and had now exhausted its available balances. The projected financial position for 2018/19 was a deficit of £275,000. Should the school close in July 2019 the closing school deficit budget was predicted to be -£360,000 and this would need to be picked up by the local authority. There would also be closure costs that would need

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to be factored into the final deficit position but these were unknown and at this time, cannot be quantified.

The Head of Schools and Families outlined the content of the report, giving a background to the request from the Governing Body of the Nursery School for a statutory consultation on the future of the school, the financial position of the school, the consultation exercise undertaken and the responses received. He also circulated a copy of a statutory proposal to discontinue the Nursery School with effect from 31 August 2019.

During the deliberations, Members raised the following observations/questions:

Councillor J.J. Kelly referred to the two consultation meetings held 18 September 2018 with Parents and Carers, and Staff and Governors which were detailed in paragraphs 3.2 and 3.3 of the report. The Head of Schools and Families indicated that he had requested all parties at the two meetings to submit any alternative options for the future of the Nursery School together a business case for consideration.

Councillor Lappin enquired about the current funding for the Nursery School and whether there was any possibility of additional funding. The Head of Schools and Families indicated that the school was funded by the Council from the Dedicated Schools Grant (DSG) awarded by the Government and that the DSG was ring-fenced to three separate allocation blocks of early years; school years and additional needs/special educational needs. There was flexibility for the Council to move monies between the separate allocation blocks but all blocks had been exceeded, so there no monies available to fund the Nursery School's projected budget deficit.

Councillor Hardy referred to the concerns raised by some parents about the perceived lack of support that children with Special Educational Needs would receive in similar settings and the provision of wrap-around care. The Head of Schools and Families indicated that if a decision was made to close the Nursery School on 31 August 2019, Officers would meet with individual parents to discuss the needs of each individual child and would focus their efforts on children with Special Educational Needs.

Councillor Moncur enquired about the support to be provided to the staff at the School and the impact of any staff leaving the school prior to the proposed closure date. The Head of Schools and Families indicated that the staff had been offered support in preparing CVs and job applications and with training on interview techniques. All staff who met the essential criteria of any jobs at other primary schools in the Borough would be guaranteed a job interview. He also indicated that if a decision was made to close the school, it was inevitable that some staff may leave the school prior to the end of the academic year in August 2019. Council officers would work with the Head

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Teacher to manage the situation as best as they can with support from other schools if necessary.
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Councillor Atkinson referred to the three alternative options referred to by Michelle Hoang earlier in the meeting and set out above and enquired whether they were feasible options.
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The Head of Schools and Families indicated that officers would spend time with the parents to see if the options could be developed into a business plan and consideration would be given as to whether or not they were viable financial options for submission to the Cabinet prior to any final decision on the future of the school was taken.
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In conclusion, the Leader of the Council referred to all of the issues raised during the deliberations on the report and requested officers to continue to explore all of the alternative suggestions which are put forward and include the outcome in the determination report.

**Decision Made:** That:

- (1) the petition and representations made be noted;
- (2) the responses to the statutory consultation process be noted;
- (3) the other information set out in the report regarding the quality and availability of other providers in the local area be noted;
- (4) the financial position of the school in terms of its significant deficit and the fact there are no viable proposals to address this, be noted;
- (5) with deep regret, approval be given to the publication of the Statutory Notice on the closure of Sand Dunes Nursery School; and
- (6) officers be requested to continue to explore suggestions put forward by the School, in the meeting with Councillors and by the parents at this meeting, for alternatives and include the outcome in the determination report.

**Reasons for Decision:**

The local authority had the statutory power to close a maintained school following the statutory process detailed in the report.

**Alternative Options Considered and Rejected:**

All alternative options had been explored by the Governing Body of the School with support from Officers prior to the Governing Body making their request for a statutory consultation on a proposal to close the school. No viable alternative options to address the financial viability of the school have come from the consultation process.



## 56. LIVERPOOL CITY REGION CARE AND SUPPORT

Further to Minute No. 130 of the meeting held on 8 March 2018, the Cabinet considered the report of the Head of Adult Social Care which provided an update on the outcome of the procurement activity relating to the establishment of a Pseudo Dynamic Purchasing System (PDPS) for purchasing care and support in Extra Care Housing, hosted by Liverpool for the Tripartite Authorities (Liverpool, Sefton and Knowsley).

The report also sought authorisation for the procurement of replacement contracts for Care and Support services within two existing Extra Care Housing schemes in Sefton.

### **Decision Made:** That:

- (1) the completion of the previously agreed procurement exercise, hosted by Liverpool City Council, establishing a Pseudo Dynamic Purchasing System (PDPS) accessible to Liverpool, Knowsley and Sefton councils for the procurement of Care and Support services in Extra Care Housing be noted;
- (2) it be noted that Sefton is not obliged to exclusively use the PDPS and can opt to use the PDPS or procure such services through alternative procurement routes, as appropriate to the specific circumstances;
- (3) the circumstances set out within the report in relation to the renewal of contracts for Care and Support services within the existing Extra Care Housing schemes in Sefton be noted;
- (4) approval be given to the commencement of a "Light Touch Regime" OJEU Open procurement exercise that complies with the obligations of the Public Contract Regulations 2015, to award a 3 year contract, with 2 x 12 month extension options, for the provision of Care and Support at James Horrigan Court. The award criteria used for this procurement to be based on "MEAT" (Most Economically Advantageous Tender) taking into account a balance between Price and Quality that will be published in the Invitation to Tender documentation;
- (5) approval be given to the extension of the current contract for 3 months, to enable the above procurement and any subsequent transfer of provision to take place if required;
- (6) the Head of Adult Social Care, in conjunction with the Cabinet Member Adult Social Care, be authorised to award a contract following completion of the above procurement exercise; and
- (7) approval be given to the direct award of a 2-year contract for provision of Care and Support services at Parkhaven Court Extra Care Housing scheme to the existing Provider.

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## **Reasons for Decision:**

To establish formal arrangements for the procurement of care and support services for vulnerable people in Extra Care services and to put contracts in place to ensure provision of care and support services for vulnerable people in 2 existing Extra Care Housing schemes.

## **Alternative Options Considered:**

The following options were considered and rejected:

1. Procuring the two contracts for Extra Care services at Parkhaven Court and James Horrigan Court through the PDPS was considered and rejected as it would prevent the existing care providers, who both provide good quality services, from inclusion in the procurement process.
2. An open procurement process was considered for the contract for Extra Care services at Parkhaven Court but was rejected due to the interrelationship with other services provided on the same site by the existing provider and the desire to ensure stable provision on site whilst further consideration was given to the longer-term arrangements with the development of a more personalised approach for the commissioning of services.

## **57. SEFTON COMMUNITY INFECTION CONTROL SERVICE**

The Cabinet considered the report of the Head of Health and Wellbeing which provided details of the options for the provision of a community infection prevention service following the expiration of the existing service contract with Mersey Care NHS Foundation Trust on 30 June 2019.

### **Decision Made:** That:

- (1) the Chief Executive be authorised to conduct an OJEU Light Touch Regime tender exercise for the Community Infection Control Service to run for a period of three years from 1 September 2019 with the option of two further one-year extensions;
- (2) the evaluation be based on MEAT (Most Economically Advantageous Tender) taking into consideration a balance between Quality and Cost;
- (3) the Chief Executive be granted delegated authority to award the contract, following the tender exercise, in consultation with the Cabinet Member for Health and Wellbeing.

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## **Reasons for the Decision:**

The Sefton Community Infection Prevention and Control Service supports hospices, care homes and schools across the Borough to prevent and manage communicable disease outbreaks.

The Service works closely with care homes across the Borough to support the management, control and prevention of influenza and norovirus (winter vomiting bug). This ensured that vulnerable care home residents are protected during community outbreaks of norovirus and influenza. Consequently, there was a high level of critical activity for this Service when seasonal flu and norovirus are circulating within the community. This peak in activity typically occurs between early November and mid- April.

Extending the contract by an additional two months would ensure that activity related to procurement and mobilisation take place after this period. The submission of bids would take place toward the end of April 2019 and the mobilisation would take place from June to August 2019. This option would allow a period of two months following the new Service contract start date before we would expect a seasonal increase in activity.

The contract would be awarded on the basis of a core contract period of three years with two further optional extension periods of one year each. The purpose of building contracts around core and extension periods was to ensure that the quality of the contract is maintained throughout the life of the contract and to ensure that the Council, particularly at times of financial uncertainty, has flexibility to bring contracts to a conclusion and/or is able to refine services and or goods received under the contract.

The Community Infection Prevention and Control Service is part of the mandated health protection function of Public Health in the Local Authority, this is set out in Part 2 of the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013, Regulation 8.

## **Alternative Options Considered and Rejected:**

The option of re-procuring the Service with a start date of 1 July 2019 would involve submission of bids in January/February 2019 with mobilisation of the new Service commencing 1 April 2019, during the services anticipated peak in activity.

Therefore, this option would potentially impact on the services ability to respond to community outbreaks. This option had been rejected due to risks associated with procurement and mobilisation of this Service during the anticipated seasonal peak in critical activities, which occurs between November and April.

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## **58. PERMIT SCHEME FOR ROAD AND STREET WORKS**

The Cabinet considered the report of the Head of Locality Services - Commissioned which provided details of the results of the third year review of the permit scheme for road and street works operated within the Borough and sought approval to increase the current permit fees.

### **Decision Made: That:**

- (1) the benefits of the permit scheme as detailed in the report be noted; and
- (2) approval be given to an increase in the permit fees as set out in Appendix A of the report.

### **Reasons for Decision:**

The Council had successfully operated a permit scheme since 2 February 2015. Each of the 3 yearly reviews had demonstrated the success of the scheme and the financial benefits to the economy and road user.

Increased operating costs over the duration of the permit scheme have highlighted the need to review the fee structure to ensure that the Council does not operate the scheme at a financial loss.

### **Alternative Options Considered and Rejected:**

The Council could choose to maintain the existing permit fee structure, however, this may result in an operational loss for the running of the scheme.

## **59. HOUSING DEVCO – UPDATES TO COMPANY ARTICLES**

Further to Minute No. 74 of the meeting held on 5 October 2017, the Cabinet considered the report of the Head of Commercial Development which provided details of two proposed changes and a clarification of the Articles of Association for the Council's Housing Development Company (the DevCo), as follows:

1. A change - to allow remuneration for Non-Executive Directors of the Company.
2. A change – of the trading name of the company, following a brand development exercise, to “Sandway Homes”.
3. A clarification - to provide a clearer definition of the responsibilities and authority of the Shareholder Representative, a role created to allow an individual Cabinet Member to represent the collective Cabinet in relation to the DevCo.

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The report indicated that if approved by Cabinet, the Articles would be updated with those changes and registered with Companies House, becoming part of the Company's constitution.

Councillor Hardy referred to a typographical error in paragraph 1 d of the reasons for the recommendations, set out in the report and indicated that the reference to a member of an Overview and Scrutiny Committee should read a Chair of an Overview and Scrutiny Committee.

The following appendices were attached to the report:

- Appendix 1 – Agreed definition of the role of Non-Executive Directors.
- Appendix 2a – Details of Brand Development Exercise (“Brand Book”)
- Appendix 2b – Details of Brand Options (“Identity Proposal”)
- Appendix 2c – Details of Brand Recommendation (“Tone of Voice and Guidelines”)
- Appendix 3a – Existing Articles for the HoldCo
- Appendix 3b – Existing Articles for the SaleCo

**Decision Made:** That:

- (1) approval be given to the change to the Articles of Association to allow for the remuneration of Non-Executive Directors as set out in the report;
- (2) approval be given to the proposed change to the Articles to allow trading as ‘Sandway Homes’;
- (3) approval be given to the detailed definition of the role of the Shareholder Representative as set out in the report; and
- (4) the Executive Director (Sarah Kemp), in consultation with the Cabinet Member for Communities and Housing be authorised to implement these changes to the Articles and register updated Articles with Companies House.

**Reasons for Decision:**

1. Allowing remuneration of Non-Executive Directors (NEDs) would make it possible to attract industry leading individuals to the DevCo Board, ensuring that the Company benefits from the extensive skills and experience that these kinds of individuals possess helping to maximise the success of the Company and the return to the Shareholder (the Council). The recommended proposals are as follows:

- a. NEDs will be external (i.e. not Officers or Members of the Council).
- b. NEDs will have the same voting rights as the Executive Members of the Council (which Executive Directors include an Executive Director of the Council (initially acting as Chair of the Board), a Head of Service (acting as Managing Director) and the Deputy Section 151 Officer (acting as Finance

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Director) along with a front-line (non-Cabinet member) councillor).

c. Any members of the Board who are officers of the Council will not be paid any additional amount above their Council salaries for fulfilling their roles on the Board of the Companies, in line with their contracts of employment.

d. The front-line member of the Council would be paid a Special Allowance (at the same level as a Chair of an Overview and Scrutiny Committee), so long as they are not already in receipt of any other Special Allowance, in-line with the Council's Constitution.

e. NEDs would be paid a day rate of £500 per day for their work on the Company Board as follows:

- 0.5 days preparation for Board meetings.
- 0.5 days follow-up from Board meetings.
- 1.0 days for attendance at Board meetings.
- 6 Board meetings planned per year, £6k (maximum of £12k).

2. Adopting the trading name and brand identity developed through a market focused brand development exercise conducted recently will help position the company to compete effectively in the market place.

3. Clarifying the role of the Shareholder Representative will provide more robust governance of the Companies in line with the Council's constitution whilst avoiding any unnecessary administration or delays to decision making. The recommended detailed definition of the role, which has been consulted on with the Cabinet Portfolio Holder and the Executive Leadership Team, is as follows.

a. The objective of the role of Shareholder Representative is to empower a single person to act for the whole Cabinet as the sole shareholder of the DevCo companies:

- The holding company (HoldCo): Sefton (ACS) Holding Company Limited, wholly owned by the Council.
- The sales company (SaleCo), Sefton (ACS) Sales Company Limited, wholly owned by the Council through the HoldCo.
- Any future DevCo companies set up under the HoldCo.

b. The Shareholder remains the Cabinet, which retains the legal rights and obligations of the Shareholder under Company Law.

c. The Shareholder Representative would have full delegated authority from the Cabinet to act as the Shareholder in respect of all Shareholder decisions relating to the DevCo companies, including in particular:

- Appointing and dismissing directors of the Boards.

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- Assessing and making recommendations in respect of the performance of the Boards and individual directors.
  - Approving the Annual Business Plans.
  - Approving any in-year changes to the approved Annual Business Plans, including new investments to be made by the Companies.
  - Making decisions in respect of Reserved Matters.
  - Chairing the Annual General Meetings (AGMs).
  - Voting on behalf of the Shareholder at the AGMs.
- d. The Shareholder Representative, whilst not a voting Director on any of the Boards, may at their discretion attend Board meetings as an Observer to monitor proceedings.
- e. The Shareholder Representative will be supported by the Council's Chief Executive and Section 151 Officer in ensuring the performance of the Companies and the continued alignment of the business of the Companies with the objectives of the Council.
- f. The Shareholder Representative may seek further consultation or approval from Cabinet on any matters for which they feel this would be appropriate, at their discretion, or for which this is required under the Council's Constitution. This may simply be to gain support in assessing information and making decisions.
- g. The role of Shareholder Representative will be in addition to the internal oversight role of the Cabinet Portfolio Holder in relation to the DevCo as a Council commercial project. The existing oversight arrangements, including monthly reviews with the responsible Council officers (Executive Director sponsor, and Head of Service project lead) are expected to continue alongside the role of the Shareholder Representative.
- h. Therefore, the Shareholder Representative would be empowered to appoint the Boards of Directors for the HoldCo and the DevCo (so long as this is consistent with the requirements documented in the approved Articles), and to approve the updated Articles, without further referral to Cabinet.

### **Alternative Options Considered and Rejected:**

#### **1. Remuneration of Non-Executive Directors (NED)**

a. Alternative Option A - do not offer any remuneration. Consultation with professional NED recruitment consultants confirmed that offering no remuneration at all would be a major disincentive for good quality candidates as it would indicate that the company was not a substantive or serious enterprise. As a result, any recruitment process would be very unlikely to attract suitable candidates, fail to appoint appropriate NEDs and be a waste of Council time and money (recruitment consultant fees)

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b. Alternative Option B – offer a fixed fee of £8,000 per annum (in-line with the Special Allowance for front-line councillors undertaking a comparable role, such as being members of the Overview and Scrutiny committee). Consultation with professional NED recruitment consultants confirmed that good quality candidates would expect to have clarity of the fees in day rate terms at rates that are competitive in the market for NEDs of SME organisations. That consultation did confirm that it would not necessarily be a disincentive if the potential minimum annual fee was lower than £8,000 if fewer than 12 Board meetings a year was required.

## 2. Trading name and brand.

Alternative names/brands were considered through a market analysis and stakeholder workshop (attended by industry experts and leadership personnel from key organisations in the community). Details of the options are included in the documents in Appendix 2. The consensus from the stakeholder workshop was to adopt the name “Sandway Homes”.

## 3. Definition of the Role of Shareholder Representative.

Alternative Option A – do not clarify the definition of the role any more than is already included in the approved FBC and Articles. It is believed that this will result in an imperative for the Shareholder Representative to refer most decisions back to Cabinet undermining the role’s purpose and objectives.

## **60. REVENUE AND CAPITAL BUDGET PLAN 2018/19 – 2019/20**

The Cabinet considered the report of the Head of Corporate Resources which provided details of the current forecast revenue outturn position for the Council for 2018/19 and potential impact on the 2019/20 budget; the current forecast on Council Tax and Business Rates collection for 2018/19 and the current position of the 2018/19 Capital Programme.

Councillor Moncur enquired about the impact of the Chancellor of the Exchequer’s Budget announced on 29 October 2018 upon the Council and the Head of Corporate Resources indicated that officers were awaiting details of the allocations / bid criteria for the additional one - off funding to be provided for adult social care and highway potholes. He also indicated that more definitive information would be provided when the Government publishes the Local Government Financial Settlement on 6 December 2018. The details of which would be made available to Members of the Council in due course.

Councillor Hardy requested that a report on the funding of the Community Transition Fund be submitted to the Cabinet in due course.



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**Decision Made: That:**

- (1) approval be given to the implementation of the mitigating actions to deal with the significant budget pressure that have been identified and are detailed within the report;
- (2) in the event that there is a material change to the 2018/19 outturn forecast, additional remedial measures should be identified in order that a balanced budget position can be achieved; and
- (3) as a result of the impact of the current financial position in 2018/19, and its subsequent impact on the 2019/20 budget, officers continue to identify new budget saving proposals for Members to consider in order that a robust and sustainable budget can be set for 2019/20.

**Reasons for Decision:**

To ensure Cabinet are informed of the forecast outturn position for the 2018/19 revenue and capital budgets as at the end of September 2018 and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

In March 2017 Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of setting the 2018/19 budget. The Council is half way through the second year of the budget plan and remains confident that the strategic approach to budget planning alongside good financial management and extensive community engagement means that it will secure future sustainability to 2020 and beyond. However, in year demand for social care services is currently resulting in the costs for these services exceeding the budget. Corrective action will be required to bring the overall budget into balance before the end of the financial year if the position worsens over the coming months.

**Alternative Options Considered and Rejected:**

None.

**61. APPOINTMENT TO OUTSIDE BODIES 2018/19 - VETERANS IN SEFTON AND NORTH WEST BOROUGH'S HEALTHCARE NHS FOUNDATION TRUST - COUNCIL OF GOVERNORS**

The Cabinet considered the report of the Chief Legal and Democratic Officer which sought the appointment of a Council representative to serve on Veterans in Sefton until May 2019; and the North-West Borough's Healthcare NHS Foundation Trust - Council of Governors for 2018/19 for the remainder of a 3 year appointment until 31 May 2020.

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## **Decision Made:** That:

- (1) Councillor Lappin be appointed to serve on the Veterans in Sefton outside body for the remainder of the 2018/19 Municipal Year; and
- (2) Councillor Moncur be appointed to serve on the North-West Boroughs Healthcare NHS Foundation Trust – Council of Governors outside body for the remainder of a 3 year appointment until 31 May 2020.

## **Reasons for Decision:**

The Cabinet had delegated powers set out in Chapter 5, Paragraph 40 of the Constitution to appoint the Council's representatives to serve on Outside Bodies.

## **Alternative Options Considered and Rejected:**

None.

## **62. THE COTTAGES, 1-3 CHAPEL LANE, NETHERTON**

Further to Minute No. 66 of the meeting of the Planning Committee held on 17 October 2018, the Cabinet considered the report of the Chief Planning Officer which provided details of the urgent decision taken by the Leader of the Council to approve the removal of further permitted development rights at The Cottages, 1-3 Chapel Lane, Netherton following the revocation of Lawful Development Certificate DC/2014/01497 for the 'proposed development for the erection of proposed buildings and means of enclosure incidental to the enjoyment of the dwellinghouse'.

## **Decision Made:**

That the decision of the Leader of the Council be noted.

## **Reasons for Decision:**

The removal of permitted development rights via Article 4 direction is necessary to prevent any further or alternative buildings being erected at the premises following the removal of that existing, causing continued public concern over harm to amenity.

## **Alternative Options Considered and Rejected:**

The alternative is to not serve an Article 4 direction, which would allow the landowner to erect further buildings potentially injurious to amenity whilst undermining the steps taken to revoke a Lawful Development Certificate for the erection of buildings and means of enclosure incidental to the enjoyment of the dwellinghouse (ref. DC/2014/01497).

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**Report to:** Cabinet **Date of Meeting:** 6 December 2018

**Subject:** Digital Inclusion Working Group Final Report **Wards Affected:** All

**Report of:** Chief Legal and Democratic Officer

**Is this a Key Decision?** Yes **Is it included in the Forward Plan?** Yes  
**Exempt/Confidential** No

## Purpose/Summary

To present formally the final report of the Digital Inclusion Working Group.

## Recommendations: That

1. The Working Group was impressed with the Visitor Economy (VE) 'Passport to Success' scheme aimed at college students across the Liverpool City Region coming into the tourism industry; whereby students are able to achieve a bronze, silver or gold passport standard to provide them with a range of opportunities to either gain quality work experience, an interview, apprenticeship or a full-time job.

The Working Group, at its meeting held on 23 May 2018 acknowledged that literary and numeracy skills should be embedded as a priority along with digital skills.

Accordingly, it is recommended that:-

- (A) The Liverpool City Region Combined Authority Employment and Skills Board be requested to consider the development of a Digital Skills Passport Scheme (incorporating numeracy, literacy and communication skills) to help Sefton residents to gain future employment, via the Learning and Skills budget to be devolved from 2019; and
  - (B) Sefton Council, via Sefton@Work, in conjunction with local organisations such as Sefton Community Learning Service, work with the Liverpool City Region with the aim of exploring the application of such a Skills Passport for the benefit of Sefton employers and residents;
2. Using the Poverty Modelling and Digital Inclusion "Mosaic" data, areas of high unemployment be targeted to enable those Sefton residents excluded from the labour market to develop their ICT skills to improve their opportunities for gaining future employment;

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3. To facilitate the above the Liverpool City Region Combined Authority be requested to devolve sufficient funding to Sefton Council to appoint a project worker with the clear objectives of:-
  - (A) Working with local employers to map ICT/digital skills;
  - (B) Working with local partners such as Sefton Community Learning Service to develop and deliver bespoke training programmes to target residents in the areas identified in the Poverty Modelling and Digital Inclusion “Mosaic” data;
  - (C) Identifying, using the data from the Poverty Modelling and Digital Inclusion “Mosaic”, a number of residents who would benefit from and be able to undertake training as referred to in 3. (B) above; and
  - (D) Working with local employers to develop a compact agreement to enable those residents who successfully complete the bespoke training programme(s) to gain relevant employment;
4. If further opportunities arise for a roll out of the Include-IT project and to support the objectives of recommendation 2 then Sefton CVS be requested to consider such roll out to the priority areas identified within the Poverty Modelling and Digital Exclusion document; and
5. Chief Legal and Democratic Officer be requested to submit a monitoring report to the meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Resources to be held on 5 March 2019, setting out progress made against each of the recommendations set out in the report and that thereafter, monitoring reports be submitted to the Committee on a six monthly basis.

## **Reasons for the Recommendation:**

The Working Group has made a number of recommendations that require approval by the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) and the Cabinet.

## **Alternative Options Considered and Rejected:**

No alternative options were considered. The Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) established the Working Group to review Digital Inclusion and the Working Group has performed this task.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

There are no financial implications arising for the Council as a direct result of this report. The implementation of recommendations that result in efficiency savings and any necessary financial investment will be the subject of separate reports.

### **(B) Capital Costs**

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There are no financial implications arising for the Council as a direct result of this report. The implementation of recommendations that result in efficiency savings and any necessary financial investment will be the subject of separate reports.

## Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Financial</b>		
<b>Legal: Housing Act 2004</b>		
<b>Human Resources</b>		
<b>Equality</b>		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

## Contribution to the Council's Core Purpose

<p>Protect the most vulnerable: Digital inclusion is a principal and approach that aims to ensure that people have the capability to use the internet to do things that benefit them on a day to day basis - whether they be individuals, businesses or other entities e.g. the voluntary sector.</p> <p>Likewise digital inclusion aims to reduce digital exclusion and the digital divide that can exist within society for a variety of reasons</p> <p>The government's Information Economy Strategy called for greater focus on digital inclusion in order to:</p> <ul style="list-style-type: none"> <li>• help businesses make smart use of information technology and data;</li> <li>• ensure citizens benefit from the digital age; and</li> <li>• underpin economic growth</li> </ul> <p>Digital inclusion will be one of the areas that the Council will seek to contribute to and enable within the Borough of Sefton and as such help residents to improve their chances to gain employment.</p>
Facilitate confident and resilient communities: As above
Commission, broker and provide core services: As above
Place – leadership and influencer: As above
Drivers of change and reform: As above
Facilitate sustainable economic prosperity: As above
Greater income for social investment: As above

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Cleaner Greener: None directly associated with this report
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## **What consultations have taken place on the proposals and when?**

The Head of Corporate Resources (FD 5273/18) has been consulted and notes there are no direct financial implications arising from this report.

The Chief Legal and Democratic Officer (LD 4497/18) is the author of the report.

## **Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

**Contact Officer:** Paul Fraser

**Tel:** 0151 934 2068

**Email:** paul.fraser@sefton.gov.uk

## **Background Papers:**

There are no background papers available for inspection

## **Introduction/Background**

At its meeting held on 13 June 2017 the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) approved the establishment of a Working Group to review the topic of Digital Inclusion with the terms of reference and objectives set out below.

Following consultation with the Head of Corporate Resources it was subsequently recommended and approved that the commencement of the Digital Inclusion Working Group be deferred until January 2018. This was to enable the objectives of the ICT Development Programme to be progressed and thereafter be included in the Working Group’s Scoping Document.

### Overview

Digital inclusion is a principal and approach that aims to ensure that people have the capability to use the internet to do things that benefit them on a day to day basis - whether they be individuals, businesses or other entities e.g. the voluntary sector.

Likewise digital inclusion aims to reduce digital exclusion & the digital divide that can exist within society for a variety of reasons

The government’s Information Economy Strategy called for greater focus on digital inclusion in order to:

- help businesses make smart use of information technology and data;
- ensure citizens benefit from the digital age; and
- underpin economic growth

Digital inclusion will be one of the areas that the Council will seek to contribute to and enable within the Borough of Sefton and as such this working group can help to develop a series of recommendations and principles for consideration as part of this work.

## Objectives

The objectives of the Working Group are to:-

- Identify the opportunity for the Council in supporting and enabling Digital Inclusion within the Borough of Sefton and the wider City Region;
- Identify how this can feed into the Councils future ICT and Digital Strategies;
- Confirm the strategic themes that should be addressed as part of this work e.g. connectivity and skills;
- Identify potential council activities that could be provided on a more digital basis and the enabling activity that will be required to support this; and
- proactively engaging with the Combined Authority and their advisors/consultants to ensure that opportunities identified for Sefton are incorporated in to the Liverpool City Region Digital Infrastructure Action Plan to ensure positive outcomes for the borough and its constituent communities

All proposals will need to take account of resource requirements and be within the parameters of the current Medium Term Financial Plan

Accordingly, the Working Group has met on numerous occasions to undertaken such review and its Final Report, together with associated recommendations, is attached.

At its meeting held on 11 September 2018 the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) approved the Final Report. However, as the Final Report contained many recommendations that fall under the remit of the Overview and Scrutiny Committee (Regeneration and Skills) and following consultations with Councillors Atkinson, Bradshaw and Sayers, the intended submission of the Final Report to Cabinet on 4 October 2018 was deferred to enable the Overview and Scrutiny Committee (Regeneration and Skills) to consider the Final Report prior to its submission to Cabinet on 6 December 2018.

The Overview and Scrutiny Committee (Regeneration and Skills) at its meeting held on 6 November 2018 considered and approved the Working Group's Final Report.

The Cabinet is requested to support the contents of the Working Group Final Report and approve the recommendations contained therein.

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**OVERVIEW AND SCRUTINY COMMITTEE  
(REGULATORY, COMPLIANCE AND CORPORATE SERVICES)**




**DIGITAL INCLUSION  
WORKING GROUP  
FINAL REPORT  
OCTOBER 2018**

Overview  
& Scrutiny



# Overview & Scrutiny



**'Valuing  
Improvement'**

[www.sefton.gov.uk](http://www.sefton.gov.uk)

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## LEAD MEMBER'S INTRODUCTION

I am very pleased to introduce this Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) Digital Inclusion Working Group report.

The Working Group adhered to its established terms of reference and objectives (see paragraph 2 below) in the drafting of its recommendations.

I wish to thank all those people who gave up their valuable time to be involved with the Working Group. The input and expertise of officers greatly helped the Working Group in the formulation of its recommendations. Finally, I am extremely grateful to my fellow Working Group Members for their commitment, ideas and contribution.



Councillor Patrick McKinley  
Lead Member, Digital Inclusion  
Working Group



## 1.0 BACKGROUND

- 1.1 At its meeting held on 13 June 2017 the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) established the Digital Inclusion Working Group. The commencement of the Working Group was deferred to enable the objectives of the ICT Development Programme to be progressed and thereafter aspects of the Programme to be included in the Working Group's Scoping Document
- 1.2 Councillors Bradshaw, Linda Cluskey, Daniel Lewis, McKinley, Michael O'Brien and Angela White, Sefton CVS were appointed to serve on the Working Group.
- 1.3 At the first meeting of the Working Group Councillor McKinley was appointed Lead Member. Details of Working Group meetings are set out below:-

Date	Activity
21.02.18	Scoping Document approved Additional information/background reading material suggested Potential witnesses identified
21.03.18	Consideration of information requested at previous meeting
25.04.18	Presentations regarding Sefton Older Persons Forum, Sefton Community Learning and demographic profiling
23.05.18	Presentations regarding Hugh Baird College's promotion of Digital Inclusion, Liverpool City Region Combined Authority on the Liverpool City Region's digital skills priorities and Poverty Modelling and Digital Exclusion in Sefton
27.06.18	Presentation on the Sefton@Work and Adult Community Learning Digital Inclusion Programme Sefton CVS Include-IT Mersey Digital Inclusion Project Update
08.08.18	Consideration of initial findings, draft report and recommendations

## 2.0 TERMS OF REFERENCE AND OBJECTIVES

- 2.1 The Terms of Reference and Objectives of the Working Group were approved as part of the scoping exercise at the first meeting and are set out below.
- 2.2 Terms of Reference and Objectives
  - 2.2.1 Overview

Digital inclusion is a principal and approach that aims to ensure that people have the capability to use the internet to do things that benefit them on a day to day basis – whether they be individuals, businesses or other entities e.g. the voluntary sector.

Likewise digital inclusion aims to reduce digital exclusion & the digital divide that can exist within society for a variety of reasons



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The government's Information Economy Strategy called for greater focus on digital inclusion in order to:

- help businesses make smart use of information technology and data;
- ensure citizens benefit from the digital age; and
- underpin economic growth

Digital inclusion will be one of the areas that the Council will seek to contribute to and enable within the Borough of Sefton and as such this working group can help to develop a series of recommendations and principles for consideration as part of this work.

## 2.2.2 Objectives

- Identify the opportunity for the Council in supporting and enabling Digital Inclusion within the Borough of Sefton and the wider City Region;
- Identify how this can feed into the Councils future ICT and Digital Strategies;
- Confirm the strategic themes that should be addressed as part of this work e.g. connectivity and skills;
- Identify potential council activities that could be provided on a more digital basis and the enabling activity that will be required to support this; and
- proactively engaging with the Combined Authority and their advisors/consultants to ensure that opportunities identified for Sefton are incorporated in to the Liverpool City Region Digital Infrastructure Action Plan to ensure positive outcomes for the borough and its constituent communities

it was noted that all proposals would need to take account of resource requirements and be within the parameters of the current Medium Term Financial Plan

## 3.0 METHODS OF ENQUIRY

- 3.1
- Engagement with Council officers e.g. within the ICT service and Heads of Service;
  - Research papers and case studies from other local authorities;
  - Site visits where appropriate;
  - Engagement with ICT providers;
  - Engagement where appropriate with education providers and the business community
  - Engagement with Public Sector partners.



## 4.0 WORKING GROUP MEETING – 21 FEBRUARY 2018

4.1 The Working Group approved its [Scoping Document](#) at the meeting.

4.2 Stephen O'Brien, ICT Partnership Manager, updated on Sefton's Digital Inclusion Strategy; and indicated that the Strategy was developed in 2014 with the aim of reducing the digital divide (the economic inequality between groups regarding of access to, use of, or knowledge of information and communication technologies which have become more prevalent in recent times as a result of welfare reform changes) and the promotion of digital inclusion. The Strategy, which was in the process of being updated, comprised of 5 key themes and Stephen O'Brien provided information on each of the themes, namely:-

1. Access
2. Skills
3. Take-up
4. Community
5. Economy

The Working Group agreed that the Digital Inclusion Strategy was a really helpful document and that it should be used as the framework for the Working Group's review.

4.3 Jan McMahon, Head of Strategic Support, referred to [Sefton's 2030 Vision Outcomes Framework](#) and reference was made to Sefton Being a "confident and connected borough"; and the Customer Interface workstream as part of Sefton's Public Sector Reform proposals. The aim of the PSR project was to improve the customer experience and work includes the implementation of a customer interface tool to support a 'channel shift' and deliver a customer account approach, where people could track progress and view key information. A digital marketing and communication tool has also been introduced to increase digital engagement, grow digital audience by cross-promoting content, maximise the use of online services, and build communities around data. However it was acknowledged that not all residents had the necessary ICT or skills to take advantage of this and therefore, an Accessibility Policy had been produced. Angela White, Sefton CVS agreed with this latter point and referred to a hard copy booklet that had been produced by her organisation titled "Connecting You to Services in Sefton".

Jan McMahon also updated on the work around Adult Social Care (ASC) regarding the provision of information, advice and signposting; and the partnership working with Sefton CVS whereby Community Connector posts supported the triage process in ASC half a day a week and that additional support had been agreed with the Council's contact centre.

Jan McMahon concluded by referring to MerseyNow Sefton, a new community messaging system for staff, residents and businesses to receive the latest news, events and important information via email.

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4.4 The Working Group acknowledged that communities, the Council and employers would have different perspectives on digital inclusion and it was agreed that the Working Group should focus firstly on the community impacts, followed by the Council and concluding with employers. However, it was also acknowledged that due to tight timeframes that the Working Group would have to be realistic in what it could achieve.

4.5 The Working Group concluded by approving the following ways in which its review could be progressed by using the following methods of enquiry/information gathering:-

- documentation associated with the Liverpool City Region Digital Infrastructure Action Plan
- documentation associated with the Liverpool Enterprise Partnership Sub-Group re: Digital Inclusion
- Community and voluntary sector contributions, via Sefton CVS, focussed on the Linacre and Dukes Wards
- The use of digital champions by Sefton CVS to support residents making Universal Credit claims
- The Digital Mapping exercise being undertaken by Sefton CVS using google maps showing available ICT and wifi public access from VCF, Council and other agencies
- The production of a “route map” for Sefton highlighting how we can access digital inclusion provision to obtain the best access for Sefton’s residents
- Obtaining information from Sefton’s Further Education colleges and Registered Social Landlords to find out what they were doing, or could do, to promote digital inclusion
- Invite a representative from one of Sefton’s Further Education colleges as a witness to give evidence to the Working Group
- Invite a representative of the Liverpool City Region Employment and Skills Board to make a presentation to the Working Group on the Board’s strategy to promote digital inclusion
- Invite Wayne Leatherbarrow, Performance and Intelligence Service Manager to make a presentation to the meeting on the profile of Sefton residents

## 5.0 WORKING GROUP MEETING – 21 MARCH 2018

5.1 The Working Group considered a briefing note prepared by the Senior Democratic Services Officer that updated on actions requested at the previous meeting of the Working Group held on 21 February 2018 relating to:-

- [Documentation](#) associated with the Liverpool City Region Digital Infrastructure Action Plan and including the [presentation update from](#)





- [the party awarded the contract](#) and the [LCR press release](#)
- [Documentation](#) associated with the Liverpool Enterprise Partnership Sub-Group re: Digital Inclusion
- [Include-It City Region digital champion programme](#) focussed on the Linacre and Dukes Wards in Sefton including IT provision and the use of digital champions
- The Digital Mapping exercise being undertaken by Sefton CVS on behalf of the Welfare Reform and Anti-Poverty Partnership using google maps showing available ICT and wifi public access from VCF, Council and other agencies
- The production of a “route map” for Sefton highlighting how we can access digital inclusion provision to obtain the best access for Sefton’s residents
- Obtaining information from Sefton’s Further Education colleges and Registered Social Landlords to find out what they were doing, or could do, to promote digital inclusion. Information provided by RSL’s in Sefton can be found [here](#)
- The invitation of a representative from one of Sefton’s Further Education colleges as a witness to give evidence to the Working Group
- The invitation of a representative of the Liverpool City Region Employment and Skills Board to make a presentation to the Working Group on the Board’s strategy to promote digital inclusion
- [People and Place Introductory Profile](#) (Note: An updated version of this document would be produced before the end of March 2018)

The Working Group also considered an email from Steven Penn, Sefton CVS detailing the progress made in connection with the digital mapping exercise Sefton CVS were currently pulling together as part of the ongoing Welfare Reform and Anti-Poverty Partnership (WRAP) work. Work had commenced to populate an online map showing digital access provision across the borough – focusing on voluntary, community and faith (VCF) providers as well as Sefton’s libraries and one-stop shops. This exercise would help members of the public to access digital services to help them, for example, to complete Universal Credit forms. The following link provides further information

<https://www.google.com/maps/d/viewer?ll=53.49741143214181%2C-3.009335304785168&z=12&mid=1X4iehhrsRr44PZtuVDj-TfThpseP5bc>

## 6.0 WORKING GROUP MEETING – 25 APRIL 2018

6.1 The Working Group considered a number of presentations as set out below:-

6.2 Knowsley Older Persons Voice and Sefton Older Persons Forums

A presentation was made from Justine Shenton, Older Persons’ Forum Co-



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ordinator for Sefton Advocacy about a joint Digital Inclusion [Position Statement](#) with the Knowsley Older Persons' Voice. The Position Statement indicated that:-

- We welcome and support all forms of technology where it can enhance the lives of older people, and promote their participation in family and community life
- We will support and encourage older people to take advantage of the benefits of technology through additional learning and information
- We will continue to highlight the needs of those who do not wish to use digital or other technology to access information or services, so they will not be excluded but be able to continue to use those more traditional routes that they are more familiar with
- We encourage service providers to promote and publicise alternative contact routes such as telephone numbers and addresses alongside websites and emails
- We further encourage providers to regularly review websites and technology developments to ensure they remain user-friendly for their intended audience and involve older people in testing their suitability.

Ms. Shenton detailed how she publicised meetings of Older Persons Forums via notices in public buildings and churches and via an email distribution list to organisations with a request that they circulate the notices to attendees at their organisation; but that her organisation did not have a big budget to carry out wide scale public advertisement of the Forums. She also stressed that the big hurdle was getting older people to embrace and become more confident with the use of ICT.

It was suggested that press releases to local newspapers such as the Champion could help publicise upcoming events and Jan McMahon and Councillor McKinley indicated that they could help in this matter via the Council's Communication Team and Maghull Town Council respectively.

Members acknowledged the importance of the penultimate bullet point on the Position Statement regarding the encouragement of service providers to promote and publicise alternative contact routes such as telephone numbers and addresses alongside websites and emails.

Jan McMahon also referred to helpful information contained in the Council's [Accessible Communications Policy](#) and how the Council communicated with people in a way they could understand; [Accessibility and Communication Top 10 Tips](#), and the [Accessible Information Standard](#) which could be distributed to Members for information. Justine Shenton confirmed that the group was represented on the Improving Information Group.

Finally, concern was expressed about bank closures which meant that digitally excluded older people had to travel long distances to meet their banking needs at the nearest open branch.



## 6.3 Sefton Community Learning

A [presentation](#) was made from Andy Clayton, Head of Service, Sefton Adult Learning Service on how Sefton Community Learning (SCL) were supporting the community regarding digital inclusion.

Mr. Clayton indicated that:-

- SCL covered 58 venues
- SCL was Education and Skills Funding Agency funded and amongst other things, covered Community Learning; provided over 600 Digital IT basic skills courses in 2016/17; and provided basic computer courses which included iPads for beginners, Internet and email and Facebook and Twitter
- SCL achievements included being Grade 2 Good Ofsted provider; over 2000 learners annually; was Matrix accredited; had 35 fully qualified tutors and 183 learners recruited for qualifications; that 96% of learners achieved their course; that 92.3% of tutors observed were deemed to be good or better teaching grades (27 tutors); that 97% of learners said they would recommend the Service to others; that 8.6% of learners surveyed gained employment (responses 638); and that 100% of learners completing GCSE qualifications passed
- In 2018/19 the aim was for SCL to be recognised as a Google Centre and Google classrooms being utilised in some subject areas; for learners on every course being able to access and use IT; the extended use of video conferencing to communicate with subcontractors and tutors; Tutors using video conferencing with learners; and the introduction of basic IT qualifications

Stephen O'Brien indicated that he was working with Andy Clayton to improve the broadband infrastructure at the Cambridge Road Adult Learning Centre.

Mr. Clayton was asked did SCL target areas of deprivation. Mr. Clayton indicated that they did via its two sub-contractors who targeted postcode areas.

Following a question regarding how SCL worked with other providers, i.e. Hugh Baird College, Mr. Clayton indicated that SCL delivered low level courses which did not duplicate courses at further education colleges. The aim was hopefully for the student to further their education with a higher level course or one leading to a formal qualification.

Councillor McKinley, Lead Member, indicated that the Liverpool City Region had a learning and skills budget and that this was an opportunity for Sefton to gather evidence and recommend courses of action.

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## 6.4 Demographic Profiling

A presentation made from Wayne Leatherbarrow, Performance and Intelligence Service Manager, on the demographic profiling/identification of 5 Wards/super output areas by deprivation in order that resources could be targeted at such areas as a pilot scheme.

Mr. Leatherbarrow indicated that in summary:

- Linacre, Derby, St Oswald, Ford and Litherland Wards had the highest average IMD scores and national IMD ranking for Sefton.
- The five highest ranking geographical Lower Layer Super Output Areas (LSOAs) in Sefton were in Derby and Linacre Wards.

Mr. Leatherbarrow advised of the following useful links:-

detailed profiles for each of the wards.

<https://www.sefton.gov.uk/your-council/plans-policies/business-intelligence,-insight,-performance/borough-ward-profiles.aspx>

detailed MOSAIC profiles for each of the wards.

<https://www.sefton.gov.uk/your-council/plans-policies/business-intelligence,-insight,-performance/mosaic-profiles.aspx>

The Working Group also considered a [document](#) showing the Index of Multiple Deprivation – Breakdown of IMD by ward and top 5 Lower Super Output Areas in Sefton.

Mr. Leatherbarrow also detailed how the Council worked collaboratively with other key partners to gather greater insight, including a practical example of information sharing with Merseyside Fire and Rescue Service.

Members acknowledged the important work undertaken by Mr. Leatherbarrow's team as the information and data sets obtained enabled the Council to "measure" problems. This was critical in the identification and targeting of cohorts.

## 7.0 WORKING GROUP MEETING – 23 MAY 2018

### 7.1 Hugh Baird College's promotion of Digital Inclusion

A [presentation](#) was made from Janet Trigg, Assistant Principal Vocational Studies and Foundation Learning and John Kendal and Emma Griffiths, Hugh Baird College on the college's promotion of Digital Inclusion.

Ms. Trigg, Mr. Kendall and Ms. Griffiths indicated that:-

- As part of community provision, a lot of requests were made for basic



training on use of email, job search skills, on line banking, shopping and on line safety training

- Include-It Mersey, a project that had recently been introduced within the college to benefit Hugh Baird Students, the local community and Hugh Baird Staff
- Digital champion volunteers, which included Hugh Baird learners (aged 18+) on level 2 and 3 IT Practitioner programmes volunteering as Digital Champions
- Initial plans at the college that would include hosting drop-in sessions for students, staff and the local community to access training to improve their own IT skills with support from Digital Champion Volunteers; that the drop-in sessions would be advertised indicating set times/dates where students would be available to provide support; and following the drop-in sessions, participants may be eligible to attend further course if they met the set criteria
- Advanced skills at the college that included a project developed in conjunction with Microsoft to enable staff and students to work more digitally, all students having access to cloud storage, replacing the virtual learning environment (VLE) with Teams – a more collaborative approach to digital learning and looking at the use of phones / tablets/ macs and PCs.

Ms. Trigg also provided information on:-

- Hugh Baird College's [successful collaboration](#) with Mersey Care to win a grant from the Liverpool City Region Combined Authority (to support skills and learning opportunities for communities across Liverpool) to transform the former St Winefride's Roman Catholic Church in Bootle. The extensive refurbishment of the main church would see it become a training academy and base for levels 1 to 6 health and social care training in partnership with Mersey Care. A new Life Rooms would also be built on the footprint of the current presbytery, delivering courses to provide practical life skills and offering a hub for the local community
- Hugh Baird college's [Passport to Success scheme](#) and associated Passport Employer Charter

## 7.2 Liverpool City Region Combined Authority on the Liverpool City Region's digital skills priorities

A [presentation](#) was made from Paul Amann, Principal Officer Employment and Skills, Liverpool City Region Combined Authority on the Liverpool City Region's digital skills priorities.

Mr. Amann, provided information on:-

- Digital connectivity and in particular becoming a connected digital city;



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expanding opportunity and ensuring digital equality; establishing our City Region as an exemplar smart city; and becoming a hub for expertise in AI, VR, AR and robotics

- Level 2 attainment at age 16
- The impacts on Level 3 attainment by age 19
- The proportion of residents (16-64) without qualifications
- Analysis of the 3 key skills showed that Sefton was broadly in line with national, regional and city region performance for Email, this showed over 50% with Level 1 or above; for Word Processing, nearly a third with Level 1 or above and for Spreadsheets, over a quarter with Level 1 or above
- The Skills Strategy that was based upon a survey of over 1,800 employers and extensive partner input; and agreed by Combined Authority and LEP Board
- Based upon Survey of over 1,800 employers and extensive partner input and agreed by the Combined Authority and LEP Board
- Agreed action areas to provide focus to 2023
- Statistics relating to Digital Inclusion regarding growth sectors and apprenticeships
- The Liverpool City Region Skills for Growth Agreement
- Key factors affecting digital access
- The local digital perspective
- Digital inclusion “heatmap”
- Percentage of People (over 16) who have never used the internet (2017 ONS)
- Include-IT Mersey
- Digital Skills Entitlement and that free digital skills training for adults was first announced by the government in October 2016 and became law in April 2017 as part of the Digital Economy Act

Mr. Amann also updated on the profile, skills challenges, meeting demand and future workforce issues associated with the [LCR Digital and Creative Skills summary](#); and reference was made to the [Skills for Growth Agreement](#) but it was stressed that this was less relevant at the moment given that the document was being refreshed with the new version to be published in July 2018.

Working Group Members indicated that literacy and numeracy skills should be embedded as a priority along with digital skills; that any policies formulated by the LCR should be measurable to gauge outcomes; and that it would be helpful to Sefton residents if the areas targeted in the Include-IT Mersey scheme could be expanded beyond Linacre and Dukes Wards.

## 7.3 Poverty Modelling and Digital Exclusion in Sefton

A presentation was made by Wayne Leatherbarrow, Performance and Intelligence Services Manager on a document [Poverty Modelling and Digital](#)





[Exclusion](#) a profile showing Sefton's top 10% Lower Layer Super Output Areas (LSOAs) affected by poverty, with 'Mosaic' digital exclusion data (including technology adoption, online access and consumer view preferences). The purpose of this study was to ascertain if there was a local connection between poverty and groups of people who were digitally excluded in Sefton.

Mr. Leatherbarrow provided information on:-

- Sefton Households Mosaic Group Overview
- Financial hardship, low income and potential poverty in Sefton
- Households across Sefton with below average income (People Aged 65+)
- Households across Sefton with below average income (Working Age & Younger People)
- The Highest areas of financial hardship, low income and potential poverty in Sefton
- Links between poverty and digital exclusion

The document concluded that despite much national research drawing absolute connection between poverty and groups of people who were digitally excluded, that hypothesis was inconclusive in Sefton. Local analysis suggested that digital exclusion and poverty were not generally found in the same areas within Sefton. Further investigation into other possible data set may provide more accurate links, for example age, education levels or culture.

While age remained an important factor to digital exclusion it was however giving way to some new groups such as young, digitally excluded people, ex-offenders, people who have been away from work and people who were socially excluded.

Working Group Members referred to the information contained in Map 8 (Count of Households by LSOA for Mosaic 2018 –Technology Adoption – 'laggards' plus Sefton's Top 10% Poorest LSOAs); Map 9 (Estimate of Households by LSOA for Mosaic 2018 – Online Access – Monthly or Not at All, plus Sefton's Top 10% Poorest LSOAs ) and; Map 10 (Estimate of Households by LSOA for Mosaic 2018 – Consumer View – by Phone or in Person, plus Sefton's Top 10% Poorest LSOAs) and suggested that if further opportunities arose for a roll out of the Include-IT project then the areas identified within the Maps in the Ravenmeols, Ford and Derby Wards should be considered.

## 8.0 WORKING GROUP MEETING – 27 JUNE 2018

### 8.1 Sefton@Work and Adult Community Learning Digital Inclusion Programme – Update



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The Working Group received an update from Claire Maguire, Employment and Skills Manager and Andy Clayton, Head of Service, Sefton Adult Learning Service on the Sefton@Work and Adult Community Learning Digital Inclusion Programme.

Ms. Maguire indicated that the main issues regarding employability and learning and the contextual factors for our local Communities who were workless were as follows;-

(1) Digital issues arising from rollout of Universal Credit

Universal Credit (UC) rollout was “*Digital by Default*”. Support within Job Centre Plus (JCP) offices to access services other than by digital means had been very much reduced so people needed to seek other assistance. In-work conditionality had introduced new concerns for jobseekers. If they worked less than full time hours or earned less than the National Minimum Wage then they were required to evidence their efforts to find more work, keep any in-work benefits and avoid the risk of sanctions.

Making a claim for UC required login with Universal jobmatch and also a functional CV which was acceptable to a JCP work coach. General level of hardships was evident among those people who were awaiting their claims to be processed or who had been affected by sanctions.

(2) Access to support

A Welfare Rights partnership group, reporting to Councillor Hardy, Cabinet Member – Communities and Housing, had undertaken mapping of community access points but these were by their nature offered digital access for fixed times.

Many people affected by worklessness could not maintain broadband etc. at home; and there were a few agencies able to assist claimants produce CVs, job applications etc.

(3) Misconceptions and Assumptions

All young people were Digital natives – Many young people were adept with Social media and use of smart phones but were less well equipped with the type of digital skills relevant to employment or even seeking employment such as designing appropriate CVs and uploading CVs to job-search sites.

In practice, evidenced by evaluation of Youth Employment Grant there were digital skills needs across many age groups

(4) Skills in the community to enable people to move into employment

Some misconceptions remained among people who had been out





of work for long periods of time that there were current opportunities in the labour market that required few skills. However, increasing automation across many industries meant this was no longer the case and jobs where low levels of literacy, numeracy and ICT skills were required were few.

The great majority of Job opportunities where low skill levels could be accommodated have shifted into agency working and were affected by zero hours and precarious employment practices. This carried its own set of issues, one of which was the fact that temporary or sessional staff were typically less likely to benefit from employer training packages so the opportunities for career progression out of these types of contracts could be limited for these workers.

Shift in recruitment methods had led to increased reliance on online applications where selection was automated. Few employers now offer the opportunity of feedback which could provide important intelligence to jobseekers on how they might improve their applications in future.

- (5) Identifying Opportunities in growth sectors either in Digital development or other sectors where ICT skills are necessary

Sefton@work's Employer Engagement Team offered a free recruitment service for local SME's. This provided all the functions of a HR department free of charge to local employers who were willing to work together with the Service to target opportunities towards Sefton@work clients. This engagement occurred in all parts of the Borough and across all sectors.

Sefton's digital sector was characterised by a predominance of very small companies which were widespread across various areas of the Borough and their capacity for growth was unknown at present. There were many other companies involved in call centres and other aspects of customer service, where increased digitisation was expected.

Ms. Maguire then detailed how the Council's Employment and Learning Services were addressing these issues as set out below:-

Sefton@work response –

A new Customer Relationship management system had been introduced called Evolutive. This allowed for multiple ways of engaging with people digitally such as booking onto interviews with qualified advisory staff, or event booking onto recruitment Open days. Trials had indicated that these methods had been well received by clients.

Increased day to day interaction with Work Coaches in JCP on behalf of clients to ensure they were better able to maintain their claimant commitment



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and avoid sanctions.

The increased use of personal advocacy with employers to engage opportunities for clients with multiple needs, including low digital skills.

Activating the “Sefton Pound” through Social Value. Where Sefton Council had commissioned new services, early dialogue enabled Sefton@work to identify any jobs and training dividend for local residents and ensure that these were implemented in practice. A prime example of this was the recently re-procured Domiciliary Care contracts where the three new suppliers had been mandated to engage with Sefton@work.

Interaction with employers to promote better quality job opportunities and promoting the business benefits of a stable workforce. An example of this had been with Flip Out, a new leisure provider coming into Aintree. Sefton@work negotiated with them to modify their recruitment to avoid zero hours contracts and introduce more favourable, stable working hours.

Sefton Adult Community Learning (SACL) response –

SACL had had a thorough overhaul of the entire curriculum and now ensured that all courses used a variety of digital means of engagement, promoting the use and familiarity with ICT for learners.

Addressing Basic skills deficits including Literacy, numeracy and ICT required constant re-invention.

Bespoke sessions to support Universal Credit had been devised and capacity was available to operate these on a roll-on roll-off basis across numerous community venues.

Digitally-based Business practices had been introduced to help the service manage its diverse sessional tutor workforce, its sub-contractors and its numerous outreach locations.

Ms. Maguire concluded by detailing what more could be done in the future which included:-

Devolution of the Adult Education Budget to Liverpool City Region may mean the need to deliver more provision through SACL targeted at local growth sectors; and the need to advocate for support for Sefton’s burgeoning digital sector.

The low levels of referrals into SACL Universal Credit sessions needed to be addressed as the need for this assistance was well evidenced, but the take-up was very low.

Changes in the Adult Education Budget rules this year had enabled SACL to



target learning towards people in employment for the first time. This could assist many people caught in low paid jobs with little access to employer training to gain the skills they needed to progress and increase their earnings.

The Council could take stock of innovative programmes such as Digital Advantage to assess their capacity to rollout to a wider group of participants and employers.

Sefton@work could also promote the successes of the Social Value work to increase awareness of our ability to negotiate with suppliers to target recruitment, training and apprenticeships towards local workless residents as part of their obligations.

More detailed analysis was required to help the Council and its partners better understand the nature of its emerging digital and technology sector, its potential for growth and the skills they required in their workforce.

Mr. Clayton circulated a [handout](#) that advised, amongst other things, that Sefton Adult Learning Service provided 131 ICT courses across 13 Sefton venues; provided information on the status of the learners; and that in total, 690 learners attended ICT courses of which 329 were unemployed, 86 were employed, 202 were retired/not looking for work and 73 other.

## 8.2 Liverpool City Region Employment and Skills Board Strategy to Promote Digital Inclusion

The Working Group considered a [briefing note](#) on email correspondence between Councillor McKinley, Lead Member of the Working Group and Paul Amann, Principal Officer Employment and Skills, Liverpool City Region Combined Authority relating to the Liverpool City Region Employment and Skills Board Strategy to promote Digital Inclusion.

Councillor McKinley had emailed Paul Amann on 25 May 2018 indicating that on reflection from what the Working Group had examined so far it seemed that there was potential to use existing projects to broaden the number of residents in Sefton accessing the DI programmes, particularly in relation to older learners and those in receipt of Universal Credit.

Paul Amann responded by enclosing the interim evaluation of the [Include-IT Mersey Building Better Opportunities \(BBO\) project](#) and indicated that BBO projects were Big Lottery and ESF funded so come with a significant requirement for evaluation, both formative and summative; providing information on a the development of a Digital Skills for Growth Action Plan; indicating that separate work was underway to develop numeracy and literacy Skills for Growth Action Plans; and that Sefton's commitment to work with Liverpool City Region and continue to add value was welcomed.

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## 8.3 Include-IT Mersey Digital Inclusion Project

The Working Group considered an [update](#) from Sefton CVS on the Include-IT Mersey Digital Inclusion Project.

The update indicated that the project was progressing well both in Sefton and across the Liverpool City Region and provided statistical information on the outputs and results achieved as at 18 June 2018; provided information on where courses were currently running in Sefton; and that LCR wide 65 volunteer Digital Champions were currently active on the project 28 of whom were Sefton based.

## 9.0 WORKING GROUP MEETING – 8 AUGUST 2018

The Working Group, in accordance with the timetable contained in the Scoping Document, met to consider its initial findings and draft report.

Accordingly, a copy of the draft report was considered by the Working Group and the agreed recommendations are set out in Paragraph 10 below.

## 10.0 RECOMMENDATIONS

- 10.1 1. The Working Group was impressed with the Visitor Economy (VE) 'Passport to Success' scheme aimed at college students across the Liverpool City Region coming into the tourism industry; whereby students are able to achieve a bronze, silver or gold passport standard to provide them with a range of opportunities to either gain quality work experience, an interview, apprenticeship or a full-time job.

The Working Group, at its meeting held on 23 May 2018 acknowledged that literary and numeracy skills should be embedded as a priority along with digital skills.

Accordingly, it is recommended that:-

- (A) The Liverpool City Region Combined Authority Employment and Skills Board be requested to consider the development of a Digital Skills Passport Scheme (incorporating numeracy, literacy and communication skills) to help Sefton residents to gain future employment, via the Learning and Skills budget to be devolved from 2019; and
- (B) Sefton Council, via Sefton@Work, in conjunction with local organisations such as Sefton Community Learning Service, work with the Liverpool City Region with the aim of exploring the application of such a Skills Passport for



the benefit of Sefton employers and residents;

2. Using the Poverty Modelling and Digital Inclusion “Mosaic” data, areas of high unemployment be targeted to enable those Sefton residents excluded from the labour market to develop their ICT skills to improve their opportunities for gaining future employment;
3. To facilitate the above the Liverpool City Region Combined Authority be requested to devolve sufficient funding to Sefton Council to appoint a project worker with the clear objectives of:-
  - (A) Working with local employers to map ICT/digital skills;
  - (B) Working with local partners such as Sefton Community Learning Service to develop and deliver bespoke training programmes to target residents in the areas identified in the Poverty Modelling and Digital Inclusion “Mosaic” data;
  - (C) Identifying, using the data from the Poverty Modelling and Digital Inclusion “Mosaic”, a number of residents who would benefit from and be able to undertake training as referred to in 3. (B) above; and
  - (D) Working with local employers to develop a compact agreement to enable those residents who successfully complete the bespoke training programme(s) to gain relevant employment; and
4. If further opportunities arise for a roll out of the Include-IT project and to support the objectives of recommendation 2 then Sefton CVS be requested to consider such roll out to the priority areas identified within the Poverty Modelling and Digital Exclusion document.

## 11.0 DOCUMENTATION CONSIDERED BY THE WORKING GROUP

- 11.1 [Scoping Document](#) approved by the Working Group on 21 February 2018
- 11.2 [Sefton's 2030 Vision Outcomes Framework](#) referred to at the meeting held on 21 February 2018
- 11.3 [Sefton's 2030 Vision Outcomes Framework Poster](#) referred to at the meeting held on 21 February 2018
- 11.4 [Documentation](#) associated with the Liverpool City Region Digital Infrastructure Action Plan and including the [presentation update from the party awarded the contract](#) and the [LCR press release](#) considered at the meeting held on 21 March 2018
- 11.5 [Documentation](#) associated with the Liverpool Enterprise Partnership Sub-Group re: Digital Inclusion considered at the meeting held on 21 March 2018
- 11.6 [Include-It City Region digital champion programme](#) focussed on the Linacre



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- and Dukes Wards in Sefton including IT provision and the use of digital champions considered at the meeting held on 21 March 2018
- 11.7 [People and Place Introductory Profile](#) (Note: An updated version of this document would be produced before the end of March 2018) considered at the meeting held on 21 March 2018
- 11.8 [Knowsley Older Persons Voice and Sefton Older Persons' Forums' Digital Inclusion Position Statement](#) considered at the meeting held on 25 April 2018
- 11.9 [Accessible Communications Policy](#) referred to at the meeting held on 25 April 2018
- 11.10 [Accessibility and Communication Top 10 Tips](#) referred to at the meeting held on 25 April 2018
- 11.11 [Accessible Information Standard](#) referred to at the meeting held on 25 April 2018
- 11.12 [Sefton Community Learning Presentation](#) considered at the meeting held on 25 April 2018
- 11.13 [Document showing the Index of Multiple Deprivation - Breakdown of IMD by ward and top 5 Lower Super Output Areas in Sefton](#) considered at the meeting held on 25 April 2018
- 11.14 [Hugh Baird College's promotion of Digital Inclusion Presentation](#) considered at the meeting held on 23 May 2018
- 11.15 [Hugh Baird College's successful collaboration with Mersey Care](#) referred to at the meeting held on 23 May 2018
- 11.16 Hugh Baird college's [Passport to Success scheme](#) referred to at the meeting held on 23 May 2018
- 11.17 [Liverpool City Region's digital skills priorities presentation](#) considered at the meeting held on 23 May 2018
- 11.18 [LCR Digital and Creative Skills summary](#) considered at the meeting held on 23 May 2018
- 11.19 [Skills for Growth Agreement](#) considered at the meeting held on 23 May 2018. Please note: the document was in the process of being refreshed with the new version to be published in July 2018.
- 11.20 [Poverty Modelling and Digital Exclusion](#) considered at the meeting held on 23 May 2018
- 11.21 [Sefton Community Learning Service 2017 18 ICT Courses](#) considered by the meeting held on 27 June 2018
- 11.22 [briefing note](#) on email correspondence between Councillor McKinley and Paul Amann, LCR considered by the meeting held on 27 June 2018
- 11.23 [Include-IT Mersey Building Better Opportunities \(BBO\) project](#) considered by the meeting held on 27 June 2018
- 11.24 [update](#) from Sefton CVS on the Include-IT Mersey Digital Inclusion Project considered at the meeting held on 27 June 2018
- 11.25 [Information](#) from Sefton based Registered Social Landlords on what they are doing, or could do, to promote digital inclusion



## 12. ACKNOWLEDGEMENTS AND THANKS

In producing the Digital Inclusion Working Group Final Report the acknowledgements and thanks are attributed to the following individuals and organisations for their time and input:-

- Paul Amann, Principal Officer Employment and Skills, Liverpool City Region Combined Authority
- Andy Clayton, Head of Service, Sefton Adult Learning Service
- Emma Griffiths, Hugh Baird College
- John Kendal, Hugh Baird College
- Wayne Leatherbarrow, Performance and Intelligence Service Manager, Sefton Council
- Claire Maguire, Employment and Skills Manager, Sefton Council
- Jan McMahon, Head of Strategic Support, Sefton Council
- Registered Social Landlords – One Vision Housing, Regenda Group, Riverside Housing and Your Housing
- Stephen O'Brien, ICT Partnership Manager, Sefton Council
- Justine Shenton, Older Persons' Forum Co-ordinator for Sefton Advocacy
- Janet Trigg, Assistant Principal Vocational Studies and Foundation Learning, Hugh Baird College





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Thanks must also go to the Members of the Working Group who have worked hard and dedicated a great deal of time to this review, namely:-



Councillor Patrick McKinley  
Lead Member, Digital  
Inclusion Working Group



Councillor Sue Bradshaw



Councillor Linda Cluskey



Councillor Daniel Lewis



Councillor Michael O'Brien

Angela White, Sefton CVS





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**Sefton Council** 

**Overview  
& Scrutiny**



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# Agenda Item 5

<b>Report to:</b>	Cabinet Pre Agenda	<b>Date of Meeting:</b>	Thursday 22 November 2018
<b>Subject:</b>	Local Government Association Peer Review Feedback		
<b>Report of:</b>	Chief Executive	<b>Wards Affected:</b>	All
<b>Portfolio:</b>	Leader of the Council		
<b>Is this a Key Decision:</b>	N	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	N		

## Summary:

This report sets out the key findings from the LGA Peer Review undertaken in September 2018 and seeks approval to develop an action plan responding to the peer team's recommendations subject to acceptance of the recommendations and comments from Cabinet.

## Recommendation(s):

Cabinet is asked to

- (1) record their thanks to the LGA peer team and welcome the feedback report
- (2) consider the LGA peer review report and comment/make observations on the feedback received
- (3) consider the recommendations and subject to the above accept the recommendations
- (4) authorise Officers to develop an associated action plan to be considered by January 2019 Cabinet

## Reasons for the Recommendation(s):

Peer Reviews are a proven tool for sector-led and the Council has always been open to learning from others and sharing our good practice.

The challenge provided external recognition of the things it believes the Council is doing well, highlighted where the Council can learn from other councils in light of best practice elsewhere and has recommended a number of key actions.

## Alternative Options Considered and Rejected: (including any Risk Implications)

Not to commission the LGA peer review process.

## What will it cost and how will it be financed?

### (A) Revenue Costs

Whilst this report does not have direct financial implications, as the action plan develops and is implemented the requirement for funding or resources maybe identified.. In such

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cases, this requirement and agreement will be presented and approved in accordance with the council financial procedure rules.

## **(B) Capital Costs**

NA

### **Implications of the Proposals:**

<b>Resource Implications (Financial, IT, Staffing and Assets):</b> There are no implications arising directly out of this report.
<b>Legal Implications:</b> There are no legal implications arising directly out of this report.
<b>Equality Implications:</b> There are no equality implications.

### **Contribution to the Council's Core Purpose:**

Protect the most vulnerable: NA
Facilitate confident and resilient communities: NA
Commission, broker and provide core services: NA
Place – leadership and influencer: NA
Drivers of change and reform: The Council is a self-aware learning organisation and commissioned this peer review from the LGA to assure it plans and learn from best practice. The report findings and recommendations will potentially influence future plans.
Facilitate sustainable economic prosperity: NA
Greater income for social investment: NA
Cleaner Greener; NA

### **What consultations have taken place on the proposals and when?**

#### **(A) Internal Consultations**

The Head of Corporate Resources (FD5462/18) and the Chief Legal and Democratic Officer (LD.4587/18) have been consulted and any comments have been incorporated into the report. Councillors and Council staff were involved in the review and have received the feedback report.

## **(B) External Consultations**

Partners were involved in the peer review process and feedback will be shared with partners following Cabinet considering this report.

## **Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

<b>Contact Officer:</b>	Jan McMahon
Telephone Number:	Tel: 0151 934 4431
Email Address:	jan.mcmahon@sefton.gov.uk

## **Appendices:**

The following appendices are attached to this report:

Annex A – LGA Peer Review Feedback report

## **Background Papers:**

There are no background papers available for inspection.

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## 1. Background

- 1.1 The Council commissioned the Local Government Association (LGA) to conduct a peer review as an independent check on how we are doing in terms of planning for and delivering against our ambitious plans for the future.
- 1.2 The peer review took place in September 2018 and the peer review team was made up of experienced elected member and officer peers.
- 1.3 The peer team considered the following five core themes:
  - Understanding local context and priority setting
  - Leadership of place
  - Financial planning and viability
  - Organisational leadership and governance and
  - Capacity to deliver.
- 1.4 In addition to the five core themes the peer review focused on the progress that the Council has made in implementing its 'vision for change' and the Council's approach to commercialisation.
- 1.5 The peer team prepared for the peer challenge by reviewing a self-assessment plus a range of documents and information to ensure they were familiar with the Council and the challenges it is facing.
- 1.6 The peer team then spent 4 days onsite at Sefton, during which they:
  - Spoke to **more than 140 people** including a range of council staff together with councillors and external stakeholders;
  - Gathered information and views from **more than 40 meetings** as well as additional research and reading; and,
  - Collectively **spent over 300 hours to determine our findings** – the equivalent of one person spending over 8 weeks in Sefton.
- 1.7 The overarching message in the initial feedback from the LGA peer team immediately following the review was;

*Sefton has listened to and served its communities well through a challenging period of austerity.*

*To meet your Sefton 2030 ambitions, the council will need to further recognise and move towards a model of co-production especially with your communities.*
- 1.8 The peer review team summarised the Council's strengths as;
  - Knowledge of Sefton 'the place' is strong.
  - Strong political and managerial leadership.
  - Vision is in place, priorities have been set and transformation plan in place – which is significant.

- Local Plan is in place which has required difficult decisions.
- MTFP linked to strategy and priorities.
- Committed and passionate workforce.
- Strong partner relationships.
- Self-awareness and willingness to reflect.
- Successfully managed a 51% reduction in grant funding and put in place a 3 year budget.
- Localities model is the right direction

1.9 The peer team also suggested some areas for the Council to consider and these are detailed in the full feedback report at Annex A.

1.10 Cabinet is asked to record their thanks the LGA peer team and welcome the feedback received.

## 2. The Findings of the Peer Review

2.1 Cabinet is asked to consider the LGA peer review report at Annex A and comment/make observations on the feedback received.

2.2 The following are the peer team's key recommendations to the Council:

- A. **Prioritise the refresh of the core purpose.** This will help ensure the Council's contribution to the delivery of Sefton 2030 by targeting capacity at a carefully sequenced set of key priorities.
- B. **Strengthen corporate performance management.** The Cabinet should receive a comprehensive, corporate performance management report on a quarterly basis. This report should be accessible and allow the Cabinet to understand the progress being made by the Council against the key priorities. A suitable report should also be made available to scrutiny.
- C. **Refresh and make clear form, function, accountability and pace of delivery for the localities model.** The team acknowledged the ambition being shown by moving to this new delivery model and endorsed this as the right direction of travel for Sefton. At this stage it is important the council is clear internally – and with its partners on what this will mean locally.
- D. **Be clear on the Council's parameters around commercialisation.** This requires both officers and members to have a consistent understanding of what commercialisation means for the council as well as the options that can be considered and those which will not. This will allow the council to focus its efforts on the right commercial opportunities for Sefton.
- E. **Accelerate work on a local economic growth strategy alongside efforts in the Liverpool City Region.** This will help Sefton benefit more from the opportunities presented by the Liverpool City Region and ensure that more schemes are in place ready for future funding opportunities.
- F. **Develop the role of all members in a changing context for local government and a changing model of delivery locally.** This should reflect the role of all members in their communities and the capacity they can attract to support the

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efforts of the Council. This would mean the council more consistently co-producing solutions with communities and partners.

- 2.3 Cabinet is asked to consider the recommendations and subject to any observations and comments made accept the recommendations.
- 2.4 Cabinet is asked to authorise Officers to develop an associated action plan to be considered by January 2019 Cabinet.





# Corporate Peer Challenge

## **Sefton Metropolitan Borough**

## **Council**

4<sup>th</sup> September – 7<sup>th</sup> September 2018

Feedback Report

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## 1. Executive Summary

Sefton Metropolitan Borough Council demonstrates real ambition for Sefton and has a strong track record of partnership working and place leadership. The council continues to demonstrate the drive to work in tandem with the efforts of others – whether they be in Sefton, or in the wider Liverpool city region.

The council and partners engaged with over 3,500 people in developing a new vision for 'Sefton 2030'. The way in which the council has led this has further galvanised the commitment and enthusiasm of partners locally. This has brought about a genuine sense of shared ownership of Sefton 2030 and an increased level of respect for the council. Outside the borough, the council is well respected by colleagues in the city region for the key role it has played and continues to play in establishing and developing city region working.

Whilst doing this, the council is also delivering a significant transformation programme and is becoming increasingly commercial. This is a demanding change programme which impacts on all aspects of the council's work. It is however recognised as essential to the council's financial sustainability and ability to continue to deliver on outcomes for Sefton's communities. One part of this transformation programme is the development of a new delivery model for a number of council services moving from centrally based to locality based working.

With this work being so key to the future of the organisation, a key challenge identified by the peer team is to ensure the council sequences its efforts consistently on the right things at the right time to increase the chances of sustainable delivery. The team also recommends that the council presents members – in particular the cabinet - with routine performance information which gives a clear overarching corporate view of how the council is performing against the number of priorities they are managing.

The council have taken steps to become increasingly commercial and can demonstrate some early successes. At this point on the journey, the council should ensure that the case for commercialisation and the accepted parameters are consistently understood by all. This will ensure the capacity of the organisation stays focussed on the types of commercial activity that are right for Sefton.

Staff and partners speak positively about the strength and visibility of political and organisational leadership at the council. The peer team encourage senior leaders to continue to prioritise visibility during this period of change and especially during the transition to locality based working.

In a period of such significant change, the demands on councillors everywhere are changing and the nature of the role is changing with it. Councils elsewhere have given a significant amount of attention to the role of the '21st Century Councillor'. In Sefton the need to consider the role of the modern councillor is even more appropriate given the move to locality based working.

Under this new way of working all local councillors have an increasingly crucial role to play in drawing on the capacity of the community and community groups. Further still, councillors can play a role in helping co-produce new locally tailored solutions alongside

the efforts of local communities. Sefton benefits from very strong relationships between the council, CVS organisation and wider sector. The infrastructure to co-produce solutions more consistently therefore appears ready to capitalise on.

The relationship between the council and the CVS is set out in a 'New Realities' agreement which articulates a series of principles the council and the services it provides will use to support the sector. This is a key part of making Sefton the increasingly 'enabling' council it wishes to become. This is also a sign of the value the council places on the impact the community and community sector can have in Sefton.

In order for the council to become the increasingly 'enabling' council that 'New Realities' represents, whilst continuing to manage a demanding transformation programme and deal with the other ongoing challenges - the council should consider the skills required of staff and members both now and in the future.

An effective organisational development strategy is therefore required to ensure staff and members in Sefton are able to meet the future challenges. Examples of this are in embedding commercial skills and knowledge more widely, developing operational budget management capability, developing co-production and change management skills as well as ensuring a more consistent familiarity with the principles of 'New Realities'.

Consistently throughout the review, the peer team were impressed by the energy, commitment and appetite for change held by the council's workforce. By consistently targeting this energy towards a more sequenced set of priorities the council is well placed to continue on its transformation journey and effectively play its role in achieving the Sefton 2030 vision.

## 2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the Council:

1. ***Prioritise the refresh of the core purpose.*** This will help ensure the council's contribution to the delivery of Sefton 2030 by targeting capacity at a carefully sequenced set of key priorities.
2. ***Strengthen corporate performance management.*** The cabinet should receive a comprehensive, corporate performance management report on a quarterly basis. This report should be accessible and allow the cabinet to understand the progress being made by the council against the key priorities. A suitable report should also be made available to scrutiny.
3. ***Refresh and make clear form, function, accountability and pace of delivery for the localities model.*** The team acknowledged the ambition being shown by moving to this new delivery model and endorsed this as the right direction of travel for Sefton.

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At this stage it is important the council is clear internally – and with its partners on what this will mean locally.

4. ***Be clear on the council's parameters around commercialisation.*** This requires both officers and members to have a consistent understanding of what commercialisation means for the council as well as the options that can be considered and those which will not. This will allow the council to focus its efforts on the right commercial opportunities for Sefton.
5. ***Accelerate work on a local economic growth strategy alongside efforts in the Liverpool City Region.*** This will help Sefton benefit more from the opportunities presented by the Liverpool City Region and ensure that more schemes are in place ready for future funding opportunities.
6. ***Develop the role of all members in a changing context for local government and a changing model of delivery locally.*** This should reflect the role of all members in their communities and the capacity they can attract to support the efforts of the council. This would mean the council more consistently co-producing solutions with communities and partners.

## 3. Summary of the Peer Challenge approach

### The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Sefton were:

- **Alison Griffin** (Chief Executive - Southend-on-Sea Borough Council);
- **Sir Steve Houghton** (Leader - Barnsley MBC);
- **Cllr Tim Bick** (Leader of the Liberal Democrat Group – Cambridge City Council);
- **Christina Thompson** (Director of Finance and Property – London Borough of Lambeth);
- **Mike Poulter** (Head of Transformation and Business Support – Sunderland City Council);
- **Chris Bradley** (Head of Commercial Development – East Hampshire District and Havant Borough Councils);
- Shadow: **Hannah Lazell** (Political Adviser – LGA); and,
- LGA peer challenge manager: **Dan Archer** (LGA Programme Manager).

## Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to consider/review/provide feedback on:

- The progress locally in delivering the vision for change and the scale of transformation this requires; and,
- The council's approach to commercialisation and the progress made to date.

## The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

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The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent 4 days onsite at Sefton, during which they:

- Spoke to **more than 140 people** including a range of council staff together with councillors and external stakeholders;
- Gathered information and views from **more than 40 meetings** as well as additional research and reading; and,
- Collectively **spent over 300 hours to determine our findings** – the equivalent of one person spending over 8 weeks in Sefton.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (4th-7th September 2018). In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

## 4. Feedback

### 4.1 Understanding of the local place and priority setting

Sefton has a truly unique geography made up of five distinct townships (Southport, Formby, Bootle, Maghull and Crosby). Sefton brings together 22 miles of coastline, impressive sand dunes, industrial areas and dockland. With this diversity comes a range of specific needs which heightens the need for a strong understanding of place.

In Sefton, the council and their partners have a clear and jointly owned vision for Sefton 2030. This was based on both detailed quantitative analysis and extensive qualitative engagement with local stakeholders across Sefton. The analysis around the impacts of welfare reform as well as the efforts taken to engage in detailed analysis at individual ward level with partners across Sefton were examples of good practice highlighted to the peer team.

In arriving at a vision for Sefton 2030, partners managed to engage with more than 3,500 people across Sefton and as a result created a vision which is clearly owned by all partners. As part of this, the efforts to engage with young people from three years old were recognised as particularly good practice.

The council clearly benefits from quality engagement with young people and has taken steps to embed their involvement. These steps have included senior decision makers treating engagement and the young people involved, with a visible and genuine respect. This has been achieved through the visibility of senior decision makers, as well as a clear line of sight between what young people have said and the course of action taken. Young people feeling listened to in this way improves the quality of future engagement. This also then helps this local service to be more commercially effective as young people are increasingly happy to share their insight, having experienced this being valued.

The extensive engagement and qualitative insight underpinning Sefton 2030 is a clear asset for the council, as is the genuine shared ownership of the 2030 vision. In this next stage, clear demonstrable progress against the vision must be communicated consistently and effectively to maintain this level of commitment. The team observed examples where engagement had progressed beyond a 'you said / we did' style consultation into genuine co-production. Given Sefton's very strong relationship with both the CVS and wider community and voluntary sector there is a real opportunity to make co-production the way the council increasingly works. This being in tandem with, not just for, local communities.

A real example where this could result in significant benefits for local residents, is in 'community' services under the new locality model (which includes children's and adult's social care). Under Sefton 2030, the council continues to rightly prioritise prevention and early intervention. With the push to an increasingly localised model of delivery for community services, there is an opportunity to consider what the plan for reducing demand on council and partner services needs to be. In doing this, mapping and growing the universal and preventative offer specific to the demands in each locality is important. This will require the council to co-ordinate both insight and 'the offer' at a locality level to support this way of working.

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The council clearly understands Sefton ‘the place’ in detail and with this comes an ambitious vision and a detailed transformation programme. To ensure both are delivered and the capacity of the council is targeted at the right places, at the right time, the council would be well served to continue to refresh the core purpose and ensure the delivery of priorities is sequenced appropriately.

## 4.2 Leadership of Place

Relationships between partners in Sefton, the council, the CVS and wider sector are both good and effective. Partners appreciate the council as being open and engaging and recognise instances where the council has taken decisions in the best interests of Sefton which look beyond the interests of the council itself. Partners cited the regular breakfast meetings with the Chief Executive and the open way in which the senior leadership team are visible “on the ground” as positive examples of this way of working.

Partner relations with both the CVS organisation and the wider community and voluntary sector were seen as particularly strong. One example being the way in which the council and CVS worked together in de-commissioning community meals which won a LGC award in 2015. The council has signed a ‘New Realities’ agreement with the CVS which demonstrates a commitment to working closely with the sector. In order to become increasingly ‘enabling’ as a council, the next challenge is to ensure this is consistently used as ‘the norm’ across all council services. This can’t be achieved by effort alone and an underpinning road map which has clear roles and responsibilities is required.

Partners across the Liverpool City Region acknowledge the “can do approach” taken by the council both in the formation and development of the city region. Members and officers are supportive of the Liverpool City Region and the opportunities it presents for Sefton.

The council is clear in its commitment to working in the city region and a challenge is to ensure the rewards from this way of working continue to match that commitment. In particular, it is important that the council is able to accelerate progress on an Economic Growth Programme for Sefton which complements work being done across the city region. This would allow the council to develop a pipeline of schemes to capitalise on future opportunities in the city region.

In recent years the council has changed its approach to school improvement, which has been significantly influenced by the impact of a changing role for councils in school improvement nationally. The council appears to have strong relationships with local primary schools and has a proactive approach for objectively identifying schools causing concern; with support and challenge then applied locally to help bring about change.

The council has identified secondary school outcomes in the south of the borough as a concern, which they have invested local resource into as a local place leader. This has involved using the new levers of accountability when required, bringing in expert advice and guidance and re-building relations with local secondary schools, in particular local academies. The council have also supported the transition to a ‘schools improve schools’ system by encouraging higher performance schools from elsewhere in the



borough to come together with schools elsewhere in the borough. It is important the council continues to take an effective role in the system alongside the efforts of others, to help ensure more local young people get the education they deserve.

Relationships between the Clinical Commissioning Group (CCG) and the council were reported as good to the peer team, with a question remaining about whether they could be made more effective. The council along with the CCG may wish to explore further the opportunities presented from a joint commissioning function as one example of this.

### **4.3 Organisational leadership and governance**

In Sefton, staff and partners recognise strong and visible political and managerial leadership. Staff are positive about the increased visibility of the senior management team in recent years, with relationships between members and officers appearing to be both good and effective. The council have a Local Plan in place, with difficult decisions taken to get to this point.

The cabinet value the 'Cabinet Member Reference Groups' as a mechanism to discuss cross cutting issues and inform the direction of future policy decisions. A challenge is to build on examples shared with the team of engaging with the wider member cohort. This will help build even more ownership of the vision. The council may also wish to consider refreshing scrutiny arrangements to ensure the capacity of scrutiny is targeted towards the key corporate priorities, is widely 'owned' across the council, and is able to add maximum value. This will require a careful balance between the breadth of area scrutiny is able to cover, as well as the depth at which they are able to scrutinise.

As referred to previously, the role of councillors nationally is changing, leading to the role of the modern, '21st Century Councillor' being very different to the role of a more traditional councillor. This is particularly the case in Sefton, as the council also embarks on a significant transformation journey which includes the move to a locality based model of service delivery. The council should take stock of what this means and in particular the role all members can play in their localities under this model. This will mean:

- ensuring the constituency fora are effective in giving a strong community voice;
- that accountability is in place for the emerging locality arrangements; and, – that capacity can be developed further around locally specific needs.

As the council will be required to continue to make difficult decisions, effective working relationships with the local trade unions will remain important. The council can demonstrate a history of this which is echoed by the trade unions. Continuing to have a good, pragmatic relationship with the unions will be particularly important as the council continues to change and becomes increasingly commercial in some areas of activity.

The team were able to discuss commercialisation with a number of staff and members throughout the challenge. During these discussions different understandings of what

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commercialisation does and doesn't mean for Sefton were communicated. The council should develop clear parameters around what commercialisation means for Sefton and what this might include. A consistent approach to how this is communicated should be developed. The council may also wish to look at the governance arrangements around their commercial activity to ensure it is making the most of this activity whilst maintaining appropriate levels of control.

## **4.4 Financial planning and viability**

Sefton MBC have successfully managed a 51% reduction in grant funding whilst putting in place a three year budget which is refreshed annually. This Medium Term Financial Plan has a clear link to the key priorities for the Council.

The Cabinet are fully engaged in the budget setting process and have demonstrated the ability to take difficult decisions. The council have also been able to demonstrate a proven track record in financial management, with the additional leadership brought to this by the Chief Executive valued.

The council is now able to demonstrate examples of capital investment being used to manage demand – such as exploring the opportunity for extra care sites locally. A strategy for making the most of council assets is now in place which is in line with the vision. Commercial activity appears considered, planned for and resourced early, an example being the due diligence and progress made with the housing development company. Outside of Sefton and in the city region the council has also been able to ensure a common social care system is in place across the city region and has put in place consistent social care contracts.

In achieving all of this, the council are under no illusions that the funding position remains challenging. Overspend has been seen in children's services and adults services in particular in recent years, which the council must ensure they have a clear understanding of. This will allow the council to either put in place more effective measures to manage this overspend or reassess the financial demands of these services for future budgeting.

A significant amount of transformational activity is currently in train which aims to provide efficiencies and savings which are key to the current and future budget position. In ensuring the scale of transformation intended happens and the efficiencies and savings required are realised, additional financial management capacity should be released at an operational level.

The council are aware of this and have a planned approach for developing operational financial management capacity internally with clear and consistent roles and expectations. This will release dedicated financial management capability for the more challenging transformation projects being undertaken elsewhere. An opportunity to bring about closer operational financial management may be in looking at how social care systems can be leveraged to provide almost real time performance and budget information directly to operational management. The council have recently taken steps forward in improving the ICT infrastructure which now presents an opportunity here.

One key transformation project referred to throughout this report is the move to a localities based model of service delivery. Whilst this has been prioritised by the council

and is key to the budget, the team believe the council should consider in more detail when and how the second phase of efficiencies and savings will be realised. This is particularly the case given the increasing demographic pressures and levels of demand being seen nationally for targeted and specialist council services. When attempting to reduce demand in the face of these factors there is often a time delay between the start of a new preventative approach and a reduction in demand. Without this detailed understanding there is a risk that the council will not realise the remaining efficiencies intended, putting the budget under increased pressure in future years.

On the back of the cuts to grant funding seen before and those still to come, the council is clear that the financial challenges being faced are significant. Clear steps have been taken to plan for this, with robust financial management evident. Like all councils though, the council should ensure a considered, robust and consistently understood contingency plan is in place.

## **4.5 Capacity to deliver**

The team were consistently impressed with the committed and passionate workforce at the council. The staff the team met with were motivated and have an appetite for change. The team were able to meet with a selection of 'One Council Champions' during the challenge who are a positive force for change which the council is utilising during its transformation journey. The involvement of this group is just one example of staff feeling engaged with, the visibility of senior officers being another and a 'Yammer Hour' where staff can ask the Chief Executive questions directly being a third.

Whilst this appetite for change is in place and should be harnessed, the understanding of current priorities outside of and around the 2030 vision was inconsistent in some cases. Whilst pace is high and this should be commended, the council should "...take a moment to prioritise...". This will help to ensure the capacity of the organisation is sequenced effectively and that all staff are clear on the direction of travel.

One area to do this in particular is in taking stock internally and with partners on the localities model, which the peer team acknowledge as the right direction for Sefton. As mentioned earlier, the council must be clear however on how this will realise the efficiencies intended. Consideration should also be given to the accountability mechanisms which will be put in place around the localities model and the pace required. All of this should be clearly communicated internally and with partners with commonly understood language. A more detailed understanding of the capacity required to then effectively implement the model should also become clear.

The respect that exists between the council, the CVS and wider sector is clearly evident. This is also the case with other partners. Partners compliment the council for their visibility and openness and provide examples of how they have collectively utilised each other's capacity well. One example of this being the way in which the council has improved the way it joins up with partners on outward facing communications. Partners also recognise the way in which the council has demonstrated an openness and willingness to reflect. The Chief Executive asking partners their views on a local 'commissioning academy' was one example given of this. This feedback was taken and resulted in adaptations being made.

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Given the shared vision for Sefton 2030 and the extensive transformation programme being managed, the clarification of priorities recommended should be underpinned by a strong corporate performance management approach. Whilst examples of service level performance management were demonstrated, the council recognises the inconsistency of this. A more consistent approach would help ensure all staff are empowered to take ownership of team performance and subsequent corrective action. This should be supplemented by a robust quarterly scorecard on performance and risk. This will further help corporate leadership to have a corporate oversight and give strategic direction. As part of the scrutiny refresh recommended above, the council should also consider how an accessible corporate performance picture is also shared with scrutiny in their role.

In this stage and the next, careful consideration should be given as to the skills and knowledge required of members and the workforce. The council have taken early steps to recruit senior capacity to challenge and guide the journey in this regard which is endorsed.

Whilst staff value the investment in professional development and ICT seen in the last 12 – 18 months, strategic consideration should now be given as to the skills and knowledge the organisation as a whole will need in future. This is particularly the case given the scale and pace of change happening in Sefton. This will require an effective organisational development plan which may include operational financial management, change management, commercial skills, co-production skills as well as consistent knowledge of the 'New Realities' principles.

## 5. Next steps

### Immediate next steps

We appreciate the political and senior managerial leadership will want to reflect on these findings and recommendations to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Claire Hogan, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). Her contact details are: Email [claire.hogan@local.gov.uk](mailto:claire.hogan@local.gov.uk). The Principal Adviser will arrange to meet with the Chief Executive in the weeks following this challenge to discuss the offer of support.

In the meantime, we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

### Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The exact timing of the visit is determined by the Council but the LGA's expectation is that it will occur within the next 18 – 24 months.

### Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before September 2023.

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# Agenda Item 6

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	6 December 2018
<b>Subject:</b>	Programme of Meetings – 2019/20 Municipal Year		
<b>Report of:</b>	Chief Legal and Democratic Officer	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

## **Purpose/Summary**

To seek approval of a Programme of Meetings for the 2019/20 Municipal Year.

## **Recommendations:**

### **Cabinet**

That the Programme of Meetings for the Cabinet, Public Engagement and Consultation Panel, Sefton Safer Communities Partnership and the Health and Wellbeing Board for 2019/20 as set out in Annexes A and D of the report be approved.

### **Council**

That

1. the Programme of Meetings for the Council, Member Briefing Sessions; Regulatory Committees; and Overview and Scrutiny Committees for 2019/20 as set out in Annexes B and C of the report be approved; and
2. the Programme of Meetings for the Cabinet, Public Engagement and Consultation Panel, Sefton Safer Communities Partnership and the Health and Wellbeing Board for 2019/20 as set out in Annexes A and D of the report be noted.

## **Reasons for the Recommendation:**

To enable the business of the Council and its various Committees/bodies to be conducted during the 2019/20 Municipal Year.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

None.

### **(B) Capital Costs**

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None.

## Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Legal</b>		
<b>Human Resources</b>		
<b>Equality</b>		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

## Contribution to the Council's Core Purpose

Protect the most vulnerable: Not applicable
Facilitate confident and resilient communities: Not applicable
Commission, broker and provide core services: Not applicable
Place – leadership and influencer: The Programme of Meetings for 2019/20 will be published on the Council's website for the benefit of the residents of Sefton and the wider general public. This will raise awareness of the Council's political management system and allow the opportunity for the public to engage in the Council's democratic processes.
Drivers of change and reform: Not applicable
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: Not applicable
Cleaner Greener: Not applicable

## What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD 5451/18) has been consulted and notes there are no direct financial implications arising from this report.

The Chief Legal and Democratic Officer (LD 4576/18) is the author of this report.



The Chief Executive, the Head of Communities, the Head of Health and Wellbeing, the Chief Planning Officer and the Head of Corporate Resources have been consulted.

## **Are there any other options available for consideration?**

No. The Council has to produce a timetable of meetings.

## **Implementation Date for the Decision**

In respect of the Programme of Meetings for the Cabinet, Public Engagement and Consultation Panel, Sefton Safer Communities Partnership and the Health and Wellbeing Board the implementation date will be upon the expiry of the call-in period of the minutes of the Cabinet meeting.

In respect of the Programme of Meetings for the Council, Member Briefing Sessions; Regulatory Committees; and Overview and Scrutiny Committees immediately following the Council meeting.

**Contact Officer:** Paul Fraser  
**Tel:** 0151 934 2068  
**Email:** paul.fraser@sefton.gov.uk

## **Background Papers:**

There are no background papers available for inspection.

### **1. Introduction/Background**

1.1 The Council is required to establish a Programme of Meetings for the 2019/20 Municipal Year.

1.2 The following annexes are attached to the report:

- Annex A - Programme of Meetings for the Cabinet in 2019/20
- Annex B - Programme of Meetings for the Council, Members' Briefing Sessions and Regulatory Committees in 2019/20
- Annex C - Programme of Meetings for the Overview and Scrutiny Committees in 2019/20
- Annex D - Programme of Meetings for the Public Engagement and Consultation Panel, Sefton Safer Communities Partnership and the Health and Wellbeing Board in 2019/20.

1.3 Similar to the arrangements put in place last year once the programme of meetings are approved, an "in-house" diary will be produced for Members of the Council.

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## 2. Programme of Meetings 2019/20

2.1 The key principles of the Programme of Meetings are as follows:

- Five Ordinary Council Meetings to be held every 8 weeks on a Thursday commencing at 6.30 p.m. plus the Budget Council Meeting to be held on 27 February 2020.
- Council will not meet on the same day as Cabinet.
- Members' Briefing Sessions to be held at 5.00 p.m. prior to the five Ordinary Council Meetings.
- No meetings will be held:
  - In the period between Christmas and New Year (December 2019/January 2020)
  - In April 2020 except for the meetings of the Planning Committee, Cabinet and Council.
- As far as possible no meetings will be held during the school half term holiday weeks.
- The venues for all meetings alternate between Bootle and Southport Town Halls.
- Cabinet Meetings to be held on a Thursday at 10.00 a.m. The first meeting to be held on 23 May 2019.
- Planning Committee to meet every four weeks on a Wednesday, commencing at 6.30 p.m.
- Planning Visiting Panel to meet 2 days prior to each meeting of the Planning Committee to undertake site visits as agreed by the Committee.
- Each of the 4 Overview and Scrutiny Committees to meet bi monthly, 5 times during the year commencing at 6.30 p.m. – the main Overview and Scrutiny work will be done by Working Groups established on an ad hoc basis.
- Special meeting of the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) to be held on 11 February 2020 to scrutinise the Cabinet budget process.
- Overview and Scrutiny Management Board to meet 5 times per year, commencing at 4.30 p.m.
- Licensing and Regulatory Committee to meet quarterly on a Monday commencing at 6.30 p.m.
- Meetings of the Licensing Sub-Committee to be convened as and when required.
- Audit and Governance Committee to meet every quarter (4 meetings per year) on a Wednesday commencing at 3.00 p.m. in order to meet statutory requirements etc.
- Pay and Grading Committee to be convened as and when required.
- Health and Wellbeing Board to meet 4 times per year.
- The dates for the Public Engagement and Consultation Panel, which are not public meetings are included in the Corporate Calendar.

## 3. Calendar of Meetings

3.1 A copy of the Calendar of Meetings for 2019/20 and associated annexes are attached.

**ANNEX A**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF CABINET MEETINGS - 2019/2020**

Meeting	Day	Time	Venue	2019								2020					
				May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
CABINET	Thur.	10.00 a.m.	B	23		25				3		5		6	5		28
			S		20			5		7		9	13		2		

Key to Venues:

B - Bootle Town Hall

S - Southport Town Hall

**ANNEX B**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF COUNCIL, MEMBERS' BRIEFING SESSIONS AND REGULATORY COMMITTEE MEETINGS ETC. - 2019/2020**

Meeting	Day	Time	Venue	2019								2020						
				May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
COUNCIL	Thur.	6.30 p.m.	B	16←					19				23	27→			19↓ Tue	
			S	14↑			18				21					23		21°
MEMBERS' BRIEFING SESSIONS Prior to each Ordinary Council Meeting	Thur.	5.00 p.m.	B						19				23					
			S			18				14					23			
AUDIT AND GOVERNANCE COMMITTEE	Wed.	3.00 p.m.	B		26	24						18						
			S						18						18			
DEALS (FOR PERSONNEL ISSUES) - as and when required	Thur.	-																
PLANNING AND REGULATORY COMMITTEE	Mon.	6.30 p.m.	B		17								6					
			S						9						16			
LICENSING SUB-COMMITTEE - as and when required			B															
			S															
PLANNING COMMITTEE	Wed.	6.30 p.m.	B	↑29		3	28			16		11		5	25			
			S		5	31			25		13			15		4	22	
PLANNING VISITING PANEL	Mon	10.00 a.m.	B		3	1/29	27 Tues	23	14	11	9	13	3	2 23	20			
PAY AND GRADING COMMITTEE – as and when required																		

↑ Annual Meeting 2019/20 - commences at 6.00 p.m. (Tuesday)  
 ← Adjourned Annual Meeting - Appointment of Committees etc. for 2019/20  
 → Budget Meeting  
 †Mandatory Planning Committee

° Annual Meeting 2020/2021 - commences at 6.00 p.m. (Tuesday) (Venue to be determined)  
 ↓ Adjourned Annual Meeting - Appointment of Committees etc. for 2020/2021

**ANNEX C**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF MEETINGS FOR OVERVIEW AND SCRUTINY COMMITTEES - 2019/2020**  
**(Tuesday)**

Meeting	Venue	2019								2020				
		May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
OVERVIEW AND SCRUTINY COMMITTEE (Adult Social Care) (6.30 p.m.) (Tue)	B		25				15					25		
	S					3				7				
OVERVIEW AND SCRUTINY COMMITTEE (Regulatory, Compliance and Corporate Services) (Tue) (6.30 p.m.)	B					10				14	*11			
	S		18				22					3		
OVERVIEW AND SCRUTINY COMMITTEE (Regeneration and Skills) (6.30 p.m.) (Tue)	B			2					5			10		
	S					17				21				
OVERVIEW AND SCRUTINY COMMITTEE (Children's Services Safeguarding) (6.30 p.m.) (Tue)	B			9					12			17		
	S					24				28				
OVERVIEW AND SCRUTINY COMMITTEE (Management Board) (4.30 p.m.) (Tue)	B		25			24			5		14		10	
	S													

\* Special meeting to consider Budget proposals.

**ANNEX D**  
**METROPOLITAN BOROUGH OF SEFTON**  
**PROGRAMME OF MEETINGS FOR PARTNERSHIP MEETINGS- 2019/2020**

Meeting	Day	Time	Venue	2019								2020				
				May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
PUBLIC ENGAGEMENT AND CONSULTATION PANEL ^	Fri	10.00 a.m.	B	17		12		13		15		17		13		
			S													
SEFTON SAFER COMMUNITIES PARTNERSHIP	Thu	10.00 a.m.	B		13			12			12			12		
			S													
HEALTH AND WELLBEING BOARD	Wed.	2.00 p.m.	B		12			11			4			11		
			S													

Meetings video conferenced to Southport Town Hall

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## SEFTON COUNCIL CALENDAR OF MEETINGS 2019/20

MAY 2019		
WED	1	
THU	2	<b>COUNCIL ELECTIONS</b>
FRI	3	
SAT	4	
SUN	5	
MON	6	<b>MAY BANK HOLIDAY</b>
TUE	7	
WED	8	
THU	9	
FRI	10	
SAT	11	
SUN	12	
MON	13	
TUE	14	<b>6.00 ANNUAL COUNCIL (VENUE TO BE DETERMINED)</b>
WED	15	
THU	16	<b>6.30 ADJOURNED ANNUAL COUNCIL (B)</b>
FRI	17	<b>10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)</b>
SAT	18	
SUN	19	
MON	20	
TUE	21	
WED	22	
THU	23	<b>10.00 CABINET (B)</b>
FRI	24	
SAT	25	
SUN	26	
MON	27	<b>SPRING BANK HOLIDAY</b>
TUE	28	<b>SCHOOL HALF-TERM HOLIDAY WEEK</b>
WED	29	<b>6.30 MANDATORY PLANNING COMMITTEE TRAINING SESSION (B)</b>
THU	30	
FRI	31	
MAY 2019		

# Agenda Item 6

JUNE 2019		
SAT	1	
SUN	2	
MON	3	10.00 PLANNING VISITING PANEL (B)
TUE	4	
WED	5	6.30 PLANNING COMMITTEE (S)
THU	6	
FRI	7	
SAT	8	
SUN	9	
MON	10	
TUE	11	
WED	12	2.00 HEALTH AND WELLBEING BOARD (B)
THU	13	10.00 SEFTON SAFER COMMUNITIES PARTNERSHIP (B)
FRI	14	
SAT	15	
SUN	16	
MON	17	6.30 LICENSING AND REGULATORY (B)
TUE	18	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (S)
WED	19	
THU	20	<b>10.00 CABINET (S)</b>
FRI	21	
SAT	22	
SUN	23	
MON	24	
TUE	25	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (B)      6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE) (B)
WED	26	3.00 AUDIT AND GOVERNANCE (B)
THU	27	
FRI	28	
SAT	29	
SUN	30	
JUNE 2019		



# Agenda Item 6

JULY 2019		
MON	1	10.00 PLANNING VISITING PANEL (B)
TUE	2	6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (B)
WED	3	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	4	
FRI	5	
SAT	6	
SUN	7	
MON	8	
TUE	9	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (B)
WED	10	
THU	11	
FRI	12	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	13	
SUN	14	
MON	15	
TUE	16	
WED	17	
THU	18	5.00 MEMBERS' BRIEFING (S) <b>6.30 COUNCIL (S)</b>
FRI	19	
SAT	20	
SUN	21	
MON	22	
TUE	23	
WED	24	3.00 AUDIT AND GOVERNANCE (B) (SPECIAL MEETING FOR APPROVAL OF 2018/19 STATEMENT OF ACCOUNTS)
THU	25	<b>10.00 CABINET (B)</b>
FRI	26	
SAT	27	
SUN	28	
MON	29	10.00 PLANNING VISITING PANEL (B)
TUE	30	
WED	31	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
JULY 2019		

# Agenda Item 6

AUGUST 2019		
THU	1	
FRI	2	
SAT	3	
SUN	4	
MON	5	
TUE	6	
WED	7	
THU	8	
FRI	9	
SAT	10	
SUN	11	
MON	12	
TUE	13	
WED	14	
THU	15	
FRI	16	
SAT	17	
SUN	18	
MON	19	
TUE	20	
WED	21	
THU	22	
FRI	23	
SAT	24	
SUN	25	
MON	26	<b>SUMMER BANK HOLIDAY</b>
TUE	27	10.00 PLANNING VISITING PANEL (B)
WED	28	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	29	
FRI	30	
SAT	31	
AUGUST 2019		

# Agenda Item 6

SEPTEMBER 2019		
SUN	1	
MON	2	
TUE	3	6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE) (S)
WED	4	
THU	5	<b>10.00 CABINET (S)</b>
FRI	6	
SAT	7	
SUN	8	
MON	9	6.30 LICENSING AND REGULATORY (S)
TUE	10	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (B)
WED	11	2.00 HEALTH AND WELLBEING BOARD (B)
THU	12	10.00 SEFTON SAFER COMMUNITIES PARTNERSHIP (B)
FRI	13	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	14	
SUN	15	
MON	16	
TUE	17	6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (S)
WED	18	3.00 AUDIT AND GOVERNANCE (S)
THU	19	5.00 MEMBERS' BRIEFING (B) <b>6.30 COUNCIL (B)</b>
FRI	20	
SAT	21	
SUN	22	
MON	23	10.00 PLANNING VISITING PANEL (B)
TUE	24	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (B)      6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (S)
WED	25	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	26	
FRI	27	
SAT	28	
SUN	29	
MON	30	
SEPTEMBER 2019		

# Agenda Item 6

OCTOBER 2019		
TUE	1	
WED	2	
THU	3	<b>10.00 CABINET (B)</b>
FRI	4	
SAT	5	
SUN	6	
MON	7	
TUE	8	
WED	9	
THU	10	
FRI	11	
SAT	12	
SUN	13	
MON	14	10.00 PLANNING VISITING PANEL (B)
TUE	15	6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE) (B)
WED	16	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	17	
FRI	18	
SAT	19	
SUN	20	
MON	21	
TUE	22	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (S)
WED	23	
THU	24	
FRI	25	
SAT	26	
SUN	27	
MON	28	<b>SCHOOL HALF-TERM HOLIDAY WEEK</b>
TUE	29	
WED	30	
THU	31	
OCTOBER 2019		

# Agenda Item 6

NOVEMBER 2019		
FRI	1	
SAT	2	
SUN	3	
MON	4	
TUE	5	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (B)      6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (B)
WED	6	
THU	7	<b>10.00 CABINET (S)</b>
FRI	8	
SAT	9	
SUN	10	REMEMBRANCE SUNDAY
MON	11	10.00 PLANNING VISITING PANEL (B)
TUE	12	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SDAFEGUARDING) (B)
WED	13	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	14	
FRI	15	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	16	
SUN	17	
MON	18	
TUE	19	
WED	20	
THU	21	5.00 MEMBERS' BRIEFING (S) <b>6.30 COUNCIL (S)</b>
FRI	22	
SAT	23	
SUN	24	
MON	25	
TUE	26	
WED	27	
THU	28	
FRI	29	
SAT	30	
NOVEMBER 2019		

# Agenda Item 6

DECEMBER 2019		
SUN	1	
MON	2	
TUE	3	
WED	4	2.00 HEALTH AND WELLBEING BOARD (B)
THU	5	10.00 CABINET (B)
FRI	6	
SAT	7	
SUN	8	
MON	9	10.00 PLANNING VISITING PANEL (B)
TUE	10	
WED	11	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	12	10.00 SEFTON SAFER COMMUNITIES PARTNERSHIP (B)
FRI	13	
SAT	14	
SUN	15	
MON	16	
TUE	17	
WED	18	3.00 AUDIT AND GOVERNANCE (B)
THU	19	
FRI	20	
SAT	21	
SUN	22	
MON	23	SCHOOL CHRISTMAS BREAK
TUE	24	COUNCIL OFFICES CLOSED
WED	25	CHRISTMAS DAY
THU	26	BANK HOLIDAY
FRI	27	COUNCIL OFFICES CLOSED
SAT	28	
SUN	29	
MON	30	COUNCIL OFFICES CLOSED
TUE	31	COUNCIL OFFICES CLOSED
DECEMBER 2019		

# Agenda Item 6

JANUARY 2020		
WED	1	<b>NEW YEAR'S DAY</b>
THU	2	
FRI	3	
SAT	4	
SUN	5	
MON	6	6.30 LICENSING AND REGULATORY (B)
TUE	7	6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE) (S)
WED	8	
THU	9	<b>10.00 CABINET (S)</b>
FRI	10	
SAT	11	
SUN	12	
MON	13	10.00 PLANNING VISITING PANEL (B)
TUE	14	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (B) 6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (B)
WED	15	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	16	
FRI	17	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	18	
SUN	19	
MON	20	
TUE	21	6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (S)
WED	22	
THU	23	5.00 MEMBERS' BRIEFING (B) <b>6.30 COUNCIL (B)</b>
FRI	24	
SAT	25	
SUN	26	
MON	27	
TUE	28	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (S)
WED	29	
THU	30	
FRI	31	
JANUARY 2020		

# Agenda Item 6

FEBRUARY 2020		
SAT	1	
SUN	2	
MON	3	10.00 PLANNING VISITING PANEL (B)
TUE	4	
WED	5	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	6	10.00 CABINET (B)
FRI	7	
SAT	8	
SUN	9	
MON	10	
TUE	11	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) BUDGET MEETING (B)
WED	12	
THU	13	10.00 CABINET (BUDGET) (S)
FRI	14	
SAT	15	
SUN	16	
MON	17	SCHOOL HALF-TERM HOLIDAY WEEK
TUE	18	
WED	19	
THU	20	
FRI	21	
SAT	22	
SUN	23	
MON	24	
TUE	25	6.30 OVERVIEW AND SCRUTINY (ADULT SOCIAL CARE) (B)
WED	26	
THU	27	6.30 BUDGET COUNCIL (B)
FRI	28	
SAT	29	
FEBRUARY 2020		



# Agenda Item 6

MARCH 2020		
SUN	1	
MON	2	10.00 PLANNING VISITING PANEL (B)
TUE	3	6.30 OVERVIEW AND SCRUTINY (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) (S)
WED	4	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	5	<b>10.00 CABINET (B)</b>
FRI	6	
SAT	7	
SUN	8	
MON	9	
TUE	10	4.30 OVERVIEW AND SCRUTINY MANAGEMENT BOARD (B)      6.30 OVERVIEW AND SCRUTINY (REGENERATION AND SKILLS) (B)
WED	11	2.00 HEALTH AND WELLBEING BOARD (B)
THU	12	10.00 SEFTON SAFER COMMUNITIES PARTNERSHIP (B)
FRI	13	10.00 PUBLIC ENGAGEMENT AND CONSULTATION PANEL (B)
SAT	14	
SUN	15	
MON	16	6.30 LICENSING AND REGULATORY (S)
TUE	17	6.30 OVERVIEW AND SCRUTINY (CHILDREN'S SERVICES AND SAFEGUARDING) (B)
WED	18	3.00 AUDIT AND GOVERNANCE (S)
THU	19	
FRI	20	
SAT	21	
SUN	22	
MON	23	10.00 PLANNING VISITING PANEL (B)
TUE	24	
WED	25	5.00 PLANNING TRAINING SESSION (B) 6.30 PLANNING COMMITTEE (B)
THU	26	
FRI	27	
SAT	28	
SUN	29	
MON	30	
TUE	31	
MARCH 2020		

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APRIL 2020		
WED	1	
THU	2	10.00 CABINET (S)
FRI	3	
SAT	4	
SUN	5	
MON	6	SCHOOL SPRING HOLIDAY
TUE	7	
WED	8	
THU	9	
FRI	10	GOOD FRIDAY
SAT	11	
SUN	12	EASTER SUNDAY
MON	13	EASTER MONDAY
TUE	14	
WED	15	
THU	16	
FRI	17	
SAT	18	
SUN	19	
MON	20	10.00 PLANNING VISITING PANEL (B)
TUE	21	
WED	22	5.00 PLANNING TRAINING SESSION (S) 6.30 PLANNING COMMITTEE (S)
THU	23	5.00 MEMBERS' BRIEFING (S) 6.30 COUNCIL (S)
FRI	24	
SAT	25	
SUN	26	
MON	27	
TUE	28	
WED	29	
THU	30	
APRIL 2020		

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MAY 2020		
FRI	1	
SAT	2	
SUN	3	
MON	4	<b>MAY BANK HOLIDAY</b>
TUE	5	
WED	6	
THU	7	<b>COUNCIL ELECTIONS</b>
FRI	8	
SAT	9	
SUN	10	
MON	11	
TUE	12	
WED	13	
THU	14	
FRI	15	
SAT	16	
SUN	17	
MON	18	
TUE	19	<b>6.00 ANNUAL COUNCIL (VENUE TO BE DETERMINED)</b>
WED	20	
THU	21	<b>6.30 ADJOURNED ANNUAL COUNCIL (B)</b>
FRI	22	
SAT	23	
SUN	24	
MON	25	<b>SPRING BANK HOLIDAY</b> SCHOOL HALF-TERM HOLIDAY WEEK
TUE	26	
WED	27	
THU	28	<b>10.00 CABINET (B)</b>
FRI	29	
SAT	30	
SUN	31	
MAY 2020		

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# Agenda Item 7

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	6 December 2018
<b>Subject:</b>	Revenue and Capital Budget Update 2018/19 – 2019/20		
<b>Report of:</b>	Head of Corporate Resources	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

To inform Cabinet of: -

- i) The current forecast revenue outturn position for the Council for 2018/19 and potential impact on the 2019/20 budget;
- ii) The current forecast on Council Tax and Business Rates collection for 2018/19; and,
- iii) The current position of the 2018/19 Capital Programme.

## Recommendation(s):

**Cabinet** is recommended to: -

- i) Consider the significant budget pressure in 2018/19 and approve the implementation of the mitigating actions that have been identified and are detailed within this report;
- ii) Approve that in the event that there is material change to the 2018/19 outturn forecast, that additional remedial measures should be identified in order that a balanced budget position can be achieved;
- iii) Agree that as a result of the impact of the current financial position in 2018/19, and its subsequent impact on the 2019/20 budget, officers continue to identify new budget saving proposals for Members to consider in order that a robust and sustainable budget can be set for 2019/20; and,
- iv) Approve the transfer of £0.500m from various uncommitted Earmarked Reserves and balances to the Community Transition Fund.

## Reasons for the Recommendation(s):

To ensure Cabinet are informed of the forecast outturn position for the 2018/19 revenue and capital budgets as at the end of October 2018 and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

# Agenda Item 7

In March 2017 Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of setting the 2018/19 budget. The Council is half way through the second year of the budget plan and remains confident its strategic approach to budget planning alongside good financial management and extensive community engagement means that the plan continues to develop on solid foundations; it remains flexible and will secure the future sustainability to 2020 and beyond. However, in year demand for social care services is currently resulting in the costs for these services significantly exceeding the budget. If further budget pressures are identified between now and the end of the year additional remedial action will be required to bring the overall budget into balance.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

N/A

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

The report indicates that for 2018/19 there is currently a forecast deficit of £8.775m which can be off-set with £5.923m of mitigating, one-off, actions previously identified and a further £2.890m worth of in-year savings identified by officers to achieve a balanced position at the year end. Any worsening of the overall position will require further savings to be identified by officers.

### **(B) Capital Costs**

The Council's capital budget in 2018/19 is £35.973m. As at the end of October 2018, expenditure of £10.174m has been incurred and a full year outturn of £27.847m is currently forecast.

## **Implications of the Proposals:**

The following implications of this proposal have been considered and where there are specific implications, these are set out as follows:

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>
There is currently a budget shortfall of £8.775m forecast for 2018/19, one-off mitigating measures of £5.923m have been identified, with a further £2.890m of in year savings identified by officers. Based on the current forecast a balanced budget will be delivered however it should be noted that significant pressure and risk remains in four key business areas, namely Adults and Children's Social Care, Schools and Families and Locality Service provision. These budgets may experience further demand pressure between now and the end of the year and further mitigations and remedial actions will be required in such an eventuality.
<b>Legal Implications:</b>
None.
<b>Equality Implications:</b>
None

**Contribution to the Council’s Core Purpose:**

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

<p><b><u>Protect the most vulnerable:</u></b> See comment above</p>
<p><b><u>Facilitate confident and resilient communities:</u></b> See comment above</p>
<p><b><u>Commission, broker and provide core services:</u></b> See comment above</p>
<p><b><u>Place – leadership and influencer:</u></b> See comment above</p>
<p><b><u>Drivers of change and reform:</u></b> See comment above</p>
<p><b><u>Facilitate sustainable economic prosperity:</u></b> See comment above</p>
<p><b><u>Greater income for social investment:</u></b> See comment above</p>
<p><b><u>Cleaner Greener:</u></b> See comment above</p>

**What consultations have taken place on the proposals and when?**

**(A) Internal Consultations**

The Head of Corporate Resources is the author of the report (FD 5456/18)

The Chief Legal and Democratic Officer has been consulted and any comments have been incorporated into the report (LD 4581/18).

**(B) External Consultations**

N/A

**Implementation Date for the Decision**

Following the expiry of the “call-in” period for Minutes of the Cabinet Meeting

<b>Contact Officer:</b>	Stephan Van Arendsen
<b>Telephone Number:</b>	0151 934 4082

# Agenda Item 7

Email Address:	Stephan.VanArendsen@sefton.gov.uk
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## **Appendices:**

There are no appendices to this report.

## **Background Papers:**

There are no background papers available for inspection.



## 1. Introduction

- 1.1 In March 2017, Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of the Council setting the 2018/19 budget. The March 2018 Budget report outlined that due to the financial pressures being faced by the Council a mid-year review would be undertaken. The initial position following the mid-year review was reported to Cabinet in September 2018. This report continues to build upon that work, updates the forecast revenue outturn position for 2018/19 and highlights the further work that has been undertaken to balance the budget for 2018/19.
- 1.2 The report also outlines the current position regarding key income streams for the Authority, namely Council Tax and Business Rates. Variations against expected receipts in these two areas will also affect the Council's financial position in future years.
- 1.3 An updated position regarding the 2018/19 Capital Programme is also provided as at the end of October.

## 2. Summary of the Forecast Outturn Position as at the end of October 2018

- 2.0 Members have been provided with updates of the Council's forecast financial position (including the first stage of the Mid-Year Review) each month during this financial year. Significant pressures have been identified in several service areas, particularly Adult and Children's Social Care, Locality Services Provision and Home to School Transport. The latest forecast of service expenditure indicates a slight worsening in the overall financial position, with an overspend of £6.141m (£5.734m in September). The table below highlights the variations:

	<b>Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>	<b>Previously Reported Position</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>Services</u></b>				
Strategic Management	3.049	3.049	0.000	0.000
Strategic Support Unit	3.026	3.013	(0.013)	(0.013)
Adult Social Care	95.349	96.073	0.724	0.799
Children's Social Care	28.137	32.475	4.338	4.095
Communities	8.223	8.092	(0.131)	(0.125)
Corporate Resources	5.171	4.632	(0.539)	(0.470)
Health & Wellbeing	22.541	22.031	(0.510)	(0.510)
Inward Investment and Employment	2.447	2.757	0.310	0.122
Locality Services - Commissioned	20.071	19.904	(0.167)	(0.167)
Locality Services - Provision	10.536	11.431	0.895	0.895
Regeneration and Housing	4.757	4.401	(0.356)	(0.284)
Regulation and Compliance	3.776	3.781	0.005	0.044
Schools and Families	23.079	24.461	1.382	1.128

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Total Service Net Expenditure	<b>230.164</b>	<b>236.100</b>	<b>5.938</b>	<b>5.514</b>
Public Sector Reform Savings not allocated to services	(4.489)	(4.489)	0.000 <b>(see para 2.2)</b>	0.000 <b>(see para 2.2)</b>
Reversal of Capital Charges	(13.353)	(13.353)	0.000	0.000
Council Wide Budgets	10.905	11.108	0.203	0.220
Levies	33.255	33.255	0.000	0.000
General Government Grants	(34.202)	(34.202)	0.000	0.000
Total Net Expenditure	<b>222.279</b>	<b>228.419</b>		
<b>Forecast Year-End Deficit</b>			<b>6.141</b>	<b>5.734</b>

The key changes in the outturn position are as follows: -

- The main variations from September to October for the Children's Social Care budget relates to net increases across Children's Placements and Packages of £0.125m and Employee Agency costs in Corporate Parenting of £0.032m.
- The Schools and Families variations between September and October include an extra £0.312m on Home to School Transport resulting from new contracts for the 2018/19 academic year. There has been a small decrease in Children with Disabilities Care package costs due to CCG contributions (£-0.054m).
- Inward Investment and Employment. An overspend on the Tourism budget is forecast during the current year. This relates to the timing of the saving that will be delivered in respect of the Public Sector Reform project (PSR6-Tourism). As such the saving in relation to the management of Southport Theatre (STCC) will be delivered in the next financial year.

2.1 The 2018/19 Budget included £10.227m of savings from Public Sector Reform (PSR) projects. Current forecasts are that £7.593m of savings will be deliverable in the year (74%). There is a 2018/19 phasing issue amounting to £1.975m, however these savings are expected to be achieved in 2019/20 meaning that £9.568m (94%) in total is forecast to be delivered in 2019/20 and future years. It is forecast that £0.659m of the savings will ultimately not be delivered (6%). An analysis of the overall savings for 2018/19 are shown in the summary below:

	<b>Total Saving 2018/19</b>	<b>Forecast - Achieved In 2018/19</b>	<b>Phasing Delivery 2019/20</b>	<b>Won't be delivered</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
PSR1 - Acute Wrap Around	0.275	0.033	0.242	0.000
PSR2 – Locality Teams	5.100	3.477	1.623	0.000
PSR2 - Personalisation	1.000	1.000	0.000	0.000
PSR4 - All Age Pathway	0.415	0.121	0.000	0.294
PSR4 - Home to School	0.365	0.000	0.000	0.365

Transport				
PSR5 – An Excellent Education for All	0.319	0.319	0.000	0.000
PSR6 - Tourism	0.110	0.000	0.110	0.000
PSR6 - Other	0.748	0.748	0.000	0.000
PSR7 – Environment & Pride of Place	0.695	0.695	0.000	0.000
PSR8 – Asset Maximisation	0.450	0.450	0.000	0.000
PSR9 – ICT & Digital Inclusion	0.300	0.300	0.000	0.000
PSR10 - Commissioning	0.450	0.450	0.000	0.000
<b>Total Budget Pressure</b>	<b>10.227</b>	<b>7.593</b>	<b>1.975</b>	<b>0.659</b>

- 2.2 As a result of the detail provided in this report it can be seen that the Council's overall forecast outturn position, before remedial action, is shown below:

	<b>October</b>	<b>September</b>	<b>Variance</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
2018/2019 Forecast Outturn (see 2.1)	6.141	5.734	+0.407
PSR - Unachievable 2018/2019	0.659	0.659	0.000
<b>Ongoing Budget Pressures</b>	<b>6.800</b>	<b>6.507</b>	<b>+0.407</b>
PSR - Phasing 2018/2019 (See below)	1.975	2.704	-0.729
<b>Total Forecast Budget Gap 2018/19</b>	<b>8.775</b>	<b>9.097</b>	<b>-0.322</b>

The PSR Phasing changes relate to the PSR2 projects, Locality Teams (£0.564m) and Personalisation (£0.165m), where additional savings have been identified to contribute to these targets in 2018/19.

### **Measures to close the residual gap in 2018/19**

- 2.3 The Forecast Budget Gap has now remained relatively constant for the last three months – the overall reduction between September and October of £0.322m mainly relates to remedial actions that have been implemented within Services and are now being reported within the net position. This supports the approach the Council is taking in managing the Budget Gap.
- 2.4 However, as Members will recall from the previous Cabinet reports, there are substantial additional pressures being faced, particularly within social care, Locality Services Provision and Schools and Families. These pressures have increased in the last month and they remain a significant risk to the Council's in-year position. We will continue to closely monitor the services under significant budget pressure during the second half of the financial year in order that proactive management of the overall budget can take place.
- 2.5 Financial sustainability is a key objective of the Council's Framework for Change programme. In order to achieve a balanced budget position, officers have identified a number of one-off measures within the Medium Term Financial Plan

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that will realise £5.923m of resources to partially bridge the budget gap in 2018/19. These include:

- Utilising the budget underspend from 2017/2018 (as reported to Cabinet on 26<sup>th</sup> July 2018) - £1.923m;
- Additional Adult Social Care Support Grant allocation announced by the Government late in the budget process - £0.953m;
- The impact of the change in VAT liability of certain leisure fees and charges being introduced earlier than previously anticipated - £0.700m;
- Council Tax Surplus arising in 2018/19 - £0.887m;
- Additional Business rates s31 Grants - £0.610m; and,
- Business Rates refunds on Council establishments - £0.350m.

2.6 Whilst these measures contribute significantly to closing the forecast deficit position during the current year, additional measures are required in relation to current expenditure budgets in order to bridge the remaining gap. Service areas have therefore reviewed all budgets and have identified uncommitted funding and other actions that will reduce the deficit, including a moratorium on non-essential expenditure and a review of reserves and balances. This will realise a further £2.890m and is summarised below.

- Vacancy and Supplies & Services savings across all services - £1.115m;
- Review of reserves and balances - £1.025m; and,
- Other savings on non-essential expenditure - £0.750m.

2.7 The Council's overall forecast outturn position, after remedial action, is shown below:

	£m
<b>Total Forecast Budget Gap 2018/19</b>	<b>8.775</b>
One-Off Measures 2018/2019	-5.923
Actions undertaken by services 2018/2019	-2.890
<b>Total Forecast Budget Gap 2018/19</b>	<b>-0.038</b>

2.8 The Community Transition Fund was established to support projects within the community that contribute to the theme within the Council's Core Purpose to "Facilitate confident and resilient communities". Expenditure on these projects is supported by one-off funding rather than the Council's annual revenue budget. Uncommitted resources in the Fund now stand at £0.275m. The review of reserves and balances has identified further uncommitted resources in addition to those required to support the outturn position in 2018/19. It is therefore recommended that the Fund is supplemented by an additional £0.500m from these uncommitted resources to enable vital support to community projects to continue in future years.

## **Implications beyond 2018/19**

2.9 The seriousness of the budget position, despite the successful delivery of the three year PSR programme, requires the development of permanent proposals for implementation from April 2019. Due to the current outturn forecast, it is clear that as previously reported to Cabinet, between £10m and £12m of additional pressure

will be placed upon the 2019/20 budget (in addition to the current best estimate of £15m in respect of 2020/21). Senior officers have been dedicating significant time over recent weeks to this budget shortfall and the development of future budget options for member consideration.

- 2.10 Budget development sessions took place with Heads of Service in early October. The aim of these sessions was to review all areas of the Council's activity both from a service delivery and budget point of view and identify areas for development of alternative delivery models at lower cost whilst maintaining or improving outcomes for service users. A robust budget recovery plan will be presented for consideration prior to the Budget Setting report for 2019/20.
- 2.11 The current forecasts relating to Government funding for 2019/20 are based on the final year of the four-year settlement accepted by the Council. As outlined in the report to Cabinet on 4<sup>th</sup> October 2018, the levels of funding beyond 2019/20 are less certain.
- 2.12 The Budget Statement was delivered on 29<sup>th</sup> October 2018 with the Provisional Local Government Finance Settlement due to be announced on 6<sup>th</sup> December 2018. The Budget Statement announced that the additional resources for Adult Social Care in 2018/19 previously announced in October 2018 would also be available in 2019/20. Sefton's allocation is £1.525m. However, there is no indication this will continue beyond 2019/20. Therefore, whilst the additional resource will fund increased packages of care in 2018/19 and 2019/20 this will place more pressure on the Service in future years. In addition, the Chancellor announced that a further £410m would be made available nationally to help fund Social Care (individual allocations are still to be announced). However, whilst any additional funding is to be welcomed, it should be noted that the additional funding will not cover the loss of Adult Social Care grants and the additional costs of Social Care forecast for 2019/20.
- 2.13 The Budget Statement also made three other announcements affecting local government funding allocations. The government will allocate £420 million to local authorities in 2018/19 to tackle potholes, repair damaged roads, and invest in keeping bridges open and safe. Sefton's allocation is £1.283m. There will also be an additional £55m in 2018/19 for the Disabled Facilities Grant (DFG) to provide home aids and adaptations for disabled children and adults on low incomes. Sefton's allocation is unknown at this stage. In addition, £84m will be available over 5 years from 2019/20 for up to 20 local authorities, to help more children to stay at home safely with their families. It is unknown whether Sefton will benefit from these additional resources.

## **Dedicated Schools Grant 2018/19**

- 2.14 The Dedicated Schools Grant (DSG) is a ringfenced grant from the Department for Education (DfE) to fund education provision. It is made up of four funding "blocks":
- Schools (£106.819m) – Individual maintained mainstream schools (academies receive their funding direct).
  - High Needs (£27.185m) – funding for the education of pupils with an identified special educational need or disability (SEND).

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- Early Years (£17.128m) – Two Year old Funding; Early Years Funding in Schools and Private, Voluntary and Independent provision (PVI's); and local authority retained expenditure for under five year olds.
- Central Support Services (£1.404m)

2.15 The Schools Block, Early Years Block and Central Support Block are forecast to spend within their respective allocations for the year.

2.16 In 2016/17 and 2017/18 the High Needs budget has been overspent, by £1.4m and £1.8m respectively, and the overspend funded through the application of centrally retained DSG reserves. The latest forecast for 2018/19 is an overspend of £2.3m.

2.17 The budget pressure has arisen due to rising demands on the service as a result of the number of children and young people diagnosed with SEND, a situation mirrored regionally and nationally. There are increasing numbers of pupils with an Education, Health and Care Plan (EHCP) and in-borough specialist education provision is currently over-subscribed which has meant an increased reliance on more expensive independent specialist provision.

2.18 DSG reserves are diminishing and will not be available to balance the budget shortfall in 2018/19. In the short term any deficit can be carried forward but must be accompanied by a plan to balance the budget within a two year period. A recovery plan and SEND Strategy are being developed to bring expenditure on High Needs back within budget from 2019/20 and to fund any deficit from this year.

2.19 The High Needs Budget is monitored on a monthly basis and Cabinet will be kept informed of current forecast spending and progress towards reducing expenditure.

### **3 Council Tax Income – Update**

3.1 Council Tax income is shared between the billing authority (Sefton Council) and the two major precepting authorities (the Fire and Rescue Authority, and the Police and Crime Commissioner) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £127.485m for 2018/19 (including Parish Precepts), which represents 85.8% of the net Council Tax income of £148.595m.

3.2 The forecast outturn for the Council at the end of October 2018 is a surplus of -£0.887m. This variation is primarily due to: -

- The surplus on the fund at the end of 2017/18 being higher than estimated at -£0.004m;
- Gross Council Tax Charges in 2018/19 being higher than estimated at -£0.269m;
- Council Tax Reduction Scheme discounts being lower than estimated at -£0.647m;
- Exemptions and Discounts (including a forecasting adjustment) being higher than estimated at +£0.033m.

3.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2018/19 but will be carried forward to be distributed in future years.

## **4 Business Rates Income – Update**

4.1 Since 1 April 2017, Business Rates income has been shared between the Council (99%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £66.449m for 2018/19, which represents 99% of the net Business Rates income of £67.120m. Business Rates income has historically been very volatile making it difficult to forecast accurately.

4.2 The forecast outturn for the Council at the end of October 2018 is a surplus of -£1.722m on Business Rates income. This is due to:

- The surplus on the fund at the end of 2017/18 being higher than estimated - £2.169m;
- Increase in the gross charge on rateable properties (-£0.057m)
- Other reliefs (including a forecasting adjustment) being higher than estimated in 2018/19 at +£0.504m.

4.3 Due to Collection Fund regulations, the Business Rates deficit will not be transferred to the General Fund in 2018/19 but will be carried forward to be recovered in future years.

## **5 Capital Programme 2018/19**

5.1 The approved capital budget for 2018/19 is £35.973m.

5.2 As at the end of October, expenditure of £10.174m (28.3%) has been incurred within the approved Capital Programme. This is in line with a percentage spend of 26.7% (£7.538m) as at October last year.

5.3 As part of the monthly review project managers are now stating that £27.847m will be spent by year end. This would result in an under spend on the year of £8.126m on the whole programme with an overall delivery rate of 77%. This is summarised below as follows:-

2018/19 Full Year Budget	Actual Expenditure as at October 2018	Forecast Actual Expenditure	Full Year Budget Variance
£m	£m	£m	£m
<b>35.973</b>	<b>10.174</b>	<b>27.847</b>	<b>8.126</b>

5.4 In order to achieve the revised forecast of £27.847m, expenditure of £17.673m will need to be incurred between now and the end of the year.

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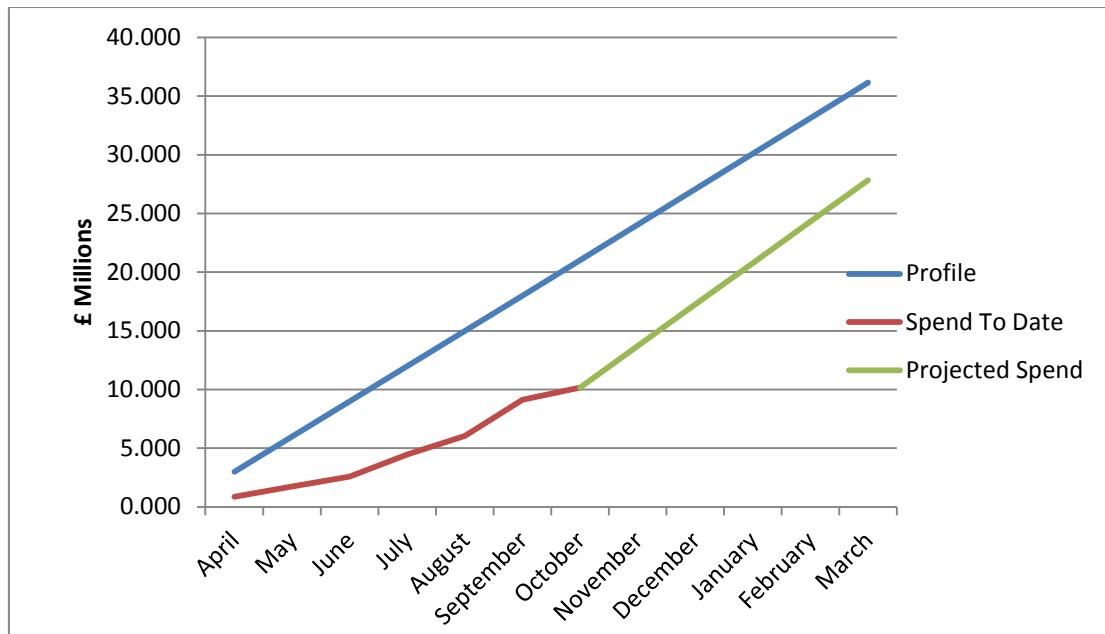
## 5.5 Key Variations on Overall Programme

It can be seen from the current forecast position that approximately £8.302m of expenditure will not be delivered in the current year. The key variations to this forecast are as follows:-

Scheme	Key Variation £'m	Funding Source	Explanation
<b>Funding No Longer Required (key items)</b>			
<b>Total</b>			
<b>Resources to be carried forward into next year (key items)</b>			
Better Care Fund Allocation Balance	3.426	Better Care Fund Grant	Options are being reviewed for this funding. Slippage may change as and when these options are approved and implemented.
M58 Junction 1 Improvements	2.683	Government Grant	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20.
Disabled Facilities Grant	0.765	Better Care Fund Grant	Scheme is below anticipated levels this year due to a reduction in referral numbers. A request will be made to slip this resource into 2019/20.
CERMS 2016-2021 Sefton Spend	0.300	Environment Agency Grant	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20.
Southport Pier	0.128	Revenue Contribution – Pier Sinking Fund	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20.
<b>Total</b>	<b>7.302</b>		

5.6 The graph below therefore shows the 2018/19 Capital Programme expenditure to date against the profiled budget.





5.7 A service by service breakdown of expenditure, forecast actual expenditure and full year budget variation as at October 2018 is shown in the following table:

	Full Year Budget £'m	Expenditure to date £'m	Exp to Date as % of Budget %	Forecast Actual Expenditure to Date £'m	Forecast Full Year Budget Variation £'m
<b>Corporate Resources</b>	5.344	3.489	65.3	5.302	0.042
<u>New Schemes</u>					
Southport Theatre - Netting	0.030	0.045	150.0	0.030	0.000
Bootle Town Hall - Cold Water System	0.020	0.000	0.0	0.020	0.000
Previous Year Schemes	5.294	3.444	65.1	5.252	0.042
<b>Locality Services - Commissioned</b>	13.252	2.442	18.4	9.586	3.666
<u>New Schemes</u>					
LTP - New Schemes	3.596	0.759	21.1	3.596	0.000
Additional Pothole Funding	0.468	0.217	46.4	0.468	0.000
Buckley Hill Car Park	0.081	0.000	0.0	0.081	0.000
Ovington Drive, Kew - Play Area	0.044	0.000	0.0	0.044	0.000
Smithy Green, Formby - Play Area	0.065	0.000	0.0	0.065	0.000
Previous Year Schemes	8.998	1.466	16.3	5.332	3.666
<b>Locality Services -</b>	2.530	1.410	55.7	2.530	0.000

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<b>Provision</b>					
<u>Previous Year Schemes</u>	2.530	1.410	55.7	2.530	0.000
<b>Regeneration and Housing</b>	0.452	0.025	5.5	0.452	0.000
<u>Previous Year Schemes</u>	0.452	0.025	5.5	0.452	0.000
<b>Regulation and Compliance</b>	0.009	0.000	0.0	0.006	0.003
<u>Previous Year Schemes</u>	0.009	0.000	0.0	0.006	0.003
<b>Health &amp; Wellbeing</b>	0.065	0.031	47.7	0.050	0.015
<u>Previous Year Schemes</u>	0.065	0.031	47.7	0.050	0.015
<b>Adult Social Care</b>	3.994	0.006	0.2	0.568	3.426
<u>New Schemes</u>					
Approved Better Care Funding	2.078	0.000	0.0	0.000	2.078
<u>Previous Year Schemes</u>	1.916	0.006	0.3	0.568	1.348
<b>Children's Services</b>	5.710	1.052	18.4	5.629	0.081
<u>New Schemes</u>					
St Luke's Primary – Hall Extension	0.600	0.123	20.5	0.600	0.000
Crosby High - Special Needs WC	0.020	0.000	0.0	0.020	0.000
Impact PRU - Perimeter Fencing	0.015	0.000	0.0	0.015	0.000
Lydiate Primary - General Refurb	0.100	0.050	50.0	0.100	0.000
Forefield Infants - New Toilet Block	0.175	0.000	0.0	0.175	0.000
Linaker Primary - Additional 1 Form Entry	0.700	0.153	21.9	0.700	0.000
Healthy Pupils Fund	0.164	0.000	0.0	0.164	0.000
Hudson Primary - Heating Ducts Provision	0.150	0.000	0.0	0.150	0.000
Linacre Primary - Classroom Refurb	0.066	0.097	147.0	0.066	0.000
Lydiate Primary – New lighting system	0.021	0.000	0.0	0.021	0.000
Redgate Primary – Rewiring	0.150	0.120	80.0	0.150	0.000
Farnborough Rd Infant – Replace felt roof	0.044	0.003	6.8	0.044	0.000
Farnborough Rd Junior – Replace brickwork	0.024	0.000	0.0	0.024	0.000
Forefield Infants – Replace security fence	0.041	0.000	0.0	0.041	0.000
Merefield Special – Emergency lighting	0.036	0.070	194.4	0.036	0.000
Waterloo Primary - Kitchen Alterations	0.025	0.012	48.0	0.025	0.000
Impact PRU - CCTV & Security Gates	0.045	0.000	0.0	0.045	0.000
Netherton Moss Primary – Kitchen Refurb	0.050	0.000	0.0	0.050	0.000
<u>Previous Year Schemes</u>	3.284	0.424	12.9	3.203	0.081

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<b>Communities</b>	1.050	0.071	6.8	1.050	0.000
<u>New Schemes</u>					
Atkinson Studio Stage	0.030	0.000	0.0	0.030	0.000
<u>Previous Year Schemes</u>	1.020	0.071	7.0	1.020	0.000
<b>Inward Investment &amp; Employment</b>	1.367	0.767	56.1	1.239	0.128
<u>Previous Year Schemes</u>	1.367	0.767	56.1	1.239	0.128
<b>Total New Schemes 2017/18</b>	<b>8.838</b>	<b>1.649</b>	<b>18.7</b>	<b>6.760</b>	<b>2.078</b>
<b>Total Previous Year Schemes</b>	<b>25.111</b>	<b>7.644</b>	<b>30.4</b>	<b>19.652</b>	<b>5.459</b>
Disabled Facilities Grant	<b>2.200</b>	<b>0.881</b>	<b>40.0</b>	<b>1.435</b>	<b>0.765</b>
<b>Total Capital Programme</b>	<b>35.973</b>	<b>10.174</b>	<b>28.3</b>	<b>27.847</b>	<b>8.126</b>

## 5.8 Financing of the 2018/19 Capital Programme

	Budget
	£m
Government Grants*	25.354
Borrowing	7.607
S106	1.480
Contribution	1.496
Capital Receipt	0.212
<b>TOTAL</b>	<b>36.149</b>

\*Includes capital receipts used to supplement government grants as detailed below.

Within the funding profile for schemes approved in 2016/17 it was assumed that £1.5m of capital receipts will be generated. As at the end of March 2018, £1.070m has been received leaving a balance due of £0.430m. As at the end of October 2018 £0.309m has been received leaving a balance required of £0.121m. It is anticipated this will be received in 2018/19.

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# Agenda Item 8

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	Thursday 6 December 2018
<b>Subject:</b>	Revenue and Capital Budget Update - Treasury Management Position to October 2018		
<b>Report of:</b>	Head of Corporate Resources	<b>Wards Affected:</b>	All Wards
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	No	<b>Included in Forward Plan:</b>	No
<b>Exempt / Confidential Report:</b>	No		

## Summary:

This report provides Members with a review of the Treasury Management activities undertaken to 31<sup>st</sup> October 2018. This document is the second report of the ongoing quarterly monitoring provided to Audit & Governance Committee and the mid-year report to Cabinet and Council, whose role it is to carry out scrutiny of treasury management policies and practices.

## Recommendation(s):

Members are requested to note the Treasury Management update to 31<sup>st</sup> October 2018, to review the effects of decisions taken in pursuit of the Treasury Management Strategy and to consider the implications of changes resulting from regulatory, economic and market factors affecting the Council's treasury management activities.

## Reasons for the Recommendation(s):

To ensure that Members are fully apprised of the treasury activity undertaken to 31<sup>st</sup> October 2018 and to meet the reporting requirements set out in Sefton's Treasury Management Practices and those recommended by the CIPFA code.

## Alternative Options Considered and Rejected: (including any Risk Implications)

N/A

## What will it cost and how will it be financed?

### (A) Revenue Costs

The financial position on the external investment budget to the end of October indicates a surplus to the end of the period. The forecast to the end of the financial year also shows that investment income will exceed the level set in the budget.

### (B) Capital Costs

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None.

## Implications of the Proposals:

<b>Resource Implications (Financial, IT, Staffing and Assets):</b> External Interest is forecast to achieve the target for the year.
<b>Legal Implications:</b> The Council has a statutory duty to review its Treasury Management activities from time to time during the financial year.
<b>Equality Implications:</b>  None.

## Contribution to the Council's Core Purpose:

Protect the most vulnerable: n/a
Facilitate confident and resilient communities: n/a
Commission, broker and provide core services: n/a
Place – leadership and influencer: Support strategic planning and promote innovative, affordable and sustainable capital investment projects through application of the CIPFA Prudential Code.
Drivers of change and reform: The Treasury Management function ensures that cash flow is adequately planned and cash is available when needed by the Council for improvements to the borough through its service provision and the Capital Programme.
Facilitate sustainable economic prosperity: Pursuit of optimum performance on investments activities and minimising the cost of borrowing and the effective management of the associated risk continues to contribute to a balanced budget for the Council.
Greater income for social investment: n/a
Cleaner Greener: n/a

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Head of Corporate Resources (FD.5456/18) and Chief Legal and Democratic Officer (LD.4581/18)) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

N/A

## Implementation Date for the Decision

With immediate effect.

<b>Contact Officer:</b>	Graham Hussey
Telephone Number:	Tel: 0151 934 4100
Email Address:	graham.hussey@sefton.gov.uk

## Appendices:

There are no appendices to this report

## Background Papers:

There are no background papers available for inspection.

## 1. Background to the Report

- 1.1. As recommended under CIPFA's revised 2017 Code of Practice on Treasury Management in Public Services, the Council's Treasury Management Policy and Strategy document for 2018/19 (approved by Council on 1<sup>st</sup> March 2018) included a requirement for regular updates to be provided on the investment activity of the Authority. This report is the second of such reports for the year and presents relevant Treasury Management information for the period ending 31<sup>st</sup> October 2018.
- 1.2. The report includes information on the investments held / entered into during the period and the interest rates obtained (with a comparison of performance against a standard benchmark figure). In addition, the report highlights whether there has been any variance from the Treasury Management Policy and Strategy and the Council's approved Prudential Indicators (the operational boundaries within which the Council aims to work).

## 2. Investments Held

- 2.1. Investments held at the 31/10/2018 comprise the following:

Institution	Deposit £m	Rate %	Maturity	Rating
<b>Money Market Funds</b>				
Aviva	3.360	0.70	n/a	AAA
BNP Paribas	3.360	0.78	n/a	AAA
Invesco	3.360	0.70	n/a	AAA
Federated Investors	3.050	0.71	n/a	AAA
Insight	1.780	0.69	n/a	AAA
Total	14.910			

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<b>Call Accounts</b>				
Santander	3.000	1.00	95 day notice	A
GSIB	3.000	0.82	185 day notice	A
Total	6.000			
<b>Fixed Term Deposits</b>				
Lloyds	3.000	0.75	16/11/2018	A+
ANZ	3.000	0.72	30/11/2018	AA-
DBS	3.000	0.90	04/02/2019	AA-
Total	9.000			
<b>Property Fund</b>				
CCLA	5.000	4.29	n/a	n/a
Total	5.000			
<b>TOTAL INVESTMENTS</b>	<b>34.910</b>			

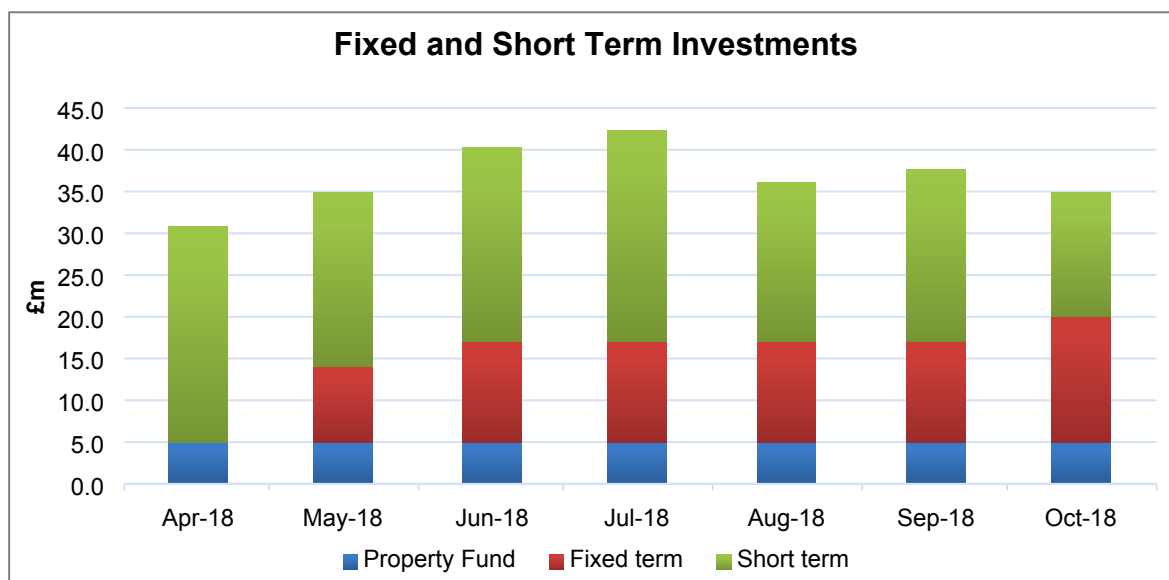
- 2.2. All of the investments made since April 2018 have been with organisations on the current counterparty list. The maximum level of investment permitted in the Treasury Management Strategy in any one institution, or banking group, is currently £25m. Whilst the maximum should be retained, in case economic conditions change, a day to day operational maximum of 10% of the total portfolio is currently being imposed. This will spread the risk of investments for the Council, but will have a small detrimental impact on the returns the Council will receive in the future. The Council has remained within that boundary during the year. At present, it is not expected that there will be any need to review this limit.
- 2.3. The Council will only invest in institutions that hold a minimum Fitch rating of A- for banking institutions, or AAA for money market funds. The ratings applied to investment grade institutions, and the much riskier speculative grade institutions, as defined by Fitch, have been placed into a risk matrix (paragraph 2.7).
- 2.4. An investment has been made with the Church, Charities and Local Authority Investment Fund (CCLA) in June 2014. CCLA invest in commercial property which is rented out to enterprises as retail units, warehousing, and offices. The majority of properties owned are in the south of the country where the market is currently more buoyant than the north. The Council has in effect bought a share of the property portfolio, and returns paid are in the region of 4%. This is a long-term investment with the potential for capital growth of the investment as property prices potentially increase.
- 2.5. The Net Asset Value of the Property Fund has increased from 295.27p per unit to 303.67p per unit over a 12-month period to September 2018, an increase of 2.8% in the value of the Council's investment.





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2.7. The ratio of overnight deposits (short term) to fixed term investments is shown below:



2.8. One new fixed term investment of £3m has been made with DBS Bank during October 2018. A deposit of £3m in a 95-day call account with Santander matured during October and following a review of the current cash position it was decided to place this deposit again with Santander on the same terms but at an improved rate of return.

### 3. Interest Earned

3.1. The actual performance of investments against the profiled budget to the end of October 2018 and the forecast performance of investments against total budget at year end is shown below:

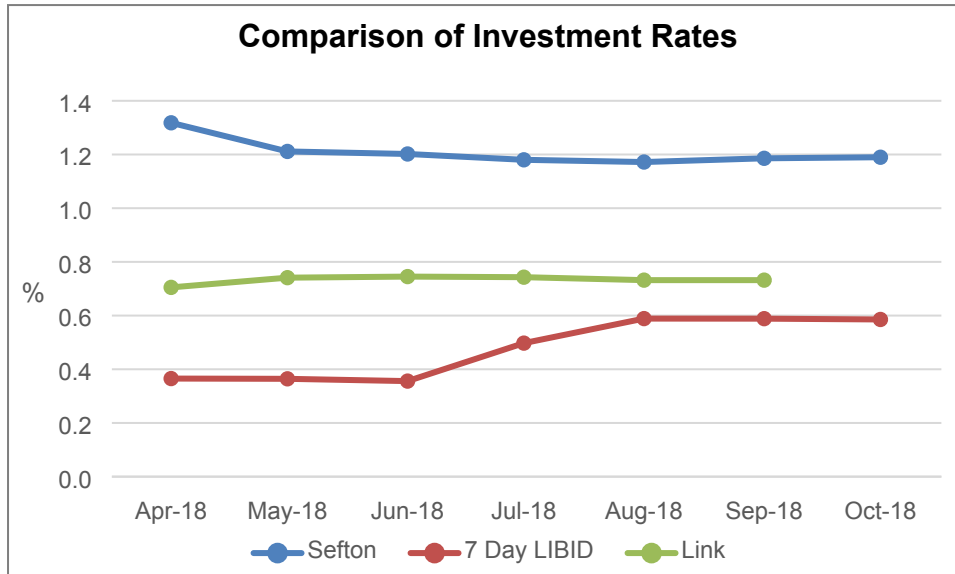
	Profiled Budget £m	Actual £m	Variance £m
Oct-18	0.198	0.235	0.037

	Total Budget £m	Forecast Out-turn £m	Variance £m
2018/19	0.375	0.403	0.028

3.2. The budgeted investment return for the financial year 2018/19 was set at £0.375m on 1<sup>st</sup> April 2018. The actual investment return to the end October has exceeded the profiled budget and the forecast to year end is also showing a surplus compared to budget. The additional income is due to a rise in Money Market investment rates in response to the Bank of England base rate rise on 2<sup>nd</sup> August. Fixed term deposit rates have also improved more recently and the

Council has opted to place additional deposits (see 2.9 above) to take advantage of the rise and fix these rates for as long as possible.

- 3.3. The Council has achieved an average rate of return on its investments that has out-performed the 7 day LIBID and the model portfolio provided by Link:



NB: Link's October position not available at the time of writing.

## 4. Interest Rate Forecast

- 4.1. Link Asset Services, our Treasury Advisors, have supplied the interest rate forecast below:

Link Asset Services Interest Rate View											
	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate View	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 Month LIBID	0.75%	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.60%
6 Month LIBID	0.85%	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 Month LIBID	1.00%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.80%
5yr PWLB Rate	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10yr PWLB Rate	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
25yr PWLB Rate	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50yr PWLB Rate	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

The flow of generally positive economic statistics after the end of the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, to 0.75%. However, the MPC emphasised again, that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary of contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time but they declined to give a medium term

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*forecast. We do not think that the MPC will increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. We also feel that the MPC is more likely to wait until August 2019, than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, the cautious pace of even these limited increases is dependent on a reasonably orderly Brexit.*

*The balance of risks to the UK:*

- The overall balance of risks to economic growth in the UK is probably neutral.*
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.*

*(Link Asset Services, 03.10.2018)*

## **5. Markets in Financial Instruments Directive (MiFID II)**

- 5.1. From 3<sup>rd</sup> January 2018, the Financial Conduct Authority is obligated to treat all Local Authorities as “retail clients” under European Union legislation (MiFID II). The client status of the Local Authority relates to its knowledge and experience with regards to the use of regulated investment products and the decision-making processes it has in place for making such investments. The directive is focused on products such as Certificates of Deposit, Gilts, Corporate Bonds and investment funds, including Money Market Funds.
- 5.2. As at 31<sup>st</sup> October 2018 the Council has opted up to “professional status” with the following institutions to continue to have access to these funds as an investment option as they are not available to retail clients:

### Money Market Funds

- Aberdeen
- Amundi
- Aviva
- BNP Paribas
- Goldman Sachs
- Invesco
- Morgan Stanley
- Federated Investors
- Insight
- Standard Life

### Banks

- Australia and New Zealand Banking Group
- Commonwealth Bank of Australia
- Goldman Sachs International Bank
- Toronto Dominion Bank

## Building Societies

- Coventry
- Leeds

## Property Funds

- CCLA

## **6. Money Market Regulatory Changes**

- 6.1. Effective from 21<sup>st</sup> January 2019 the European Securities and Markets Authorities has introduced structural changes with regards to the compliance of existing Money Market Funds (MMFs). This will mean that the structure of short-term MMFs currently utilised by the Council for investments will be changing.
- 6.2. Under the outgoing structure all funds in use by Sefton for deposits are classed as Constant Net Asset Value (CNAV). The fund is subscribed to in units of £1 in principal and the value of this asset does not materially fluctuate over time. Upon maturity, the total value of principal invested in the fund is returned.
- 6.3. The structural changes imposed under the new regulations will convert the funds used by Sefton to Low Volatility NAV (LVNAV) MMFs. LVNAV funds are permitted to maintain a constant dealing NAV provided that certain criteria are met, including that the market NAV of the Fund does not deviate from the dealing NAV by more than 20 basis points (0.20%). This means that they can value such investments at par, thus these investments should not affect the underlying Fund's NAV.
- 6.4. The Council's Treasury Management strategy permits the use of both constant and variable net asset value funds, and given that the underlying credit quality of these funds will not be adversely affected by these changes, it is envisaged that we will continue to use MMFs for short term liquidity needs after they have converted to LVNAV
- 6.5. Members should note that although these MMFs will maintain a constant net asset value for dealing purposes, there will be the potential for the value of the Council's investment to fluctuate in the unlikely event that the 20 basis point collar is exceeded due to movements in the market value of the underlying fund. Our investment portal provider (Institutional Cash Distributors) will provide daily updates on the market value of individual funds and these rates will be monitored closely by the Treasury Management Team.

## **7. Capital Financing Strategy**

- 7.1. The Council is currently internally borrowed. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as an alternative measure. This strategy is prudent as investment

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returns remain low whilst reducing the Council's cost of borrowing. This position also reduces counterparty risk.

- 7.2. Due to the timing of grant income and revenues received during the financial year the profile of the Council's cash balances is front loaded. External borrowing in the short term may be required to maintain the Council's cash flow during March 2019 when it is forecast that up to £10m of borrowing may be required. Short term borrowing from another Local Authority with current offer rates at 0.85% over a 3-month period would incur an estimated £21k in additional loan charges.
- 7.3. Officers will continue to monitor the cash flow and report to members by the end of next quarter regarding any requirement for additional borrowing in March 2019.

## 8. Compliance with Treasury and Prudential Limits

- 8.1. During the quarter ended 30<sup>th</sup> September 2018, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.
- 8.2. The key treasury indicators compared to the actuals as at 30<sup>th</sup> September 2018 are shown below:

<b>External Debt:</b>	<b>2018/19 £m</b>
<b>Authorised limit for external debt</b>	177.000
<b>Operational boundary for external debt</b>	167.000
<b>Actual external debt 30.09.18</b>	164.276

<b>Maturity structure of fixed rate borrowing:</b>	<b>Upper Limit %</b>	<b>Lower Limit %</b>	<b>Actual %</b>
<b>Under 12 months</b>	35	0	4
<b>12 months to 24 months</b>	40	0	4
<b>24 months to 5 years</b>	40	0	22
<b>5 years to 10 years</b>	40	0	16
<b>10 years to 15 years</b>	40	0	17
<b>15 years +</b>	90	25	37

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Upper limit for principal sums invested for longer than 365 days:	Limit %	Actual %
Principal sums invested	40	19

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# Agenda Item 9

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	Thursday 6 <sup>th</sup> December 2018
<b>Subject:</b>	Liverpool City Region (LCR) Procurement of a Flexible Purchasing System for Complex Care		
<b>Report of:</b>	Head of Adult Social Care	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Adult Social Care		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

The purpose of this report is to seek approval to commence a procurement exercise for the provision of complex care and support services.

The report also details the proposed approach for the procurement under Liverpool City Region (LCR) joint working arrangements using the flexibilities permitted under the 'light touch regime' for social and other services as listed at Schedule 3 of the Public Contracts Regulations 2015, whereby the LCR intends to create a bespoke Flexible Purchasing System (FPS) which will operate as a common, shared 'marketplace'.

Cabinet to;

1. Approve the commencement of a procurement exercise, to be led by Liverpool City Council as part of LCR joint working arrangements, which will encompass a Flexible Purchasing System (FPS) being implemented from April 2019, for the provision of Complex Care and Support services;
2. Delegate decisions regarding the FPS procurement evaluation criteria, service specification, outcome and quality monitoring framework, and contractual terms to the Head of Adult Social Care. Such decisions will be made in advance of any procurement exercises commencing and will be collective decisions by all participating authorities;
3. Following its establishment, authorise use of the FPS for the future procurement of complex care and support services, where an options appraisal, as described in this report, has determined it to be the most appropriate approach;

**Reasons for the Recommendation(s):**

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Following endorsement of the Liverpool City Region (LCR) Devolution Agreement in June 2015, Health and Social Care leaders across the six Local Authorities (Sefton / Halton / Knowsley / Liverpool / St Helen's / Wirral), were tasked with exploring the potential for greater collaboration.

The LCR strategic leadership board has identified an opportunity to create a single FPS for adults with complex care needs as a key development in the collaborative working programme. The FPS will create a single-entry point for the six Local Authorities and Clinical Commissioning Group (CCG) partners to commission services and a single route for providers to register to supply services. There will be a common set of contract terms and service specifications in operation across LCR which will include a shared outcome and quality monitoring framework.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

The following options were considered and rejected;

1. **Maintaining the Status Quo** – this was not considered a viable option as the current mechanism for the procurement of Complex care and support services in Sefton does not encompass any collaborative working and as result, Sefton are unable to benefit from the collective buying power that the proposed approach encompasses in that all authorities will be able to better shape the overall market and encourage more innovation and higher quality from providers. In addition, feedback from Providers indicates that the proposed approach to jointly procure services is viewed by them as being more efficient in that it means that Providers do not have to go through numerous separate procurement exercises which are onerous and result in them having to adhere to different contractual and service delivery requirements. The proposed approach also includes the development of a shared service specification which can be adapted in order to ensure that services in Sefton can be tailored to the specific needs of the communities it serves. The FPS will result in there being additional options for the procurement of services. Sefton will still be able to procure services outside of the FPS where that is the most appropriate approach.

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

Revenue costs with respect to any contracts awarded will need to be met from existing Adult Social Care budgets.

There is a one-off cost of £14,000 to Liverpool City Council for preparing the procurement exercise on behalf of LCR. The overall annual management cost associated with the FPS is £7,000 per annum.

These costs will be shared per head of population by the six Council's. The cost to Sefton will be in the region of £3,712.56 in the first year and £2,641.50 in subsequent years and will be met from within the Adult Social Care budget.

## (B) Capital Costs

None arising directly from the report.

### Implications of the Proposals:

<b>Resource Implications (Financial, IT, Staffing and Assets):</b>
<b>Legal Implications:</b> Care Act 2014 Care and Support Statutory Guidance The Public Contracts Regulations 2015
<b>Equality Implications:</b>  The equality Implications have been identified and mitigated.

### Contribution to the Council's Core Purpose:

<b>Protect the most vulnerable:</b>  Complex Care and Support services provide care and support to vulnerable people assessed as required such services, thus ensuring that the Authority meets their assessed needs.
<b>Facilitate confident and resilient communities:</b>  Models supported within services for Complex Care and Support provide models of service which supports the maintenance of independence, including ensuring that Service User remain as part of, and can continue to access their local community.
<b>Commission, broker and provide core services:</b>  The adoption of the proposals will ensure that statutory services will be delivered to vulnerable Service Users.
<b>Place – leadership and influencer:</b>  Good quality services can contribute positively to a local area, enabling a range of accommodation options and support that enables people to remain as part of a community for longer. The development of a strategic approach to complex care needs, referred to in this report, will enable the Council to more effectively direct support and develop options to meet care needs where these are needed in Sefton.
<b>Drivers of change and reform:</b>

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The proposals encompass the development of a revised service delivery and contractual arrangements which better meet strategic aims and priorities.
Facilitate sustainable economic prosperity:
Greater income for social investment:
Cleaner Greener

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Head of Corporate Resources (FD.5454/18) and the Chief Legal and Democratic Officer (LD.4579/18) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

Consultation has taken place with LCR colleagues regarding the implementation of such a system as part of wider discussions regarding the provision of Complex Care options.

In August 2018, a soft market testing exercise was launched via The CHEST procurement portal which encompasses the issuing of a questionnaire to care and support Providers. A Provider engagement event was also held. Engagement with Providers will continue to ensure that the approach to the FPS works for the care market.

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### Appendices:

There are no appendices to this report

### Background Papers:

There are no background papers available for inspection.

## 1. Introduction/Background

- 1.1 Following endorsement of the LCR devolution agreement in June 2015, health and social care leaders across the region were tasked with exploring the potential for greater collaboration and/or potential devolution of health and social care
- 1.2 The LCR strategic leadership board was subsequently established and identified significant potential for LCR councils to commission services for adults with complex care needs in a more collaborative manner.
- 1.3 The LCR strategic leadership board has identified an opportunity to create a single Flexible Purchasing System (FPS) for adults with complex care needs as a key development in the collaborative working programme. Initial engagement with the provider market has taken place and LCR councils are continuing to work closely with providers to ensure that the FPS is designed in a way which maximises the potential benefits for all stakeholders; the councils and CCG's, providers and, most importantly, the people who are supported by the services commissioned. The commissioning intentions in relation to the LCR Complex Care FPS are underpinned by national policy initiatives including The Transforming Care Programme and the Care Act 2014
- 1.4 Whilst there are robust and effective commissioning practices in place across LCR at a local level, the lack of regional collaboration has led to a marketplace where each Council and CCG has different contract terms and specifications and there are, as a result, different monitoring and performance management arrangements in each local authority area. In addition, there are a range of different rates being paid for similar services and a fragmented approach to market engagement and facilitation.
- 1.5 There are approximately 500 providers providing residential and community care across the LCR with an average weekly spend of over £7m across the region. Many providers are commissioned across multiple LCR councils; for example, the four largest supported living providers in the LCR (in terms of spend) have a presence in each of the six Councils' areas.

## 2. The Scope and Benefits of the FPS

- 2.1 Using the flexibilities permitted under the 'light touch regime' for social and other services as listed at Schedule 3 of the Public Contracts Regulations 2015, LCR intends to create a bespoke FPS which will operate as a common, shared 'marketplace'.
- 2.2 Complex Care will encompass specialist services for adult aged 18 (or 16 as part of a transition from children's services) to 65. The proposed service user groups and services which will be included in the scope are as follows:

People with:

- Learning Disabilities

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- Autism
- Mental Health Conditions (including Forensic Needs)
- Acquired Brain Injury
- Physical Disabilities
- Dual Diagnosis (including secondary substance misuse issues)

It is intended that the following services will be included:

- Supported Living
- Residential and Nursing Care
- Shared Lives
- Day Opportunities
- Respite Services (including Emergency Accommodation)
- Rehabilitation Services
- Positive Behaviour Support Services
- Independent Support Planning/ Brokerage Services
- Employment Support Services
- Transitions

2.3 The FPS will create a single-entry point for the six councils and CCG partners to commission services and a single route for providers to register to supply services. There will be a common set of contract terms and service specifications in operation across LCR which will include a shared outcome and quality monitoring framework.

2.4 The FPS will remain open so that new providers can join as the market evolves. This will maximise the level of choice people have when choosing services in line with the Care Act, which is particularly important where accommodation is provided alongside care and support.

2.5 It is anticipated that the FPS will deliver a number of benefits for councils, CCGs, Providers and people who receive services. These include;

- Efficiency gains by reducing duplication and fragmentation of commissioning and procurement arrangements for complex care;
- Combining knowledge, expertise and data to target resources, tailor services and improve overall quality, capacity and performance;
- More strategic market facilitation and engagement to improve quality and create more sustainability and diversity in the market;
- Promotion of personalisation and implementation of personal budgets and self-directed support;
- Engendering of a culture of co-production and partnership working across the region;
- More efficient micro-commissioning and capacity management;
- Maximisation of choice and control for people with complex needs; and
- Streamlining contract and supplier management and outcome and performance monitoring.

### 3. The Establishment of the FPS and its Future Use

- 3.1 It is anticipated that the FPS will be operational from April 2019. The following high-level timeline details the timeframes for the establishment of the system;

<b>Key Procurement Activity</b>	<b>Timeline</b>
Soft Market Testing / Provider Engagement	August / September 2018
Procurement Launched	Late December 2018
Evaluations Completed	Late February 2019
Report and Delegated Approval to Award	March 2019
New LCR FPS Implemented	April 2019

- 3.2 Liverpool City Council will lead on the procurement of the FPS, and each participating Council and CCG will contract services within it directly from providers so will be fully responsible for all aspects of their own procurement activity.
- 3.3 There is a one-off cost of £14,000 to Liverpool City Council for preparing the procurement exercise on behalf of LCR. The overall annual management cost associated with the FPS is £7,000 per annum, however, it is recognised that this will be subject to review following year one when there will be more clarity on the resource implications for Liverpool City Council. Any suggested changes in cost following than year one review will go through the usual governance processes.
- 3.4 These costs will be shared per head of population by the six Council's. The cost to Sefton will be in the region of £3712.56 in the first year and £2641.50 in subsequent years.
- 3.5 As a condition of being offered a place on the FPS, providers will be required to accept the terms and conditions applying to each individual contract entered under the FPS over time. These terms and conditions will be produced jointly by Legal Services teams across LCR which will protect each organisation on a wide range of issues, including:
- Risk/liabilities/insurance
  - Appropriate warranties and indemnities
  - Control, monitoring, project management and reporting provisions
  - Data protection and confidentiality
  - Safeguarding
  - Quality and performance
  - Best value and continuous improvement
  - Dispute resolution
- 3.6 Work is currently taking place with the other LCR Authorities to develop additional legal documentation for the FPS, such as the rules for it and the application form for Providers to submit. In addition, the service specification is also being amended in order to reflect feedback

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- 3.7 Should the FPS be utilised, Sefton would contract services within it directly from providers so will be fully responsible for all aspects of the procurement activity.
- 3.8 Fee rates for services procured via the FPS will be paid based on Sefton agreed rates and cost models however, there is a separate LCR strategic work stream in place which is analysing the differentials in levels of need and rates. This work stream will continue alongside the development of the new LCR Complex Care FPS.
- 3.9 There will be no legal requirement to exclusively use the FPS for procurement exercises. Sefton will therefore still be able to conduct separate procurement exercises for the commissioning of services.
- 3.10 When decisions are required regarding the future procurement of Complex Care and Support Services, an options appraisal will be undertaken to identify the most appropriate procurement option (e.g. use of the FPS or an alternative approach) within the context of public procurement legislation and the Council's Contract Procedure Rules. This will include consideration of the following factors:
- An identified need to re-procure services,
  - The estimated value of the future contract
  - Existing contractual arrangements in place
  - The specific procurement activity required
  - The timeframes for the procurement – including any urgency for the new service to meet Service User(s) needs and the ability of the FPS to meet these timeframes
  - Current local care and support market conditions
  - Value for Money