

# Cabinet

## 22 July 2015

**Time** 5.00 pm **Public Meeting?** YES **Type of meeting** Executive

**Venue** Committee Room 3 - Civic Centre, St Peter's Square, Wolverhampton WV1 1SH

### Membership

**Chair** Cllr Roger Lawrence (Lab)

**Vice-chair** Cllr Peter Bilson (Lab)

### Labour

Cllr Claire Darke

Cllr Steve Evans

Cllr Val Gibson

Cllr Andrew Johnson

Cllr Elias Mattu

Cllr John Reynolds

Cllr Sandra Samuels

Cllr Paul Sweet

Quorum for this meeting is two Councillors.

### Information for the Public

If you have any queries about this meeting, please contact the democratic support team:

**Contact** Dereck Francis

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

# Agenda

## Part 1 – items open to the press and public

*Item No.*    *Title*

### MEETING BUSINESS ITEMS

- 1        **Apologies for absence**
- 2        **Declaration of interests**
- 3        **Minutes of the previous meeting (23 June 2015)** (Pages 5 - 10)  
[For approval]
- 4        **Matters arising**  
[To consider any matters arising from the minutes of the previous meeting]

### DECISION ITEMS (RED - FOR DECISION BY THE COUNCIL)

- 5        **Treasury management - annual report 2014/15 and activity monitoring quarter one 2015/16** (Pages 11 - 34)  
[To approve matters relating to the year end position with regard to treasury management arrangements and activity; and to receive an update on treasury management activity in 2015/16]

### DECISION ITEMS (AMBER - DELEGATED TO THE CABINET)

- 6        **Revenue budget outturn 2014/15** (Pages 35 - 70)  
[To report on the Council's revenue budget outturn position for 2014/15 compared with approved budgets and targets]
- 7        **Reserves, provisions and balances 2014/15** (Pages 71 - 90)  
[To consider details of the resources currently held in reserves, provisions and balances by the Council as at 31 March 2015]
- 8        **Draft budget and medium term financial strategy 2016/17 - 2018/19** (Pages 91 - 110)  
[To approve matters relating to the draft budget for 2016/17 and beyond as the basis of consultation with stakeholders]
- 9        **Approval for a Combined Authority engagement process** (Pages 111 - 120)  
[To approve the engagement process]
- 10       **Customer service strategy** (Pages 121 - 156)  
[To approved the refreshed Customer Service Strategy 2015/18]
- 11       **Corporate communications strategy 2015/17** (Pages 157 - 178)  
[To approve the strategy]

- 12      **Performance management framework** (Pages 179 - 206)  
[To approve the Council's performance management framework]
- 13      **Better Care technology and strengthening support at home** (Pages 207 - 218)  
[To approve recommendations for a joint approach to reablement]
- 14      **Children, Young People and Families Plan 2015/25** (Pages 219 - 236)  
[To comment on the Children, Young People and Families Plan 2015/25 priorities and governance arrangements]
- 15      **Scrutiny Review of Infant Mortality** (Pages 237 - 314)  
[To consider the scrutiny review report and the Executive response thereto]
- 16      **Primary school organisation** (Pages 315 - 332)  
[To agree the primary school strategy for 2015-2018 and receive an update on the 2015 primary school expansion programme]
- 17      **Wolverhampton overarching information sharing protocol** (Pages 333 - 404)  
[To approve the Wolverhampton overarching Information Sharing Protocol as part of the three-tier information sharing framework for the city]
- 18      **Exclusion of press and public**  
[To pass the following resolution:

That in accordance with Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information on the grounds shown below.]

## Part 2 - exempt items, closed to press and public

<i>Item No</i>	<i>Title</i>	<i>Grounds for exemption</i>
19	<b>Westside delivery strategy update</b> (Pages 405 - 422)  [To take appropriate decisions for the progression of the regeneration of Westside]	Information relating to the financial or business affairs of any particular person (including the authority holding that information) Para (3)

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### Attendance

#### Members of the Cabinet

Cllr Roger Lawrence (Chair)  
Cllr Claire Darke  
Cllr Steve Evans  
Cllr Val Gibson  
Cllr Andrew Johnson  
Cllr Elias Mattu  
Cllr Sandra Samuels  
Cllr Paul Sweet

#### Employees

Dereck Francis	Democratic Support Officer
Tim Johnson	Strategic Director - Place
Claire Nye	Chief Accountant
Kevin O'Keefe	Director of Governance
Linda Sanders	Strategic Director - People

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## Part 1 – items open to the press and public

*Item No.*    *Title*

- 1        **Apologies for absence**  
Apologies for absence were submitted on behalf of Cllrs Peter Bilson and John Reynolds.
- 2        **Declaration of interests**  
No declarations of interests were made.
- 3        **Minutes of the previous meeting (15 April 2015)**  
Resolved:  
          That the minutes of the meeting held on 15 April 2015 be approved as a correct record and signed by the Chair.
- 4        **Matters arising**  
There were no matters arising from the minutes of the previous meeting.
- 5        **Capital budget outturn 2014/15 including quarter one capital budget monitoring 2015/16 and financial year**

Cllr Andrew Johnson presented a report on the current and forecasted position over the next few years on the General Fund and Housing Revenue Account (HRA) capital programmes and on a proposal to formalise existing rules on how the capital programme would operate going forward.

Resolved:

1. That Full Council be recommended to:
  - a) Approve the revised medium term General Fund capital programme of £270.2 million, an increase of £49.1 million from the previously approved programme, reflecting the latest projected expenditure for the medium term.
  - b) Approve the revised medium term Housing Revenue Account (HRA) capital programme of £271.2 million, an increase of £6.7 million from the previously approved programme.
  - c) Approve the additional resources for eight new and thirty two existing General Fund projects totalling £49.1 million and for 10 existing HRA projects totalling £6.7 million.
  - d) Approve the details of the capital financial strategy relating to; the approval of future capital projects; the declaration of identified underspends and the use of capital receipts to reduce the Council's need to borrow to fund the approved capital programme.
2. That the ten General Fund virements totalling £6.1 million be approved.
3. That the updated schedules of works for the capital projects under the following directorates be approved:
  - i) Corporate: ICTS and in relation to Education; Primary Expansion programme, Universal Infant Free School Meals, Building Schools for the Future (BSF) and Capital Maintenance.
  - ii) People: Electronic Social Care Records, Sports Investment Strategy, Short Breaks for Disabled Children and Co-location.
  - iii) Place: Urban Parks Refurbishment, Leisure Centres, Disposals Programme, Targeted Disposals, Markets and Corporate Asset Management.
4. That authority be delegated to the Cabinet Member for Resources in consultation with the Director of Finance to approve the allocation of the provision of the 'Corporate Contingency' to individual capital projects in order that corporate priorities may be addressed in a more agile and timely manner.
5. That the outturn position for 2014/15 which stands at 71.1% of the approved General Fund capital budget be noted.
6. That the expenditure position for quarter one of 2015/16 which stands at 8.0% of the approved General Fund capital budget be noted.
7. That the outturn position for 2014/15 which stands at 77.1% of the approved HRA capital budget be noted.

8. That the expenditure position for quarter one of 2015/16 which stands at 18.8% of the approved HRA capital budget be noted.

6 **Corporate Plan 2015/16 and the Wolverhampton Way**

Cllr Roger Lawrence presented a revised Council Corporate Plan for 2015/16, and a supporting 'Wolverhampton Way' document which set out how the Council would deliver its mission of 'working as one to serve our city'.

Resolved:

1. That the Corporate Plan 2015/16 be approved subject to minor amendments by Scrutiny Board, to go forward to Council on 15 July 2015.
2. That the Wolverhampton Way: our strategic approach to transformation be approved subject to minor amendments by Scrutiny Board.
3. That approval of amendments post Scrutiny Board be delegated to the Leader in consultation with the Managing Director.

7 **Financial Plan**

Cllr Andrew Johnson presented, for information, a refreshed Council Financial Plan. This was the second plan that the Council had produced and it set out the latest financial position on the Council and reflected the Council's corporate priorities.

Resolved:

1. That the contents of the refreshed Financial Plan be noted.
2. That it be noted that authority to approve the final version of Financial Plan had previously been delegated by Cabinet on 25 February 2015 to the Cabinet Member for Resources, in consultation with the Director of Finance.

8 **Organisational Development Strategy**

Cllr Paul Sweet presented for approval the Council's Organisational Development Strategy. The Strategy set out for the first time the Council's approach to ensuring it has the right people, with the right skills doing the right things for the city of Wolverhampton.

Resolved:

1. That the Organisational Development Strategy be approved, subject to minor amendments by Scrutiny Board.
2. That approval of amendments post Scrutiny Board be delegated to the Cabinet Member for Governance.

9 **A Marketing Strategy for the City Council**

Cllr Roger Lawrence presented a report on a proposed marketing strategy for the Council which set out the key elements of the Council's customer focused transformation.

Resolved:

That the proposed marketing strategy for the City Council be approved.

10 **Refreshed Visual Identity**

Cllr Roger Lawrence presented a report on proposals to refresh the Council's visual (corporate) identity. He reported that the proposals were part of the marketing strategy for the City Council referred to in the previous report. 'City of Wolverhampton' would be a new word-mark the Council would use to promote itself. The roll out of the new corporate identity would be cost neutral.

Resolved:

1. That the proposed revised visual identity be approved.
2. That the new visual identity be implemented as 'business as usual', on a replacement basis.

11 **Channel Shift Scrutiny Review**

The Cabinet received a report on the findings and recommendations of the scrutiny review on Channel Shift and the executive response to the report.

Cllr Jonathan Yardley, Chair of the Scrutiny Review Group was in attendance for this item. He briefly highlighted some of the key recommendations from the review and commended the review group's report and recommendations to Cabinet

Cllr Roger Lawrence thanked Cllr Yardley and the other contributors to the review for a thorough and revealing piece of scrutiny work. He indicated that it was another example of the value of scrutiny work being targeted in review type activity.

Cllr Andrew Johnson, Cabinet Member with responsibility for this service area welcomed the report and reiterated the thanks to Cllr Yardley and the review group. He reported that he supported the recommendations and referred to the detailed executive action plan attached to the report.

Resolved:

1. That the report of the review group and the following recommendations be received:
  - R1 To introduce a risk register for the channel shift, identifying potential risks at each stage and ensuring these are included in the procurement new systems. This could be incorporated into the Corporate Risk Register and should include but not be restricted to:
    1. The risks involved with a system being heavily reliant on technology and electricity supply.
    2. Sensitivity monitoring within an Integrated Customer View.
    3. The risks involved in passing responsibility of safeguarding information to an outside provider. This includes other organisations using the same cloud space and the security level of personal information.



- R2 To develop a channel shift communication plan which focuses on employees and external customers outlining the changes being made and the timescales involved, how it will affect them and the help available and how they can get involved and give feedback.
  - R3 To endorse the implementation of the “my account” feature integrated into the customer view of the CRM system to allow residents to easily see the transactions they have previously made and customise the services that they view. This could include information about the customers ward councillors, local provisions e.g. refuse collection and road works, and local events taking place.
  - R4 To ensure that all systems procured in the channel shift are future-proof. This includes ensuring the ContactPortal is updated regularly and system suppliers can be changed should the leading supplier of a service change whilst not requiring anything extra from the customer.
  - R5 To endorse the role of the Customer Services team on the Civic Centre concourse in guiding customers through the digital channels on tablets and PCs.
  - R6 To ensure customer satisfaction is monitored regularly and changes are made based on the feedback received.
  - R7 To illustrate the positive work of the Channel Shift and Customer Services teams by ensuring all compliments received are publicised.
  - R8 To use SMS messaging as a form of contact with customers in confirmation of services booked and reminders of booked appointments or forthcoming renewals. This should be included in the procurement of a CRM Solution.
2. That the executive response to the review recommendations be approved.
  3. That the Cabinet response be referred to Scrutiny Board for it to track and monitor the implementation of the agreed recommendations.

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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Treasury Management – Annual Report 2014/15 and Activity Monitoring Quarter One 2015/16	
<b>Decision designation</b>	RED	
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Mark Taylor, Director of Finance	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Claire Nye	Chief Accountant
	Tel	01902 550478
	Email	Claire.Nye@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board	13 July 2015
	Council	23 September 2015
	Confident Capable Council Scrutiny Panel	7 October 2015

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### Recommendation(s) for action or decision:

1. The Cabinet is recommended to:
  - (a) Approve the establishment of the Treasury Management Equalisation Reserve (paragraph 3.5).
2. The Cabinet recommends that Council notes:
  - (a) The Council operated within the approved Prudential and Treasury Management Indicators, and also within the requirements set out in the Council's approved Treasury Management Policy Statement during 2014/15.
  - (b) Revenue savings of £12.3 million for the General Fund and £6.0 million for the Housing Revenue Account were generated from treasury management activities in 2014/15.

- (c) Revenue savings of £1.8 million for the General Fund and £2.3 million for the Housing Revenue Account are forecast from treasury management activities in 2015/16.

## **1.0 Purpose**

1.1 This report sets out the results of treasury management activities carried out in 2014/15, together with performance against the prudential indicators previously approved by Council. It also provides a monitoring and progress report on treasury management activity for the first quarter of 2015/16, in line with the Prudential Indicators approved by Council in March 2015.

## **2.0 Background**

2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011. The primary requirements of the Code are the:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by Cabinet / Council of an annual strategy report for the year ahead, a mid-year review report and an annual review report of the previous year.
- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Nomination of the Confident, Capable Council Scrutiny Panel to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

2.2 Treasury management in this context is defined as:

“The management of the local authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2.3 The system of controls on local authority capital investment has been in place since 1 April 2004. This replaced the previous complex regulatory framework governing local authority capital expenditure. The current system is one based largely on self-regulation by local authorities themselves. At its heart is CIPFA's Prudential Code for Capital Finance.

2.4 Cabinet (Resources) Panel received quarterly reports during 2014/15 to monitor performance against the strategy and Prudential Indicators previously approved by Council.

2.5 The Council continued to use Capita Asset Services as treasury management advisors throughout 2014/15 and 2015/16 to date. Capita provides market data and intelligence on which the Council can make decisions regarding all aspects of treasury management activities and in particular, managing the risks associated with investing surplus cash.

### 3.0 The strategy and outturn for 2014/15

- 3.1 The strategy for 2014/15 was to maintain cash balances at a reduced level, therefore keeping to a minimum the credit risk incurred by holding investments and to avoid the higher costs of external borrowing compared to interest foregone on cash balances, thereby generating revenue savings.
- 3.2 During the course of 2014/15, the Council followed the recommendations as set out in the Treasury Management Strategy 2014/15. This included the authorised borrowing limit set at £1,006.6 million, the Treasury Management Strategy, the Annual Investment Strategy, the Prudential Indicators and the Annual Minimum Revenue Provision (MRP) Statement.
- 3.3 The Treasury Management outturn for 2014/15 compared to budget is shown in Table 1.

**Table 1 – Treasury management budget and outturn 2014/15**

	Approved Budget £000	Outturn £000	Variance £000
General Fund	22,852	10,579	(12,273)
Housing Revenue Account	16,975	10,999	(5,976)
Total	39,827	21,578	(18,249)

- 3.4 Overall there was a saving of £12.3 million for the General Fund for 2014/15 and a saving of £6.0 million for the HRA. The saving for the General Fund is mainly due to the revised MRP policy that was approved by Council on 4 March 2015. This revised approach to calculating MRP on an annuity basis was discussed with the Council's auditors who stated that they were "minded not to challenge" the revised approach. This revised approach to calculating MRP will generate significant savings which are already factored into the Council's Medium Term Financial Strategy (MTFS), helping to ensure that the minimum level of general reserves of £10 million by the end of 2015/16 is maintained. Work is being undertaken to identify any further opportunities to make MRP savings.
- 3.5 The MTFS 2015/16 to 2018/19 was approved by Council on 4 March 2015 which highlighted that further savings of £46.3 million by 2018/19 were required. In order to ensure that the revenue implications of the capital programme do not impact adversely on this savings target a Treasury Management Equalisation Reserve has been established. This specific reserve will be called on as and when required to support the

revenue costs associated with slippage in the capital programme. Formal approval by Cabinet to this reserve is therefore sought. The Treasury Management Equalisation Reserve is included in the Reserves, Provisions and Balances 2014/15 report which is also being considered at this meeting.

- 3.6 No institutions in which investments were made had any difficulty in repaying investments or interest in full during the year and no arrangements had to be made to prematurely withdraw funds from any investments as a result of a downgrade in their respective credit rating.
- 3.7 No debt was rescheduled in 2014/15. Opportunities for rescheduling are now minimal since the Public Works Loans Board (PWLB) amended their discount calculation basis, and no opportunity to reschedule arose during the year.
- 3.8 Table 2 shows the average rate of interest payable and receivable in 2013/14 and 2014/15.

**Table 2 - Average interest rate payable and receivable in 2013/14 and 2014/15**

	2013/14 Actual	2014/15 Actual
Average Interest Rate Payable	3.97%	3.67%
Average Interest Rate Receivable	0.45%	0.44%

**Borrowing outturn for 2014/15**

- 3.9 The average debt interest rate fell from 3.97% in 2013/14 to 3.67% in 2014/15. This reduction was achieved by borrowing only when necessary to maintain sufficient cash flow balances and after monitoring the market to take advantage of the best available rates. A summary of the borrowing and repayment activities is shown below with the average interest rates; this activity has resulted in a lower overall average rate for the year.

**Table 3 – Summary of borrowing and repayment activities**

	Short Term £000	Average Rate %	Long Term £000	Average Rate %
New Loans Raised	45,400	0.60%	23,000	2.05%
Repayment of Loans	(40,200)	0.54%	-	-

- 3.10 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to

reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.

- 3.11 The Council's Capital Financing Requirement (CFR) increased from £766.8 million to £779.0 million throughout 2014/15. This reflects a net increase in the Council's underlying need to borrow for capital purposes. This was split between the General Fund and Housing Revenue Account at a rate of 61.1% and 38.9% respectively (2013/14: 59.4% and 40.6%).
- 3.12 Table 4 shows how the increase in actual external borrowing arose during the year.

**Table 4 – Increase in actual external borrowing 2014/15**

	<b>£000</b>
<b>Opening Balance at 1 April 2014</b>	<b>563,157</b>
Less: Repayments	
- Maturity Loans from PWLB	-
- Temporary Loans	(40,200)
Subtotal	(40,200)
Add: New Borrowing	
-PWLB Loan	23,000
-Temporary Loans	45,400
Subtotal	68,400
<b>Net borrowing 2014/15</b>	<b>28,200</b>
<b>Closing Balance at 31 March 2015</b>	<b>591,357</b>

- 3.13 Appendix A shows a detailed breakdown of new loans and repayments made throughout the year.
- 3.14 Appendix B shows a graphical summary of current borrowing by type; fixed and variable as at March 2015 and as at June 2015.

**Investment outturn for 2014/15**

- 3.15 The actual interest rate earned from investments fell from 0.45% in 2013/14 to 0.44% in 2014/15.
- 3.16 The approach during the year was to continue to use cash balances to finance capital expenditure so as to keep cash balances low. This minimised counterparty risk on investments and also maximised treasury management budget savings as investment rates were much lower than most new borrowing rates.
- 3.17 The Council manages its investments in-house and invests only in the institutions listed in the Council's approved lending list, which is reviewed each time a counterparty is subject to a credit rating amendment. The Council's strategy allows for investments for a range of periods from overnight to five years, depending on the Council's cash flows, its interest rate view and the interest rates on offer. However, in order to maintain sufficient



liquidity whilst total investment levels are relatively low, most investments have been placed for shorter durations.

- 3.18 A review to the approach to investments to see if improved returns on investments were available was undertaken during the year, this identified that there were minimal opportunities when risk factors, security and liquidity were considered. However, work is ongoing to identify more opportunities.

#### 4.0 2015/16 forecast

- 4.1 The forecast outturn for treasury management activities in 2015/16 compared to budget is shown in Table 5.

**Table 5 – Treasury management budget and forecast outturn 2015/16**

	<b>Approved Budget £000</b>	<b>Forecast Outturn £000</b>	<b>Variance £000</b>
General Fund	13,878	12,112	(1,766)
Housing Revenue Account	14,157	11,877	(2,280)
<b>Total</b>	<b>28,035</b>	<b>23,989</b>	<b>(4,046)</b>

- 4.2 Overall savings of £1.8 million for the General Fund and £2.3 million for the HRA are projected for the year 2015/16. This is mainly due to changes in interest rates. The Council's strategy is to continue to use cash balances to finance capital expenditure rather than external borrowing. Borrowings are actively managed to achieve savings wherever possible.
- 4.3 Appendix C shows a comparison of the latest estimates of Prudential and Treasury Management Indicators over the medium term period with the equivalent figures which were approved by Council in March 2015.

#### **Borrowing forecast for 2015/16**

- 4.4 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.
- 4.5 Table 6 shows the average rate of interest payable in 2014/15 and forecast for 2015/16.

**Table 6 - Average interest rate payable in 2014/15 and 2015/16**

	<b>2014/15 Actual</b>	<b>2015/16 Forecast</b>
Average Interest Rate Payable	3.67%	4.07%

- 4.6 The average rate of interest payable by the Council is estimated to rise from 3.67% to 4.07% for 2015/16.
- 4.7 Each year it is necessary to raise new loans to finance capital expenditure and to replace existing maturing debt. The Council's policy is to prioritise the use of capital receipts to finance capital expenditure. Balances which are set aside to meet credit liabilities (i.e. to repay debt) are used to reduce the external borrowing requirement. Decisions to take borrowing will be made by the Director of Finance when it is judged that rates are likely to be at their lowest levels, and probably about to rise according to market indications, and only when an inflow of funds is required to meet imminent cash flow commitments. This will keep overall surplus cash balances to a minimum, in line with the current strategy. Appendix D shows the maturity profile of external borrowing.
- 4.8 Any short term savings made by avoiding new long term external borrowing in 2015/16 and thereafter, will also need to be weighed against the potential for incurring additional long term extra costs by delaying unavoidable new external borrowing until later years, when Public Works Loan Board (PWLB) long term rates are forecast to be significantly higher. Appendix E includes the Capita commentary for quarter one 2015/16 and forecasts that interest rates for both short and long term borrowing will increase up to March 2018. The Director of Finance will continue to keep actual and forecast rates under close review.
- 4.9 In March 2015, Council approved a net borrowing requirement for 2015/16 of £189.9 million. The forecast net borrowing requirement for 2015/16 is £202.6 million, as shown in appendix F. No borrowing has been taken out during quarter one, and £26.6 million of PWLB borrowing was repaid. £65.2 million of existing borrowing is due to be repaid between quarter's two to four. Appendix A shows a detailed breakdown of new loans and repayments made throughout the year.
- 4.10 Appendix F shows details for the disclosure for certainty rate, which will enable the Council to submit a return for 2015/16 and thereby secure access to discounted borrowing at 0.20% below normal PWLB rates.

#### **Investment forecast for 2015/16**

- 4.11 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.
- 4.12 Table 7 shows the total amount of surplus funds invested for 2014/15 and the year to date 2015/16.

**Table 7 – Total amounts invested 2015/16**

	<b>31 March 2015</b> £000	<b>30 June 2015</b> £000
Business Reserve Accounts	7	7
Money Market Funds	24,350	4,970
	<b>24,357</b>	<b>4,977</b>
Average cash balance for the year to date	33,181	24,501

- 4.13 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access. This is based on the Council's low appetite for risk.
- 4.14 The Council's cash flow balance for the first quarter of the current financial year has moved between a low of £1.4 million and a maximum of £47.4 million. The average cash balance for the quarter being £24.5 million.
- 4.15 Table 8 shows the budgeted average rate of interest receivable in 2015/16 and the forecast for the year.

**Table 8 – Average interest rate receivable in 2015/16**

	<b>2015/16 Budget</b>	<b>2015/16 Forecast</b>
Average Interest Rate Receivable	0.60%	0.45%

- 4.16 This reduction is due to the reduced interest rates currently available and anticipated throughout the year. This will have minimal impact due to savings against the cost of borrowing.
- 4.17 The Council will avoid locking into longer term deals while investment rates are at historically low levels. Investment rates are expected to continue to be below long term borrowing rates, in which case, the Council can minimise its overall net treasury costs in the short term by continuing to avoid new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external debt (this is referred to as internal borrowing).
- 4.18 The approved Treasury Management Code of Practice sets out the criteria to be used for creating and managing approved counterparty lists and limits. As a result of any changes to credit criteria, the Director of Finance is authorised to make changes to the list of approved counterparties. In the event that any of these counterparties fall below the Council's minimum lending criteria, activity in that account will temporarily cease and any balance withdrawn immediately. Appendix G shows the Council's current specified investments lending list.

4.19 In quarter one 2015/16 the Director of Finance has not been required to use his discretion to temporarily exceed any upper limits with approved counter-parties.

## **5.0 Financial implications**

5.1 The financial implications are discussed in the body of this report.

[SH/10072015/F]

## **6.0 Legal implications**

6.1 Treasury Management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.

6.2 The area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in the Public Services', contains Treasury Management indicators and advice on Treasury Management Strategy. Investment strategy is regulated by 'DCLG Guidance on Local Government Investments' issued initially in 2004 and re-issued in 2010. Part 2 of this Guidance is statutory guidance.

[Legal Code: TS/09072015/D]

## **7.0 Equalities implications**

7.1 This report has no equality implications.

## **8.0 Environmental implications**

8.1 This report has no environmental implications.

## **9.0 Human resources implications**

9.1 This report has no human resources implications.

## **10.0 Corporate landlord implications**

10.1 This report has no corporate landlord implications.

## 11.0 Schedule of background papers

### 11.1 Treasury Management Strategy 2014/15, Report to Cabinet, 25 February 2014

Treasury Management – Annual Report 2013/14 and Activity Monitoring Quarter One 2014/15, Report to Cabinet, 23 July 2014

2015/16 Budget and Medium Term Financial Strategy 2015/16 – 2018/19, Report to Cabinet, 22 October 2014

Treasury Management Activity Monitoring – Mid Year Review 2014/15, Report to Cabinet (Resources) Panel, 9 December 2014

2015/16 Budget and Medium Term Financial Strategy 2015/16 – 2018/19, Report to Cabinet, 4 February 2015

Quarter Three Treasury Management Activity Monitoring, Report to Cabinet (Resources) Panel, 10 February 2015

Treasury Management Strategy 2015/16, Report to Cabinet, 25 February 2015

Reserves, Provisions and Balances 2014/15, Report to Cabinet, 22 July 2015

## 12.0 Schedule of appendices

<b>App</b>	<b>Title</b>	<b>Page</b>
A	Borrowing and repayments	12
B	Borrowing by type graphical summary	14
C	Prudential and Treasury Management Indicators	15
D	Maturity rate profile	19
E	Capita commentary quarter one 2015/16	20
F	Certainty rate disclosure	22
G	Lending list	23

APPENDIX A

Borrowing in 2014/15

	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest
<b>2014/15 Borrowing</b>					
PWLB Fixed Maturity			years		
503341	30/09/2017	23,000	3	2.05%	£471,500
		<b>£23,000</b>		<b>2.05%</b>	<b>£471,500</b>
Temporary Loans			days		
Nottingham City Council	27/02/2015	2,200	119	0.55%	£3,945
Welwyn Hatfield BC	27/02/2015	2,000	119	0.48%	£3,130
Wirral Borough Council	27/02/2015	1,000	119	0.48%	£1,565
West Midlands Police Authority	27/11/2015	5,000	364	0.65%	£32,411
Bristol City Council	27/11/2015	6,000	364	0.70%	£41,885
Milton Kenyes Borough Council	21/12/2015	10,000	364	0.68%	£67,814
Portsmouth City Council	22/12/2015	3,000	365	0.64%	£19,200
Bath & North East Somerset DC	30/01/2015	7,400	364	0.60%	£44,278
Stevenage Borough Council	30/01/2015	3,800	364	0.61%	£23,116
London Borough of Havering	30/01/2015	5,000	364	0.64%	£31,912
		<b>£45,400</b>		<b>0.60%</b>	<b>£269,256</b>

Repayments in 2014/15

	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest
<b>2014/15 Repayments</b>					
PWLB Fixed Maturity			years		
		<b>£0</b>		<b>0.00%</b>	<b>£0</b>
Temporary Loans			days		
Caerphilly BC	02/05/2014	5,000	86	0.35%	£4,123
Portsmouth City Council	29/08/2014	6,000	182	0.43%	£12,865
Derbyshire CC Super. Fund	29/08/2014	4,000	182	0.45%	£8,975
London Borough of Croydon	30/01/2015	5,000	364	0.67%	£33,408
Wandsworth Borough Council	30/01/2015	5,000	364	0.67%	£33,408
London Borough of Havering	30/01/2015	5,000	364	0.65%	£32,411
Northampton Borough Council	30/01/2015	5,000	364	0.65%	£32,411
Nottingham City Council	27/02/2015	2,200	119	0.55%	£3,945
Welwyn Hatfield BC	27/02/2015	2,000	119	0.48%	£3,130
Wirral Borough Council	27/02/2015	1,000	119	0.48%	£1,565
		<b>£40,200</b>		<b>0.54%</b>	<b>£166,241</b>

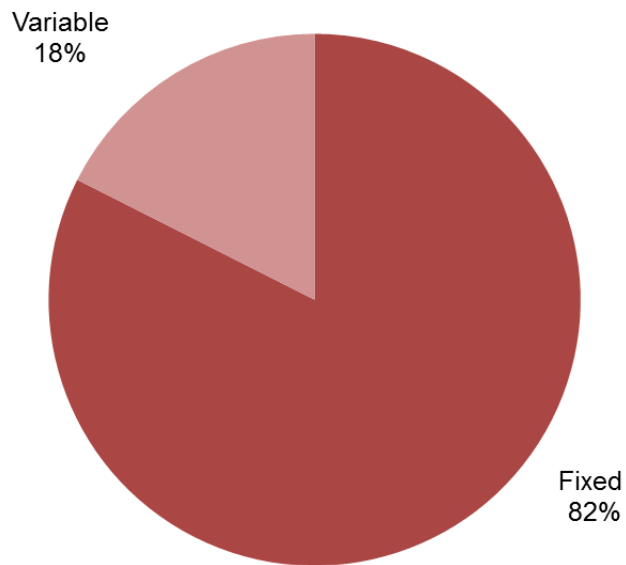
**APPENDIX A**

**Borrowing and Repayments in 2015/16**

	<b>Maturity Date</b>	<b>Amount £000</b>	<b>Length</b>	<b>Interest Rate</b>	<b>Full Year Interest</b>
<b>2015/16 Borrowing</b>					
No activity for quarter 1					
<b>2015/16 Repayments</b>					
PWLB Fixed Maturity			years		
497365	25/05/2015	<u>26,605</u>	5	<u>2.37%</u>	<u>£630,539</u>
		<b><u>£26,605</u></b>		<b><u>2.37%</u></b>	<b><u>£630,539</u></b>
Temporary Loans			days		
		<u>£0</u>		<u>0.00%</u>	<u>£0</u>

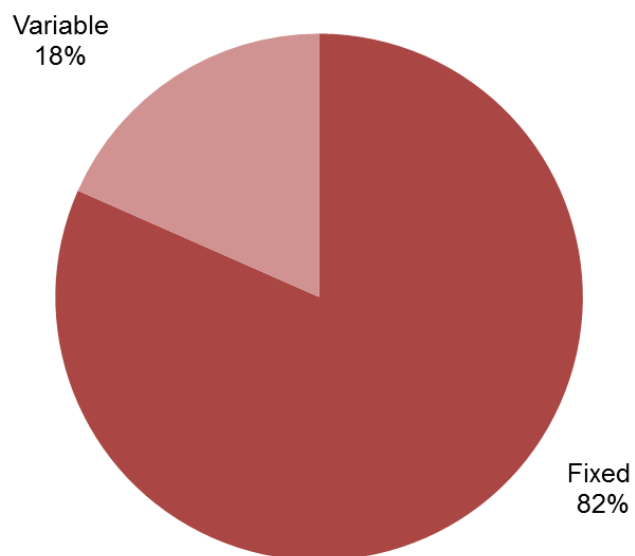
**Borrowing: Graphical Summary  
As at 31 March 2015**

**Borrowing by Type**



**As at 30 June 2015**

**Borrowing by Type**





APPENDIX C

Debt and Treasury Management - Prudential and Treasury Management Indicators

Prudential Indicators (PI)

**PI for Affordability** - These indicators are used to ensure the total capital investment of the council is within a sustainable limit and the impact of these decisions are considered with regard to acceptable council tax and housing rent levels.

**PI1 - Estimates and Actual ratio of financing costs to net revenue stream.**

This represents the cost of financing capital expenditure as a % of net revenue for both the General Fund and HRA.

	Approved by Council 4 March 2015				As at 30 June 2015			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
	Forecast	Forecast	Forecast	Forecast	Actual	Forecast	Forecast	Forecast
General Fund	4.5%	6.1%	8.2%	8.9%	4.4%	5.3%	7.5%	8.1%
HRA	11.0%	11.3%	13.2%	13.0%	33.6%	33.8%	34.2%	34.1%

**PI2 - Estimates of the incremental impact of capital investment decisions on the council tax and housing rents.**

The council could consider different options for its capital investment programme in relation to their different impact on the council tax and housing rents. Negatives reflect a reduction in total capital expenditure.

	Approved by Council 4 March 2015				As at 30 June 2015			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
	Forecast	Forecast	Forecast	Forecast	Actual	Forecast	Forecast	Forecast
	£	£	£	£	£	£	£	£
For Band D council tax								
Implications of the Capital Programme for Year	104.08	202.52	235.55	239.70	72.58	180.93	209.59	218.03
Financial Year Impact	104.08	202.52	235.55	239.70	72.58	180.93	209.59	218.03
For average weekly housing rents								
Implications of the Capital Programme for Year	3.11	6.21	6.69	7.38	1.81	5.40	6.93	7.90
Financial Year Impact	3.11	6.21	6.69	7.38	1.81	5.40	6.93	7.90
For Band D council tax								
Implications of the Capital Programme for Year	-	-	-	-	(31.50)	(21.59)	(25.97)	(21.69)
Marginal Impact to Treasury Management Strategy	-	-	-	-	(31.50)	(21.59)	(25.97)	(21.69)
For average weekly housing rents								
Implications of the Capital Programme for Year	-	-	-	-	(1.30)	(0.81)	0.24	0.51
Marginal Impact to Treasury Management Strategy	-	-	-	-	(1.30)	(0.81)	0.24	0.51

**PI3 - Estimates and actual capital expenditure.**

Full details of capital expenditure plans and funding can be found in the Capital budget outturn 2014/15 including quarter one capital budget monitoring 2015/16 and financial strategy report.

	Approved by Council 4 March 2015				As at 30 June 2015			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
	Forecast	Forecast	Forecast	Forecast	Actual	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000
General Fund	91,621	78,032	39,093	9,305	65,143	124,495	64,465	25,466
HRA	73,035	62,501	29,057	30,326	56,325	68,673	42,338	33,802
	164,656	140,533	68,150	39,631	121,468	193,168	106,803	59,268

## APPENDIX C

### Debt and Treasury Management - Prudential and Treasury Management Indicators

#### PI4 - Estimates and actual capital financing requirement General Fund and HRA.

The capital financing requirement measures the authority's underlying need to borrow for a capital purpose.

	Approved by Council 4 March 2015				As at 30 June 2015			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Actual £000	Forecast £000	Forecast £000	Forecast £000
General Fund	535,427	598,167	617,974	618,602	475,779	583,878	600,810	604,252
HRA	321,232	344,687	333,959	323,772	303,225	332,832	335,365	328,634
	856,659	942,854	951,933	942,374	779,004	916,710	936,175	932,886

#### PI5 - Authorised limit for external debt.

These limits apply to the total external debt gross of investments and separately identify borrowing from other long term liabilities such as finance leases including Private Finance Initiatives (PFI).

	Approved by Council *			
	2014/15	2015/16	2016/17	2017/18
	Limit £000	Limit £000	Limit £000	Limit £000
Borrowing	896,862	906,895	915,620	923,031
Other Long Term Liabilities	109,740	96,557	94,671	92,574
<b>Total Authorised Limit</b>	<b>1,006,602</b>	<b>1,003,452</b>	<b>1,010,291</b>	<b>1,015,605</b>
Actual and Forecast External Debt as at 30 June 2015	651,006	804,319	840,565	856,216
Variance (Under) / Over Authorised limit	(355,596)	(199,133)	(169,726)	(159,389)

\* 2014/15 approved by Council 5 March 2014, 2015/16 onwards approved by Council 4 March 2015

#### PI6 - Operational boundary for external debt.

This is based on the same estimates as the authorised limit but directly reflects the Director of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included.

	Approved by Council *			
	2014/15	2015/16	2016/17	2017/18
	Limit £000	Limit £000	Limit £000	Limit £000
Borrowing	870,926	880,937	908,683	920,161
Other Long Term Liabilities	100,057	96,557	94,671	92,574
<b>Total Operational Boundary Limit</b>	<b>970,983</b>	<b>977,494</b>	<b>1,003,354</b>	<b>1,012,735</b>
Actual and Forecast External Debt as at 30 June 2015	651,006	804,319	840,565	856,216
Variance (Under) / Over Operational Boundary Limit	(319,977)	(173,175)	(162,789)	(156,519)

\* 2014/15 approved by Council 5 March 2014, 2015/16 onwards approved by Council 4 March 2015

APPENDIX C

Debt and Treasury Management - Prudential and Treasury Management Indicators

**PI7 - HRA limit on indebtedness.**

This maximum debt limit has been set by Government as part of the self-financing regime and is compared to the HRA capital financing requirement.

	Approved by Council 4 March 2015				As at 30 June 2015			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Actual £000	Forecast £000	Forecast £000	Forecast £000
HRA Debt Limit	356,770	356,770	356,770	356,770	356,770	356,770	356,770	356,770
HRA Capital Financing Requirement	321,232	344,687	333,959	323,772	303,225	332,832	335,365	328,634
Headroom	35,538	12,083	22,811	32,998	53,545	23,938	21,405	28,136

**PI for Prudence** - Ensuring that external debt is sustainable and compliance with good professional practice are essential features of prudence.

**PI8a - Gross debt and the capital financing requirement.**

"In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years". This replaced PI 8 net debt and the capital financing requirement from 2013/14 onwards.

	Approved by Council 4 March 2015				As at 30 June 2015			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
	Forecast £000	Forecast £000	Forecast £000	Forecast £000	Actual £000	Forecast £000	Forecast £000	Forecast £000
Forecast Capital Financing Requirement at end of Second Year	951,933	951,933	951,933	951,933	936,174	936,174	936,174	936,174
Gross Debt	733,336	835,260	861,120	870,501	651,006	804,319	840,565	856,216
Capital Financing Requirement Greater than Gross Debt	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

**PI9 - Has the local authority adopted the CIPFA Treasury Management in the Public Services: Code of Practice.**

Yes

**Debt and Treasury Management - Prudential and Treasury Management Indicators**

**Treasury Management Indicators (TMI)**

**TMI 1 - Upper limits on fixed interest and variable interest exposures.**

These relate to the levels of net outstanding principal sums exposed to fixed and variable interest rates.

	Approved by Council *				As at 30 June 2015			
	2014/15 Limit	2015/16 Limit	2016/17 Limit	2017/18 Limit	2014/15 Actual	2015/16 Forecast	2016/17 Forecast	2017/18 Forecast
Upper limit for fixed rate	100%	100%	100%	100%	82%	85%	86%	86%
Upper limit for variable rate	20%	20%	20%	20%	18%	15%	14%	14%

\* 2014/15 approved by Council 5 March 2014, 2015/16 onwards approved by Council 4 March 2015

**TMI 2 - Upper and lower limits to the maturity structure of its borrowing.**

These limits relate to the % of fixed rate debt maturing.

	Approved by Council 4 March 2015		As at 30 June 2015	
	Upper Limit	Lower Limit	2014/15 Actual Borrowing	2015/16 Forecast Borrowing
Under 12 months	25%	0%	18.83%	9.83%
12 months and within 24 months	25%	0%	5.46%	11.55%
24 months and within 5 years	40%	0%	14.97%	11.00%
5 years and within 10 years	50%	0%	3.55%	3.48%
10 years and above	90%	50%	57.19%	64.15%

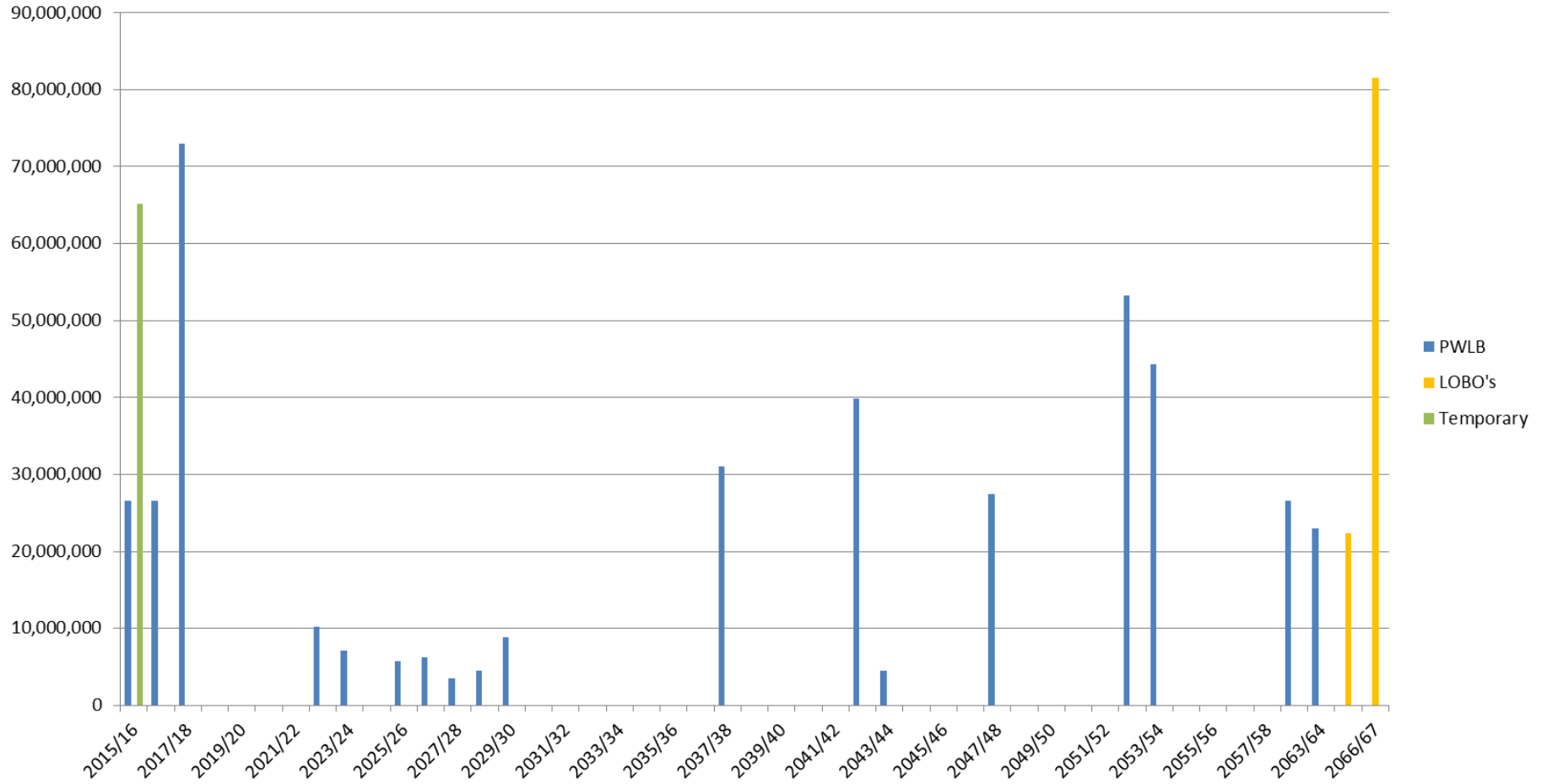
**TMI 3 - Upper limits to the total of principal sums invested longer than 364 days.**

This details the maximum amount which can be invested for up to 5 years (as per paragraph 1.6 of the Annual Investment Strategy).

	Approved by Council *				As at 30 June 2015			
	2014/15 Limit £000	2015/16 Limit £000	2016/17 Limit £000	2017/18 Limit £000	2014/15 Actual £000	2015/16 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000
Upper limit for more than 364 days	35,000	35,000	35,000	35,000	-	35,000	35,000	35,000

\* 2014/15 approved by Council 5 March 2014, 2015/16 onwards approved by Council 4 March 2015

Borrowing Maturity at 30 June 2015



## **Economic Background**

The following economic background has been provided by the Council's Treasury Advisors, Capita Asset Services.

After strong UK GDP growth in 2013 at an annual rate of 2.7% and 3.0% in 2014, quarter 1 of 2015 was disappointing at only 0.4%, though subsequent data indicates that this could well be revised up further down the line and also indicates a return to stronger growth in quarter 2. In its May quarterly Inflation Report, the Bank of England reduced its GDP forecast for 2015 from 2.9% to 2.5% and from 2.9% to 2.7% in 2016, while increasing its forecast for 2017 from 2.4% to 2.7%.

Uncertainty around the likely result of the UK general election in May has obviously now evaporated although this has been replaced by some uncertainty around the potential impact on the UK economy of the EU referendum promised by, or in, 2017. In addition, the firm commitment of the Conservative Government to eliminating the deficit within the term of this Parliament will have an impact on GDP growth rates. However, the MPC is fully alert to this and will take that into account, and also the potential spill over effects from the Greek crisis, in making its decisions on the timing of raising Bank Rate.

As for the American economy, confidence has improved markedly in this quarter that the US will start increasing the Fed funds rate by the end of 2015 due to a return to strong economic GDP growth after a disappointing start to the year in quarter 1, (a contraction of 0.2%), after achieving 2.4% growth in 2014.

In the Eurozone, the ECB fired its big bazooka in January 2015 in unleashing a massive €1.1 trillion programme of quantitative easing to buy up high credit quality government and other debt of selected EZ countries. This programme of €60bn of monthly purchases started in March 2015 and it is intended to run initially to September 2016. This already appears to have had a positive effect in helping a recovery in consumer and business confidence and a start to a significant improvement in economic growth, though it remains to be seen whether this will have an enduring effect as strong as the recovery in the US and UK.

## APPENDIX E

### Interest rate forecast

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Bank rate	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.50%	1.50%	1.75%
5yr PWLB rate	2.30%	2.40%	2.50%	2.60%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%
10yr PWLB rate	2.90%	3.00%	3.20%	3.30%	3.40%	3.50%	3.70%	3.80%	3.90%	4.00%	4.10%
25yr PWLB rate	3.60%	3.70%	3.80%	4.00%	4.10%	4.20%	4.30%	4.40%	4.40%	4.50%	4.60%
50yr PWLB rate	3.60%	3.70%	3.80%	4.00%	4.10%	4.20%	4.30%	4.40%	4.40%	4.50%	4.60%

Capita Asset Services undertook a review of its interest rate forecasts after the May Bank of England Inflation Report. The ECB's quantitative easing programme to buy up EZ debt caused an initial widespread rise in bond prices and, correspondingly, a fall in bond yields to phenomenally low levels, including the debt of some European countries plunging into negative yields. Since then, fears about recession in the EZ, and around the risks of deflation, have abated and so there has been an unwinding of this initial phase with bond yields rising back to more normal, though still historically low yields.

This latest forecast includes a move in the timing of the first increase in Bank Rate from quarter 1 of 2016 to quarter 2 of 2016 as a result primarily of poor growth in quarter 1, weak wage inflation and the recent sharp fall in inflation due to the fall in the price of oil and the impact of that on core inflation. The UK fell marginally into deflation in April (-0.1%) and figures near zero will prevail for about the next six months until the major fall in oil prices in the latter part of 2014 falls out of the twelve month calculation of CPI inflation. The Governor of the Bank of England, Mark Carney, has repeatedly stated that increases in Bank Rate will be slow and gradual. The MPC is concerned about the impact of increases on many heavily indebted consumers, especially when average disposable income is only just starting a significant recovery as a result of recent increases in the rate of wage inflation, though some consumers will not have seen that benefit come through for them.

**Disclosure for Certainty Rate**

**Certainty Rate**

This table details the information that is required to enable the Council to submit a return for 2015/16.

	As at 25 February 2015				As at 30 June 2015			
	2014/15 Forecast £000	2015/16 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000	2014/15 Actual £000	2015/16 Forecast £000	2016/17 Forecast £000	2017/18 Forecast £000
<b>Net Borrowing Requirement:</b>								
Borrowing to Finance approved Capital Expenditure	71,714	103,832	27,746	11,478	34,613	116,491	38,132	17,748
Existing Maturity Loans to be Replaced During the Year	85,200	101,805	76,605	123,000	54,316	101,805	76,605	123,000
Less: Minimum Revenue Provision for Debt Repayment	0	0	0	0	(23)	0	0	0
Voluntary Debt Repayment	(18,911)	(15,729)	(16,781)	(18,940)	(20,506)	(15,729)	(16,781)	(18,940)
	(18,911)	(15,729)	(16,781)	(18,940)	(20,529)	(15,729)	(16,781)	(18,940)
Loans Replaced Less Debt Repayment	66,289	86,076	59,824	104,060	33,787	86,076	59,824	104,060
Net Advance Requirement	138,003	189,908	87,570	115,538	68,400	202,567	97,956	121,808



**Wolverhampton City Council**  
**2015/16 Specified Investments Lending List as at 30 June 2015**

<b>Institution</b>	<b>Country (Sovereign Rating)</b>	<b>Limit £000</b>	<b>Term Limit</b>
Australia & New Zealand Banking Group Ltd	Australia (AAA)	10,000	6 mths
Bank Nederlandse Gemeenten	Netherlands (AAA)	20,000	12 mths
Bank of Montreal	Canada (AAA)	10,000	6 mths
Bank of New York Mellon, The	USA (AAA)	20,000	12 mths
Bank of Nova Scotia	Canada (AAA)	10,000	6 mths
Canadian Imperial Bank of Commerce	Canada (AAA)	10,000	6 mths
Clearstream Banking	Luxembourg (AAA)	20,000	12 mths
Commonwealth Bank of Australia	Australia (AAA)	10,000	6 mths
Cooperatieve Centrale Raiffeisen - Boerenleenbank BA	Netherlands (AAA)	10,000	6 mths
DBS Bank Ltd	Singapore (AAA)	10,000	6 mths
Hong Kong and Shanghai Banking Corporation Ltd	Hong Kong (AA+)	10,000	6 mths
HSBC Bank plc	UK (AA+)	10,000	6 mths
HSBC Bank USA	USA (AAA)	10,000	6 mths
JP Morgan Chase Bank NA	USA (AAA)	5,000	3 mths
National Australia Bank Ltd	Australia (AAA)	10,000	6 mths
Nordea Bank AB	Sweden (AAA)	10,000	6 mths
Nordea Bank Finland plc	Finland (AAA)	10,000	6 mths
Northern Trust Company	USA (AAA)	5,000	3 mths
Oversea Chinese Banking Corporation Ltd	Singapore (AAA)	10,000	6 mths
Royal Bank of Canada	Canada (AAA)	10,000	6 mths
Standard Chartered Bank	UK (AA+)	10,000	6 mths
Svenska Handelsbanken AB	Sweden (AAA)	10,000	6 mths
Toronto Dominion Bank	Canada (AAA)	10,000	6 mths
United Overseas Bank Ltd	Singapore (AAA)	10,000	6 mths
Wells Fargo Bank NA	USA (AAA)	10,000	6 mths
Westpac Banking Corporation	Australia (AAA)	10,000	6 mths
<b>Nationalised Banks</b>			
<b>Royal Bank of Scotland Group plc</b>			
National Westminster Bank plc	UK (AA+)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA+)	10,000	3 mths
<b>Money Market Funds</b>			
<b>Invesco STIC Account</b>	<b>Fund Rating</b>		
Invesco STIC Account	Fitch AAmmf	20,000	Instant Access
Standard Life Investments Sterling Liquidity Fund	Fitch AAmmf	20,000	Instant Access
Federated Short-Term Sterling Prime Fund	Fitch AAmmf	20,000	Instant Access
Black Rock Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access
Scottish Widows Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access

**Non-rated Institutions**

County Councils, London Boroughs, Metropolitan Districts and Unitary Authorities - limits £6m and 12 months.  
Shire District Councils, Fire and Civil Defence Authorities, Passenger Transport Authorities and Police Authorities - limits £3m and 12 months.

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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Revenue Budget Outturn 2014/15	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Mark Taylor Tel Email	Director of Finance 01902 556609 mark.taylor@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board Confident Capable Council Scrutiny Panel	10 July 2015 7 October 2015

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### Recommendations for noting:

The Cabinet is asked to note:

1. The revenue outturn position for 2014/15 for the General Fund; a net underspend of £6.991 million (2.82%) was achieved against the net budget requirement of £247.6 million. This, combined with the receipt of additional Business Rates Support grant totalling £3.4 million, has resulted in the Council not needing to draw down £9.9 million of general fund reserves to balance the budget, as originally budgeted for.
2. That a significant element of the underspend arising within the 2014/15 General Fund outturn is already factored into the Council's Medium Term Financial Strategy, including savings arising as a result of changes to the Council's Minimum Revenue Provision (MRP) Policy, as approved by Full Council on 4 March 2015. Whilst the underspend against budget during 2014/15 will help to support the Council's short term financial

position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £46.3 million of savings. Further to this, it is anticipated that the financial challenge could potentially be worse once the Autumn Spending Review is announced. An update on progress to date with the savings strategy for 2016/17 will be reported to Cabinet at this meeting in the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 report.

3. That this outturn position takes into account a number of proposed transfers to and from reserves and provisions for which approval is sought in the Reserves, Provisions and Balances 2014/15 report to be presented at this meeting.
4. That significant underspends against the General Fund budget have been achieved during 2014/15 as a result of savings arising from a change in the Council's Minimum Revenue Provision (MRP) Policy, the early implementation of approved savings and the improved financial management and control achieved from the implementation of Agresso. A comprehensive review of all service areas, which is being led by Finance, is currently being undertaken to challenge all areas of underspend and identify any recurring savings which may contribute towards the savings strategy for 2016/17. The results of this review will be reported to Cabinet in October as part of the Draft Budget and Medium Term Financial Strategy report.
5. That due to the level of underspend, instead of spreading the cost of pension strain over a period of up to three years, all sums due to the West Midlands Pension Fund relating to pension strain have been fully accounted for in 2014/15, in order to secure savings against the Council's pension liabilities.
6. That schools contributed £1.4 million to reserves during 2014/15, taking the total accumulated reserves to £15.7 million at 31 March 2015.
7. That the Housing Revenue Account revenue outturn position for the year was a surplus before allocations of £20.5 million, compared to a budgeted surplus of £11.9 million. The underspend will help with the adverse impact that will arise as a result of the recent budget announcements regarding a 1% reduction in rents for four years.
8. That the draft financial statements of Yoo Recruit Limited will be subject to external audit.
9. That as a result of recruitment through Yoo Recruit Limited the Council has been able to avoid fees which would otherwise have been incurred, including approximately £92,000 in relation to the permanent recruitment of individuals who had been previously employed on a temporary basis through the agency, and approximately £45,000 through a reduction in use of the Birmingham Gateway Framework arrangement.
10. That the outturn against the Collection Fund for 2014/15 is a £7.0 million deficit. As a result of the adverse outturn against the Collection Fund, primarily owing to the impact of appeals against Business Rates, over which the Council has no control, it is proposed that a Business Rates Equalisation reserve be established to equalise the impact of appeals on the Council. Approval for the establishment of this reserve will be sought in

the Reserves, Provisions and Balances report to be presented to Cabinet at this meeting. Furthermore, a review of the Collection Fund assumptions built into the Medium Term Financial Strategy will be undertaken to take account of the issues faced as a result of appeals.

**Recommendation(s) for action or decision:**

The Cabinet is recommended to approve:

1. A loan of £300,000 to Yoo Recruit Limited to be repaid within 12 months at market interest rate, to aid cash flow purposes for the company now that they are turning over such a significant sum of money. The loan will be funded from Corporate Contingency within the Capital Programme, and the subsequent repayment of the loan will be treated as a capital receipt.
2. A virement totalling £300,000 from Corporate Contingency to the Temporary Staffing Agency project within the Capital Programme, to facilitate the loan to Yoo Recruit Limited.
3. That the net profit after tax of £7,000 of Yoo Recruit Limited be retained by Yoo Recruit to enable business development.
4. The write off of four sundry debts that individually exceed £5,000, as a result of liquidation, deceased debtors and debts uneconomical to pursue, as detailed in Appendix F.

## **1.0 Purpose**

- 1.1 The purpose of this report is to inform Cabinet of the Council's revenue outturn position for 2014/15 compared with approved budgets and targets.

## **2.0 Executive Summary**

- 2.1 Overall a net underspend of £6.991 million (2.82%) was achieved against the General Fund net budget requirement of £247.6 million. This, combined with the receipt of additional Business Rates Support grant totalling £3.4 million, has resulted in the Council not needing to draw down £9.9 million of general fund reserves to balance the budget, as originally budgeted for.
- 2.2 The General Fund outturn position for 2014/15 was considerably better than projected in the Revenue Budget Monitoring 2014/15 report presented to Cabinet (Resources) Panel on 24 March 2015, largely as a result of the prudent approach to spending adopted by all budget managers to generate savings during 2014/15. This approach, in conjunction with the benefits that the new Agresso systems have brought to the Council, such as transparency and compliance, have ensured that budget managers secure best value for their services and the Council overall.
- 2.3 The Council made a net contribution of £3.4 million to earmarked reserves during the year. Approval for those proposed transfers to and from reserves and provisions will be sought in the Reserves, Provisions and Balances 2014/15 report to be presented at this meeting.
- 2.4 Due to the favourable General Fund outturn position for 2014/15, the Council did not draw down £9.9 million from the General Fund Balance to balance the budget, as originally budgeted for. It is therefore proposed that £17 million is transferred from General Fund Balance into specific reserves, for which approval is sought in the Reserves, Provisions and Balances 2014/15 report to be presented at this meeting. This will therefore reduce the General Fund Balance to £10 million; the minimum balance as determined in the Council's Reserves and Balances Policy. Emphasis has therefore been placed on identifying budget savings to meet the projected budget deficit over the medium term. It is important to note that this is in accordance with the planned approach as set out in the Council's Medium Term Financial Strategy, approved by Council on 4 March 2015.
- 2.5 A significant element of the underspend arising within the 2014/15 General Fund outturn is already factored into the Council's Medium Term Financial Strategy, including savings arising as a result of changes to the Council's Minimum Revenue Provision (MRP) Policy, as approved by Full Council on 4 March 2015. Whilst the underspend against budget during 2014/15 will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £46.3 million of savings. Further to this, it is anticipated that the financial challenge could potentially be worse once the Autumn Spending Review is announced. An update on progress to date with the savings strategy

for 2016/17 will be reported to Cabinet at this meeting in the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 report.

- 2.6 Schools contributed £1.4 million to reserves during 2014/15, taking the total accumulated reserves to £15.7 million at 31 March 2015. This is set against school's projection of balances of £8.1 million at the end of 2014/15, and therefore actual balances are £7.6 million greater than forecast. The Directors of Education and Finance will continue to challenge those schools who hold surplus balances, aiming to gain an understanding of plans in place and whether they are appropriate.
- 2.7 The Housing Revenue Account revenue outturn position for the year was a surplus before allocations of £20.5 million, compared to a budgeted surplus of £11.9 million. The underspend will help with the adverse impact that will arise as a result of the recent budget announcement regarding a 1% reduction in rents for four years. In accordance with the strategy approved as part of the Business Plan adopted in February 2013, the HRA reserve has been maintained at £5 million and as such the surplus of £20.5 million has been used to pay down debt, thereby increasing the headroom within the government's borrowing cap to fund future capital expenditure.
- 2.8 Yoo Recruit, the Council owned temporary staffing agency has now completed the first 12 months of trading. The company had a turnover of £2.0 million and a net profit after tax of £7,000. It is proposed that the net profit is retained by Yoo Recruit to enable business development. As a result of recruitment through Yoo Recruit Limited the Council has been able to avoid fees which would otherwise have been incurred, including approximately £92,000 in relation to the permanent recruitment of individuals who had been previously employed on a temporary basis through the agency, and approximately £45,000 through a reduction in use of the Birmingham Gateway Framework arrangement. The Council has therefore realised savings in excess of the £50,000 target that was built into the 2014/15 approved budget.
- 2.9 The Collection Fund outturned with a £7.0 million deficit during 2014/15; this resulted in an overall deficit of £6.3 million to be carried forward, after taking account of the surplus of £700,000 from previous years.

### 3.0 Revenue Budget Outturn – General Fund Summary

3.1 An analysis of the Council's outturn position against general fund revenue budgets for 2014/15 is detailed in the table below. Further detailed analysis for each Directorate can be found in Appendices A to D.

**Table 1 – 2014/15 Revenue Budget Outturn Summary**

	Net Controllable Budget 2014/15	Net Controllable Outturn 2014/15	Variation Over/(Under)	Transfer to/(from) Earmarked Reserves	Variation Over/(Under)	
	£000	£000	£000	£000	£000	%
People	134,186	131,959	(2,227)	1,945	(4,172)	-3.11%
Place	46,317	41,141	(5,176)	(78)	(5,098)	-11.01%
Corporate Services (including Education)	30,490	28,663	(1,827)	(2,751)	924	3.03%
Corporate Budgets	36,557	38,796	2,239	3,810	(1,571)	-4.30%
<b>Net Budget Requirement</b>	<b>247,550</b>	<b>240,559</b>	<b>(6,991)</b>	<b>2,926</b>	<b>(9,917)</b>	<b>-4.01%</b>
Government Grant (General)	(161,741)	(164,672)	(2,931)	500	(3,431)	-2.12%
Council Tax	(76,567)	(76,587)	(20)	-	(20)	-0.03%
Collection Fund Deficit	700	700	-	-	-	0.00%
<b>Total Resources</b>	<b>(237,608)</b>	<b>(240,559)</b>	<b>(2,951)</b>	<b>500</b>	<b>(3,451)</b>	<b>-1.45%</b>
<b>Use of General Balances</b>	<b>(9,942)</b>	-	<b>9,942</b>	-	9,942	100.00%
<b>Net Budget (Surplus) / Deficit</b>	-	-	-	<b>3,426</b>	<b>(3,426)</b>	<b>-1.38%</b>

3.2 Overall a net underspend of £6.991 million (2.82%) was achieved against the General Fund net budget requirement of £247.6 million, as analysed in Table 1 above. This combined with the receipt of additional Business Rates Support grant totalling £3.4 million, resulted in the Council not needing to draw down £9.9 million from General Fund Balances to balance the budget, as originally budgeted for.

3.3 As can be seen from the table above, the Council made a net contribution of £3.4 million to earmarked reserves during the year, after meeting the cost of redundancy and pension strain totalling £11.1 million from underspends against budget. This includes the significant underspend against the Minimum Revenue Provision (MRP) budget arising from a revision to the Council's MRP Policy, approved by Full Council on 4 March 2015.

3.4 It is important to note, that the General Fund outturn position takes into account proposed transfers to and from reserves and provisions. Full details regarding reserve transfers are included in the Reserves, Provisions and Balances 2014/15 report, for which approval will be sought at this meeting.

3.5 The final General Fund outturn position for 2014/15 was considerably better than projected in the Revenue Budget Monitoring 2014/15 report presented to Cabinet (Resources) Panel on 24 March 2015, largely as a result of the prudent approach to spending adopted by all budget managers to generate savings during 2014/15. This approach, in conjunction with the benefits that the new Agresso systems have brought to the Council, such as transparency and compliance, have ensured that budget managers secure best value for their services and the Council overall.



- 3.6 A significant element of the underspend arising within the 2014/15 General Fund outturn is already factored into the Council's Medium Term Financial Strategy, including savings arising as a result of changes to the Council's Minimum Revenue Provision (MRP) Policy, as approved by Full Council on 4 March 2015. Whilst the underspend against budget during 2014/15 will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £46.3 million of savings. Further to this, it is anticipated that the financial challenge could potentially be worse once the Autumn Spending Review is announced. An update on progress to date with the savings strategy for 2016/17 will be reported to Cabinet at this meeting in the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 report.
- 3.7 The Council continues to be faced with a challenging projected financial position over the medium term, and significant savings are required in order to achieve a robust financial position. As a result of the underspends against budget that have been achieved during 2014/15, a comprehensive review of all service areas, which is being led by Finance, is currently being undertaken to challenge all areas of underspends and identify any recurring savings which may contribute towards the savings strategy for 2016/17. The results of this review will be reported to Cabinet in October as part of the Draft Budget and Medium Term Financial Strategy report.
- 3.8 Due to the favourable General Fund outturn position for 2014/15, the Council did not draw down £9.9 million from General Fund Balances to balance the budget. It is therefore proposed that £17 million is transferred from General Fund Balances into specific reserves, for which approval is sought in the Reserves, Provisions and Balances 2014/15 report to be presented to Councillors at this meeting. This will therefore reduce the General Fund Balance to £10 million; the minimum balance as determined in the Council's Reserves and Balances Policy. Emphasis has therefore been placed on identifying budget savings to meet the projected budget deficit over the medium term. It is important to note that this is in accordance with the planned approach as set out in the Council's Medium Term Financial Strategy, approved by Council on 4 March 2015.

## 4.0 Revenue Budget Analysis per Directorate

### People

4.1 A summary of the 2014/15 outturn against the People net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix A.

**Table 2 – 2014/15 Revenue Budget Outturn – People**

Service	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variation Over/(Under)	
			£000	%
Older People & Personalisation	31,968	30,580	(1,388)	-4.34%
Health, Wellbeing & Disabilities	49,018	47,298	(1,720)	-3.51%
Children, Young People & Families	50,648	51,632	984	1.94%
Public Health, Parks & Safeguarding	2,552	2,449	(103)	-4.04%
<b>People Total</b>	<b>134,186</b>	<b>131,959</b>	<b>(2,227)</b>	<b>-1.66%</b>

4.2 Overall, a net underspend of £2.2 million (-1.66%) for the year was achieved by the People directorate. The main factors contributing towards the underspend are detailed as follows:

- Older People & Personalisation** – Overall there was a net underspend of £1.4 million within the service directorate resulting from various factors including: the early achievement of 2015/16 savings proposals related to Community Centres and Libraries; a £140,000 underspend on carers support payments; the contribution of Public Health funds totalling £500,000; in addition to underspends against staffing budgets within the service directorate. The underspend was in part offset by a £1.3 million overspend against care purchasing budgets.
- Health, Wellbeing & Disabilities** – There was a net underspend of £1.7 million within the service directorate resulting from various factors including: the early achievement of 2015/16 savings proposals within the Disabilities In-House service totalling £1.0 million; underspends against care purchasing budgets totalling £614,000; in addition to underspends against staffing budgets across the service directorate.
- Children, Young People & Families** – There was a net overspend of £984,000 within the service directorate, which has arisen primarily as a result of a continued high level of Looked After Children out of city placements totalling £2.2 million, in addition to increased costs associated with adoption and guardianship totalling £1.4 million. This overspend has been offset in part due to staffing vacancies within the service directorate and income from other services.
- Public Health, Parks & Safeguarding** – There was a net underspend of £103,000 within the service directorate, however there are no significant variations to report.

## Place

- 4.3 A summary of the 2014/15 outturn against the Place net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix B.

**Table 3 – 2014/15 Revenue Budget Outturn – Place**

Service	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variation	
			Over/(Under) £000	%
Directorate	340	367	27	7.94%
City Economy	7,446	6,829	(617)	-8.29%
City Assets	11,569	10,745	(824)	-7.12%
City Environment	26,962	23,200	(3,762)	-13.95%
<b>Place Total</b>	<b>46,317</b>	<b>41,141</b>	<b>(5,176)</b>	<b>-11.18%</b>

- 4.4 Overall a net underspend of £5.2 million (-11.18%) for the year was achieved by the Place directorate. The main factors contributing towards the underspend are detailed as follows:

1. **City Economy** – There was a net underspend of £617,000 within the service directorate which has arisen primarily as a result of underspends against staffing budgets within Enterprise & Skills, Neighbourhood Services and Culture, Arts and Heritage services. In addition to this, additional grant funding within the Enterprise & Skills service has also contributed to the overall underspend within the service directorate.
2. **City Assets** – Overall there was a net underspend of £824,000 within the service directorate resulting from various factors including: additional school meals income within Catering Services totalling £445,000; an underspend of £388,000 for Transportation as a result of a number of staff vacancies and surface water management savings; savings against the Civic Centre budget in addition to additional income from schools resulting in an underspend of £170,000 for Facilities Management. The underspend was partly offset by an overspend within Performance and Service Support totalling £202,000 which arose as a result of a shortfall against in year administrative savings.
3. **City Environment** – There was a net underspend of £3.8 million for the service directorate, which has arisen as a result of various factors including: underspends against staffing budgets and the early delivery of 2015/16 savings within Environmental Maintenance totalling £1.0 million; the capitalisation of surface dressing costs and additional income within the Street Lighting service resulting in an underspend of £936,000; underspends against staffing budgets and higher levels of income from the sale of scrap vehicles within Fleet Services resulting in an underspend of £660,000 for the service; the early delivery of 2015/16 staff restructure savings within Regulatory Services totalling £564,000.

## Corporate Services including Education

- 4.5 A summary of the 2014/15 outturn against the Corporate Services net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix C.

**Table 4 – 2014/15 Revenue Budget Outturn – Corporate Services**

Service	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variation	
			Over/(Under) £000	%
Finance	12,385	12,157	(228)	-1.84%
Governance	6,841	7,162	321	4.69%
Transformation	11,865	9,362	(2,503)	-21.10%
Education	(601)	(18)	583	-97.00%
<b>Corporate Services Total</b>	<b>30,490</b>	<b>28,663</b>	<b>(1,827)</b>	<b>-5.99%</b>

- 4.6 Overall a net underspend of £1.8 million (-5.99%) for the year was achieved by the Corporate Services directorate, including Education. The main factors contributing towards the underspend are detailed as follows:
1. **Finance** – There was a net underspend of £228,000 within the service, which has arisen as a result of various factors including: a £291,000 underspend within Corporate Financial Management primarily as a result of a lower than budgeted cost of Compensatory Added Years due to higher than anticipated turnover, and the early delivery of savings, arising from voluntary redundancies and vacant posts within Audit Services resulting in a £178,000 underspend. Managed underspends across the wider Finance Service offset overspends within The Hub and Strategic Finance due to one-off transitional costs following the implementation of Agresso, this was projected during the year and was planned to be addressed through managed underspends in this way. A reduction in external income from the West Midlands Pension Fund and Schools, reflecting the reduced support provided following the implementation of the new structure within the Pension Fund, was also managed within the year.
  2. **Governance** – There was a net overspend of £321,000 within the service directorate primarily as a result of one-off transitional costs following the implementation of Agresso within the HR Advice service totalling £582,000. This was projected during the year and it was planned to be addressed through managed underspends from across the wider Corporate Services directorate, particularly within Transformation; including a £220,000 underspend within Democracy attributable to the early delivery of savings, arising from voluntary redundancies and vacant posts.
  3. **Transformation** – There was a net underspend of £2.5 million within the service directorate, which has arisen as a result of various factors including: redundancies

and the management of vacant posts across the service directorate particularly in the Transformation, ICTS and Communications and Marketing services. In addition to this, a reduction in the workforce development costs as a result of the centralisation and rationalisation of training budgets, and a reduction in the costs of the Document Centre following a service review and rationalisation, have also contributed towards the overall underspend.

4. **Education** – There was a net overspend of £583,000 within the service directorate primarily as a result of a shortfall against savings targets. A service restructure was implemented during the year; however it did not deliver the full savings target due to residual staffing costs and the cost of interim support. The remaining savings target will be realised in 2015/16. It is important to note that, the service were aware of this overspend and it has been managed during the year through the delivery of savings within the former Education & Enterprise directorate.

### Corporate Budgets

- 4.7 A summary of the 2014/15 outturn against the Corporate Budgets net controllable revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix D.

**Table 5 – 2014/15 Revenue Budget Outturn – Corporate Budgets**

Service	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variation	
			Over/(Under) £000	%
Corporate Budgets	36,557	38,796	2,239	6.12%

- 4.8 The main factors contributing towards the variation from budget are as follows:

1. **Redundancy Payments** – In order to identify further budget savings and help to balance the budget over the medium term, the Voluntary Redundancy programme, originally launched in 2013/14, continued in 2014/15 with the Council seeking volunteers for redundancy. Redundancy payments totalling £5.4 million and pension strain payments totalling £5.7 million were incurred against the corporate budget during 2014/15.

In March 2015, Cabinet (Resources) Panel were informed that redundancy costs would be funded by a contribution from the Efficiency Reserve, however given the favourable General Fund outturn position for the year those costs have been met from underspends across the Council.

2. **Treasury Management** – There was a net underspend of £12.8 million against the Corporate Treasury Management budget, primarily as a result of the revision

to the Council's Minimum Revenue Provision (MRP) Policy, as approved by Full Council in March 2015.

Councils are required to make prudent provision through the revenue account for the repayment of long-term external borrowing and credit arrangements, referred to as Minimum Revenue Provision (MRP). The straight line method of calculating MRP was adopted by the Council from 1 April 2008, however with the agreement of our External Auditors and the approval of Full Council on 17 December 2014, the approach to calculating MRP was adjusted to an annuity basis from 1 April 2014, resulting in a £4.4 million saving against the in-year budget.

Further detailed workings were undertaken to establish how much MRP the Council would have charged to the revenue account had it have adopted the annuity basis from 1 April 2008. This detailed exercise established that the Council would have charged around £37 million less MRP between 1 April 2008 and 31 March 2014, had it adopted the annuity method during this period.

Following seeking legal advice from Leading Counsel and our External Auditors that they are 'not minded to challenge' the policy, Full Council approved a revised MRP Policy that incorporates an adjustment for being overly prudent during the period from 1 April 2008 to 31 March 2014. This resulted in a zero MRP charge in 2014/15, with the in-year saving against budget removing the requirement to use general reserves in 2014/15. The budget savings arising in future years as a result of changes to the MRP Policy have been reflected in the Council's Medium Term Financial Strategy

3. **Contribution to Earmarked Reserves** – Due to the favourable outturn position, £3.8 million has been contributed to earmarked reserves to support future projects. A summary of the net movements against earmarked reserves is included in Section 5 below.

## **5.0 Reserves, Provisions and Balances**

- 5.1 A report detailing the Council's reserves, provisions and balances as at 31 March 2015 will be received at this meeting. The report, titled 'Reserves, Provisions and Balances 2014/15', will seek approval for transfers to and from reserves, provisions and balances.
- 5.2 At the beginning of 2014/15 a balance of £27 million was held within the general fund reserve. The following table sets out the movement on the general fund reserves during the year:

**Table 6 – General Fund Reserves 2014/15**

	£000
<b>Balance as at 1 April 2014</b>	<b>(27,000)</b>
Transfer balance above £10 million to specific reserves	17,000
<b>Balance as at 31 March 2015</b>	<b>(10,000)</b>

5.3 On 24 March 2015, it was reported to Cabinet that the balance in excess of £10 million remaining in general fund reserves at 31 March 2015 would be transferred into specific reserves for future invest to save projects and redundancy costs. Due to the favourable General Fund outturn position for 2014/15, the Council did not draw down £9.9 million of general fund reserves to balance the budget, as originally budgeted for. It is therefore proposed that £17 million is transferred from general fund reserves into specific reserves, for which approval is sought in the Reserves, Provisions and Balances 2014/15 report to be presented at this meeting.

5.4 It is important to note, that many of the changes to reserves, as detailed in the Reserves, Provisions and Balances report to be received at this meeting, which have arisen from the favourable General Fund outturn position in 2014/15, are already factored into the Council's Medium Term Financial Strategy. The underspend against budget during 2014/15 will help to support the Council's short term financial position, however it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £46.3 million of savings. An update on progress to date with the savings strategy for 2016/17 will be reported to Cabinet at this meeting in the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 report.

## **6.0 Outturn on Schools' Budgets**

6.1 Schools contributed £1.4 million to reserves during 2014/15, taking the total accumulated reserves to £15.7 million at 31 March 2015. This is set against school's projection of balances of £8.1 million at the end of 2014/15, and therefore actual balances are £7.6 million greater than forecast. The Directors of Education and Finance will continue to challenge those schools who hold surplus balances, aiming to gain an understanding of plans in place and whether they are appropriate. A detailed analysis of the outturn on schools' budgets is provided in Appendix E.

## **7.0 Housing Revenue Account**

7.1 The table below provides the Housing Revenue Account (HRA) revenue outturn for 2014/15 compared to the approved budget. It is important to note that debt redemption,

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[NOT PROTECTIVELY MARKED]

in order to enable future years' capital expenditure, is a critical element of the business plan and as such in-year surpluses are committed and not generally available. This table fully reflects the budgeting and accounting arrangements applying since the 2012/13 self-financing regime was introduced, in accordance with which the table has been reformatted from previous reports to show surplus for the year before funds are allocated to reserves and/or the provision for redemption of debt.



**Table 7 – Housing Revenue Account Revenue Outturn 2014/15**

	Approved Budget £000	2014/15 Outturn £000	Variance £000
<b>Income</b>			
Gross rents – dwellings	(91,440)	(92,073)	(633)
Gross rents – non dwellings	(1,641)	(1,710)	(69)
Charges to tenants for services and facilities	(5,217)	(5,152)	65
<b>Total income</b>	<b>(98,298)</b>	<b>(98,935)</b>	<b>(636)</b>
<b>Expenditure</b>			
Repairs and maintenance	26,557	25,821	(736)
Supervision and management	18,775	18,395	(380)
Rents, rates and taxes	251	430	179
Increase in provision for bad debts	2,000	557	(1,443)
Depreciation of fixed assets	21,861	22,282	421
<b>Total expenditure</b>	<b>69,444</b>	<b>67,485</b>	<b>(1,959)</b>
<b>Net cost of HRA services</b>	<b>(28,854)</b>	<b>(31,450)</b>	<b>(2,595)</b>
Interest payable	17,049	11,162	(5,887)
Interest and investment income	(1)	(105)	(104)
Adjustment for premiums and discounts	(114)	(114)	-
<b>(Surplus)/deficit before transfers to/from reserves and provision for redemption of debt</b>	<b>(11,920)</b>	<b>(20,507)</b>	<b>(8,586)</b>
<b>Allocation of (surplus)/deficit</b>			
Provision for redemption of debt	11,920	20,507	8,586
<b>Balance for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>

7.2 The outturn position for the year was a surplus before allocations of £20.5 million, compared to a budgeted surplus of £11.9 million. The main causes of this favourable result are as follows:

1. **Net financing costs** – there was a saving of £5.9 million on net interest payable. This was due partly to slippage in the capital programme resulting in less borrowing, and partly to savings generated by the treasury management strategy of maintaining cash balances at a reduced level.

2. **Bad debt provision** – the bad debt provision was £1.7 million less than had been forecast. This was due to elements of welfare reform not progressing as quickly as anticipated.
3. **Management and maintenance** – there were savings of £1.1 million across management and maintenance services mainly due to effective vacancy management.

7.3 In accordance with the strategy approved as part of the Business Plan adopted in February 2013, the HRA reserve has been maintained at £5 million and as such the surplus of £20.5 million has been used to pay down debt, thereby increasing the headroom within the government's borrowing cap to fund future capital expenditure.

## 8.0 Yoo Recruit Limited

### Financial Summary

8.1 On the 7 January 2014 Cabinet (Resources) Panel approved the structure of a Council owned temporary staffing Agency. Yoo Recruit has now completed the first 12 months of trading. Table 8 summarises the financial position for the year and it can be seen that the company had a turnover of £2.0 million and a net profit after tax of £7,000. It is proposed that the net profit is retained by Yoo Recruit to enable business development. The financial statements of Yoo Recruit Limited will be subject to external audit.

**Table 8 – Yoo Recruit Profit and Loss Statement 2014/15**

	<b>£000</b>
Sales	2,090
Direct Expenses	(1,867)
<b>Gross Profit</b>	<b>223</b>
Overheads	(214)
<b>Net Profit before tax</b>	<b>9</b>
Taxation	(2)
<b>Net profit after taxation</b>	<b>7</b>

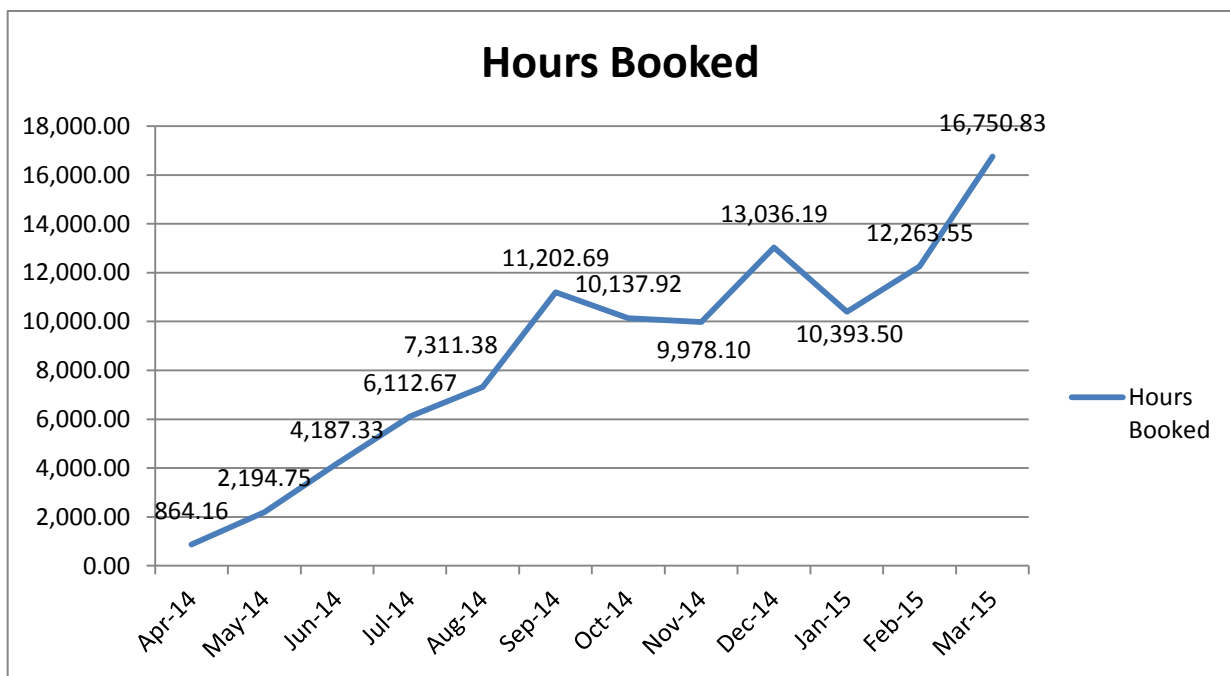
8.2 As a result of recruitment through Yoo Recruit Limited the Council has been able to avoid fees which would have otherwise have been incurred. These include approximately £92,000 in relation to the permanent recruitment of individuals who had been previously employed on a temporary basis through the agency. Ordinarily the Council could expect to pay a fee for the transfer of temporary staff to permanent posts. In addition, approximately £45,000 was avoided through a reduction in use of the Birmingham Gateway Framework arrangement. The Council has therefore realised savings in excess of the £50,000 target that was built into the 2014/15 approved budget.

8.3 On the 7 January 2014 Cabinet (Resources) Panel approved a loan of £175,000 to Yoo Recruit Limited. This loan was repaid in full on 31 March 2015. In order to maintain the cash flow and therefore enable business development it is proposed that a further loan of up to £300,000 be made to Yoo Recruit Limited to be repaid within 12 months at market interest rate. It is proposed that the initial cost of the loan be funded from Corporate Contingency within the Capital Programme. The subsequent repayment of the loan will be treated as a capital receipt.

### Operational Data

8.4 Over the first 12 month period approximately 104,400 hours of work were booked through Yoo Recruit. Graph 1 details hours booked per month and demonstrates a steady increase over the course of the year.

**Graph 1 – Hours booked per month**



8.5 Over the course of the year a total of 5,898 individual bookings were made by clients and a total of 403 workers were employed to fulfil the bookings. Approximately 86% of the candidates who have been fully signed up to Yoo Recruit live in Wolverhampton. The company has worked successfully with local skills and training enterprises such as the Job Centre Plus and Adult Education Centre to ensure that the candidates, who want to work, but have barriers to do so, have these removed as much as possible.

### 9.0 Collection Fund

9.1 The Collection Fund outturned with a £7.0 million deficit during 2014/15; this resulted in an overall deficit of £6.3 million to be carried forward, after taking account of the surplus of £700,000 from previous years.

9.2 As a result of the adverse outturn against the Collection Fund, primarily owing to the impact of appeals against Business Rates, over which the Council has no control, it is proposed that a Business Rates Equalisation reserve be established to equalise the impact of appeals on the Council. Approval for the establishment of this reserve will be sought in the Reserves, Provisions and Balances report to be presented to Cabinet at this meeting. Furthermore, a review of the Collection Fund assumptions built into the Medium Term Financial Strategy will be undertaken to take account of the issues faced as a result of appeals.

## 10.0 Corporate Income – Write-offs

10.1 **Sundry Debtors** – Income is due to the Council for a wide range of services provided to individuals and businesses. To reflect the fact that, despite the Council’s best efforts, not all of this income will actually be collected, the council makes provision for bad and doubtful debts, which it charges directly to the General Fund.

10.2 Overall debt write offs totalling £258,553.52 have been incurred during quarter four of 2014/15. Of those there were 5 write offs greater than £5,000, totalling £92,445.26 which require approval by the Panel, as detailed at Appendix F.

10.3 **Wolverhampton Homes** – Overall net debt write-offs totalling £433,374.88 have been incurred during 2015. Of those debts, there were none that individually exceeded £5,000 and require approval by Cabinet.

## 11.0 Financial Implications

11.1 The financial implications are detailed in the body of the report.  
[MH/08072015/P]

## 12.0 Legal Implications

12.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs.

12.2 The General Power of Competence, contained in Section 1 (1) the Localism Act 2011 gives eligible local authorities, , “*the power to do anything that individuals generally may do*” as long as they do not break other laws. This includes the power to lend or invest money and to set up a company to trade and engage in commercial activity.

12.3 The provision of a ‘soft’ loan where there is an artificially low rate of interest or it is non-interest bearing can constitute State Aid under European legislation. The Council will avoid any question of their being State Aid if it can show that the loan agreement terms including the amount and the length of the loan and the interest rate under which the loan

is repayable corresponds to normal market conditions i.e. it is on commercially acceptable terms. This will be the case here.  
[RB/14072015/B]

### **13.0 Equality Implications**

13.1 As this report provides details of the outturn for 2014/15, there are no equalities implications arising from it. The necessary equalities analyses were carried out as part of the preparations for setting the 2014/15 and 2015/16 budgets, and will similarly form part of the requisite pre-work for 2016/17.

### **14.0 Environmental Implications**

14.1 The Council's annual budget and medium term financial strategy support a range of programmes designed to both improve environmental conditions across the city and promote economic and community development.

### **15.0 Background Papers**

Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19, report to Cabinet, 22 July 2015.

Reserves, Provisions and Balances 2014/15, report to Cabinet, 22 July 2015.

Capital budget outturn 2014/15 including quarter one capital budget monitoring 2015/16 and financial strategy, report to Cabinet, 23 June 2015.

Revenue Budget Monitoring 2014/15, report to Cabinet (Resources) Panel, 24 March 2015.

Treasury Management Strategy 2015/16, report to Full Council, 4 March 2015.

Treasury Management Activity Monitoring – Mid Year Review, report to Full Council, 17 December 2014.

Creating a Council Temporary Staffing Agency, report to Cabinet (Resources) Panel, 7 January 2014.

Revenue Budget Outturn 2014/15 – People

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Older People &amp; Personalisation</b>					
Directorate		222	262	40	-
Assistant Director		144	136	(8)	-
Carers Support	£140,000 underspend on carers support payments along with one off contribution of £100,000 from Public Health	1,388	1,152	(236)	(100)
ILS, Tele Care & Adaptations	Staffing underspend of £91,000 along with one off contribution of £100,000 from Public Health.	2,301	2,120	(181)	(141)
Older People Assessment & Care Management	Underspend on staffing of £297,000, offset in part by overspends across care purchasing of £1.3 million. Transfer to reserve of £1.3 million for Better Care Fund Transition.	14,014	16,223	2,209	1,312
Older People Provider Management	Underspend on staffing of £774,000 and passenger transport of £119,000 along with one-off contributions from public health of £300,000	9,591	8,079	(1,512)	(300)
Welfare Rights & Financial Assessment	Underspend on staffing of £276,000, grant payments of £195,000 and third party payments of £151,000.	748	179	(569)	-
Housing	Underspend on staffing of £100,000 along with a reduction in recharges from the HRA of £530,000	1,539	897	(642)	-
Community Centres	Early achievement of 2015/16 savings target	357	145	(212)	-
Libraries	Early achievement of 2015/16 savings target along with one off contribution of £250,000 from other services	1,664	1,387	(277)	100
<b>Total Older People &amp; Personalisation</b>		<b>31,968</b>	<b>30,580</b>	<b>(1,388)</b>	<b>871</b>

Revenue Budget Outturn 2014/15 – People

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Health, Wellbeing &amp; Disabilities</b>					
Assistant Director		133	117	(16)	-
Children's Disabilities Commissioning		64	50	(14)	-
Disabilities In-House Provision	Early achievement of 2015/16 savings target along with one off contribution of £100,000 from another service.	8,678	7,549	(1,129)	-
Emergency Duty Team		411	427	16	-
Housing Support & Social Inclusion	Unrealised savings relating to contracts across supporting people	4,771	5,578	807	-
Mental Health Care Management	Underspend on staffing of £181,000, supplies and services of £260,000 and care purchasing budgets of £332,000.	6,254	5,545	(709)	-
Short Breaks		393	462	69	-
Children With Disabilities		1,022	1,091	69	-
Learning Disabilities Assessment & Care Management	Underspend on staffing of £151,000, and across care purchasing budgets of £282,000. One off contribution from other services of £200,000.	20,465	19,813	(652)	-
Physical Disabilities Assessment & Care Management		5,998	5,915	(83)	-
Disabilities Commissioning	Higher than budgeted income from other organisations of £292,000 along with underspend on third party payments of £92,000	1,099	730	(369)	-
SEN	Overspend due to cost pressures on Out of City placements	(270)	21	291	-
<b>Total Health, Wellbeing &amp; Disabilities</b>		<b>49,018</b>	<b>47,298</b>	<b>(1,720)</b>	<b>-</b>

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Revenue Budget Outturn 2014/15 – People

APPENDIX A

Service	Reason for Variation	Net Controllable Budget 2014/15  £000	Net Controllable Outturn 2014/15  £000	Variance 2014/15  £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Children, Young People &amp; Families</b>					
Service Director	£143,000 savings due to voluntary redundancies.	642	462	(180)	(2)
Children Centres	Underspend on staffing and professional fees £832,000 partially offset by increased payments of £251,000 to nursery providers. One off contribution from other services of £1 million.	5,794	4,228	(1,566)	-
Children In Need	£1 million overspend on agency costs (over and above savings from staffing vacancies, along with overspend of £233,000 on Section 17 payments, and volunteer drivers and client transport of £103,000. All of which are associated with increased caseloads and demands for services, overspend partially offset by a one off contribution from Public Health £273,000 in relation to Family Functional Therapy Services.	6,462	7,433	971	-
Children Commissioning	Underspend on staffing £89,000 along with a reduction in payments on Children's Commissioning Contracts.	820	681	(139)	-
Looked After Children	Overspend on Looked-after - Children out of city placements of £2.2 million along with £1.4 million increased costs associated with adoption and guardianship allowances and inter-agency fees. Also, £295,000 increased costs on LAC Transitions linked to client allowances and £198,000 increased costs for Remand/Secure Accommodation over and above the funding allocation from the Youth Justice Board. Partially offset by underspend of £596,000 on staffing.	31,332	34,796	3,464	-
Social Inclusion & Play	Underspend of £1.0 million due to staff vacancies across the service held pending a restructure.	2,839	1,733	(1,106)	(350)
Youth Offending Team	£320,000 underspend on staffing.	1,142	757	(385)	-
Business Support		285	362	77	
Youth		1,332	1,180	(152)	155
<b>Total Children, Young People &amp; Families</b>		<b>50,648</b>	<b>51,632</b>	<b>984</b>	<b>(197)</b>



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**APPENDIX A**

**Revenue Budget Outturn 2014/15 – People**

Service	Reason for Variation	Net Controllable Budget 2014/15  £000	Net Controllable Outturn 2014/15  £000	Variance 2014/15  £000	Element relating to Transfer to/from Earmarked Reserves £000
Public Health, Parks and Safeguarding					
Public Health		-	-	-	1,200
Public Health - Healthier Places		2	(1)	(3)	-
Business Continuity & Emergency Planning		-	(17)	(17)	-
Community Safety		391	394	3	-
Safeguarding		2,159	2,073	(86)	71
<b>Total Public Health, Parks and Safeguarding</b>		<b>2,552</b>	<b>2,449</b>	<b>(103)</b>	<b>1,271</b>
<b>Total People</b>		<b>134,186</b>	<b>131,959</b>	<b>(2,227)</b>	<b>1,945</b>

Revenue Budget Outturn 2014/15 – Place

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Directorate</b>					
Strategic Director		340	367	27	-
<b>City Economy</b>					
Assistant Director		146	139	(7)	-
Enterprise & Skills	Staff vacancies and use of additional grant funding	2,378	2,208	(170)	(221)
Neighbourhood Services	Staff vacancies	2,156	2,022	(134)	-
Partnerships Operations and Development		37	37	-	(22)
City Development		441	349	(92)	(72)
Visitor Economy		830	799	(31)	150
Adult Education		(115)	(104)	11	-
Culture, Arts and Heritage	Staff vacancies and additional income	1,573	1,379	(194)	-
<b>Total City Economy</b>		<b>7,446</b>	<b>6,829</b>	<b>(617)</b>	<b>(165)</b>

Revenue Budget Outturn 2014/15 – Place

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>City Assets</b>					
Assistant Director		147	153	6	-
Transportation	Staff vacancies, surface water management savings, additional income	1,859	1,471	(388)	-
Housing		700	648	(52)	124
Performance and Service Support	Shortfall on in year administrative savings	10	212	202	-
Planning		876	830	(46)	37
Catering Services	Additional schools meals income	(921)	(1,366)	(445)	-
Cleaning and Caretaking Services	Staff vacancies and additional income	1,979	1,828	(151)	-
Community Centres		195	181	(14)	-
Corporate Asset Management		488	548	60	-
Facilities Management	Civic centre savings and additional income from schools	3,111	2,941	(170)	-
Estates and Valuations		(1,246)	(1,160)	86	(22)
Property Services (Including Utilities)		4,371	4,459	88	-
<b>Total City Assets</b>		<b>11,569</b>	<b>10,745</b>	<b>(824)</b>	<b>139</b>

Revenue Budget Outturn 2014/15 – Place

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>City Environment</b>					
Assistant Director		135	200	65	-
Bereavement Services		(1,943)	(1,943)	-	(14)
Environmental Maintenance	Staff vacancies and early delivery of 2015/16 savings	8,184	7,160	(1,024)	-
Regulatory Services	Early delivery of 2015/16 staff restructure savings	2,058	1,494	(564)	(38)
Fleet Services	Vacancies and additional income from sale of scrap vehicles	(1,108)	(1,768)	(660)	-
Highways Maintenance		1,843	1,780	(63)	-
Landscape	Additional fee income	21	(109)	(130)	-
Leisure Services	NNDR refunds and PFI contract savings	2,002	1,606	(396)	-
Markets	Staff vacancies and savings on repairs and maintenance	(584)	(728)	(144)	-
Parking Services	Staff vacancies and additional income	(553)	(790)	(237)	-
Street Lighting	Capitalisation of surface dressing costs and additional income	3,394	2,458	(936)	-
Waste & Recycling Services	Additional contract and vehicle hire costs	13,513	13,840	327	-
<b>Total City Environment</b>		<b>26,962</b>	<b>23,200</b>	<b>(3,762)</b>	<b>(52)</b>
<b>Total Place</b>		<b>46,317</b>	<b>41,141</b>	<b>(5,176)</b>	<b>(78)</b>

Revenue Budget Outturn 2014/15 – Corporate Services including Education

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Managing Director</b>		223	243	20	-
<b>Finance</b>					
Director of Finance		144	148	4	-
Audit Services	The underspend is due to the early delivery of savings, arising from voluntary redundancies and vacant posts.	1,629	1,451	(178)	(487)
Corporate Financial Management	A significant element of the net underspend relates to a lower than budgeted cost of Compensatory Added Years due to higher than anticipated turnover. In addition external audit fees were lower than budgeted in 2014/15.	3,591	3,300	(291)	300
Corporate Management		850	809	(41)	-
Revenues and Benefits		2,029	2,009	(20)	-
Housing Benefits Payments		(432)	(415)	17	-
Strategic Finance	The overspend in 2014/15 is mainly due to a reduction in external income (recharges to pensions Fund and schools). This has been offset by managed underspends from across the wider Finance Service.	1,874	1,991	117	-
The Hub	One off transitional costs following the implementation of Agresso. This has been offset by managed underspends from across the wider Finance Service.	1,771	1,959	188	(2,360)
Corporate Procurement		706	662	(44)	-
<b>Total Finance</b>		<b>12,385</b>	<b>12,157</b>	<b>(228)</b>	<b>(2,547)</b>

Revenue Budget Outturn 2014/15 – Corporate Services including Education

APPENDIX C

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Governance</b>					
Corporate Administration		368	338	(30)	-
Democracy	The underspend is due to the early delivery of savings, arising from voluntary redundancies and vacant posts.	2,026	1,806	(220)	-
HR Advice	One off transitional costs following the implementation of Agresso. This has been offset by managed underspends from across the wider Corporate Directorate.	1,969	2,551	582	(25)
Legal Services		2,478	2,467	(11)	-
<b>Total Governance</b>		<b>6,841</b>	<b>7,162</b>	<b>321</b>	<b>(25)</b>
<b>Transformation</b>					
Communications and Marketing	The underspend is due to the early delivery of savings, arising from voluntary redundancies and vacant posts.	626	396	(230)	-
Customer Services		1,674	1,578	(96)	(198)
ICTS	The underspend is mainly due to the early implementation of an ICTS restructure to deliver approved savings. The costs of the Document Centre have also reduced significantly following a service review and rationalisation.	5,565	4,727	(838)	(12)
Transformation	The underspend is due to a range of factors including: 1) Redundancies in the former Chief Executive's Office; 2) Redundancies and management of vacant posts elsewhere across the service area; 3) A significant reduction in workforce development costs as a result of centralisation and rationalisation of training budgets to deliver savings.	4,000	2,661	(1,339)	31
<b>Total Transformation</b>		<b>11,865</b>	<b>9,362</b>	<b>(2,503)</b>	<b>(179)</b>

Revenue Budget Outturn 2014/15 – Corporate Services including Education

Service	Reason for Variation	Net Controllable Budget 2014/15	Net Controllable Outturn 2014/15	Variance 2014/15	Element relating to Transfer to/from Earmarked Reserves
		£000	£000	£000	£000
<b>Education</b>					
Director of Education	Restructure implemented in 2014/15 did not deliver full savings target in year due to residual staffing costs. Also includes the costs of interim consultants. Un resolved savings target to be realised in 2015/16	(198)	267	465	-
Schools	Reduction of £130k in Education Services grant allocation 2014/15	(5,355)	(5,222)	133	-
Standards and Vulnerable Pupils		892	889	(3)	-
School Planning and Resources		4,060	4,048	(12)	-
<b>Total Education</b>		<b>(601)</b>	<b>(18)</b>	<b>583</b>	<b>-</b>
<b>Total Corporate Services</b>		<b>30,490</b>	<b>28,663</b>	<b>(1,827)</b>	<b>(2,751)</b>

Revenue Budget Outturn 2014/15 – Corporate Budgets

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Corporate Budgets</b>					
West Midlands Transport Authority Levy		12,600	12,600	-	-
Environment Agency Levy		67	67	-	-
Provision for Bad Debts	Provision for bad debts was greater than originally budgeted for.	375	641	266	-
Treasury Management Budgets	A change in the basis of calculating the Council's Minimum Revenue Provision (MRP) for the redemption of debt from straight line to annuity method which also incorporates an adjustment for being overly prudent during the period from 1 April 2008 to 31 March 2014, has resulted in a zero MRP charge in 2014/15 and therefore significant underspends against budget.	22,811	10,724	(12,087)	-
Birmingham Airport - Rent		(69)	(86)	(17)	-
Contribution from Southside Reserve		-	-	-	-
Central Provision for increased Pension Costs	This budget contributed towards the cost of pension strain arising from redundancies during the year.	2,091	-	(2,091)	-
Redundancy Costs	Redundancy payments during 2014/15 arose primarily as a result of the Voluntary Redundancy Programme. The net outturn against Corporate Budgets includes a provision totalling £243,000 for redundancies agreed but not due to occur until 2015/16, in addition to pension strain payments totalling £5.7 million.	-	11,061	11,061	-
Cross-cutting Savings Proposals	Cross cutting saving held corporately has been delivered through underspends against the Minimum Revenue Provision budget.	(550)	-	550	-
Other Corporate Budgets		(768)	(21)	747	-



APPENDIX D

Revenue Budget Outturn 2014/15 – Corporate Budgets

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<i>Reserve adjustments:</i>					
Contribution from the General Fund reserve	Reallocation of General Fund and Earmarked Reserves to ensure sufficient funds are available for future projects. Including a contribution of £3.8 million to earmarked reserves during the year.	-	(17,000)	(17,000)	(17,000)
Contribution from Blocks 10 & 11 Treasury Management Reserve		-	(766)	(766)	(766)
Contribution from the Southside Treasury Management Reserve		-	(735)	(735)	(735)
Contribution from the Business Continuity Reserve		-	(250)	(250)	(250)
Contribution from the LAC Transformation Reserve		-	(250)	(250)	(250)
Contribution from the Jennie Lee Centre Disposal Reserve		-	(132)	(132)	(132)
Contribution from the Furniture Reserve		-	(105)	(105)	(105)
Contribution from the Libraries Reserve		-	(100)	(100)	(100)
Contribution from the Professional Support and Advice Reserve		-	(66)	(66)	(66)

Revenue Budget Outturn 2014/15 – Corporate Budgets

APPENDIX D

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
Contribution from the Troubled Families Programme Reserve	Reallocation of General Fund and Earmarked Reserves to ensure sufficient funds are available for future projects. Including a contribution of £3.8 million to earmarked reserves during the year.	-	(39)	(39)	(39)
Contribution from the Economic Development Reserve		-	(7)	(7)	(7)
Contribution from the Corporate Advertising Reserve		-	(6)	(6)	(6)
Contribution to the Budget Strategy Reserve		-	7,720	7,720	7,720
Contribution to the Budget Contingency Reserve		-	4,824	4,824	4,824
Contribution to the Business Rates Equalisation Reserve		-	3,000	3,000	3,000
Contribution to the Treasury Management Equalisation Reserve		-	2,000	2,000	2,000
Contribution to the Efficiency Reserve		-	1,921	1,921	1,921
Contribution to the FutureWorks Reserve		-	1,500	1,500	1,500
Contribution to the Regional Work Reserve		-	1,000	1,000	1,000
Contribution to the Transformation Reserve		-	650	650	650
Contribution to the Development Reserve		-	500	500	500
Contribution to the Regeneration Reserve		-	151	151	151
<b>Corporate Budgets Total</b>			<b>36,557</b>	<b>38,796</b>	<b>2,239</b>

Revenue Budget Outturn 2014/15 – Corporate Budgets

Service	Reason for Variation	Net Controllable Budget 2014/15 £000	Net Controllable Outturn 2014/15 £000	Variance 2014/15 £000	Element relating to Transfer to/from Earmarked Reserves £000
<b>Corporate Resources</b>					
Revenue Support Grant		(86,956)	(86,788)	168	-
New Homes Bonus		(2,565)	(2,565)	-	-
Top Up Grant		(35,226)	(35,226)	-	-
Localised Business Rates		(36,624)	(36,278)	346	-
S31 Grant - 2014/15 and 2013/14	Receipt of an additional Business Rates support grant totalling £3.4 million.	-	(3,438)	(3,438)	-
Enterprise Zone Business Rates		(370)	(377)	(7)	500
Council Tax		(76,567)	(76,587)	(20)	-
Collection Fund Deficit		700	700	-	-
Budgeted Use of Reserves		(9,942)	-	9,942	-
<b>Corporate Resources Total</b>		<b>(247,550)</b>	<b>(240,559)</b>	<b>6,991</b>	<b>500</b>
<b>Total Corporate</b>		<b>(210,993)</b>	<b>(201,763)</b>	<b>9,230</b>	<b>4,310</b>

**Outturn on Schools' Budgets**

Schools started the 2014/15 financial year with accumulated reserves of £14.3 million (for schools that remain in Local Authority control); at the end of the year revenue balances were £15.7 million for these same schools. This represents 10.03% of the funding and income available to schools during 2014/15.

This is set against school's projection of balances of £8.1 million for 2014/15 and therefore actual balances are £7.6 million greater than forecast.

**Table 9 – Analysis of Schools Balances 2013/14 and 2014/15**

	<b>Actual Balances at 1 April 2014 Surplus for schools in Local Authority control £m</b>	<b>Actual Use of Balances in 2014/15 £m</b>	<b>Schools Balances at 31st March 2015 £m</b>
Infant	0.6	(0.1)	0.5
Junior	0.5	0.0	0.5
Primary	8.2	0.9	9.1
Secondary	0.7	0.1	0.8
Special	2.9	(0.7)	2.2
Nursery	0.5	1.0	1.5
PRU	0.9	0.2	1.1
<b>Total</b>	<b>14.3</b>	<b>1.4</b>	<b>15.7</b>

During 2014/15 the Local Authority had a sharper focus on schools balances and met with head teachers and chairs of governors of schools to agree plans for the use of balances to ensure that they were being used effectively. The level of balances at the end of 2014/15 will drive further attention on school plans for the resources still being held in schools.

Schools may be maintaining balances for:

- a) Future cost increases in pension and other pay related costs, whilst they are aware that there will be no increases in funding per pupil for the foreseeable future.
- b) It is expected that a national funding formula will be introduced during the current parliament it is expected that this will bring significant turbulence in the school funding system and to schools funding settlements.

It is important to note that, as any variances against schools' delegated budgets are transferred either to or from schools accumulated reserves, their outturn position is financially neutral to the Council's General Fund.

**Schools in a Deficit Position**

The table below shows that the number of schools in deficit has increased by two increased by one.

**Table 10 – Number of schools/settings in a Deficit Position**

<b>Sector</b>	<b>2013/14</b>	<b>2014/15</b>
Primary	2	2
Secondary	3	2
Special	0	1
PRU	0	1

Where schools end the financial year in a deficit position they are required to seek the approval of the Local Authority, to operate with a deficit balance. A further report on these will be brought to Cabinet (Resources) Panel in September 2015.

Corporate Income – Write-offs in excess of £5,000

Account	Reason	Date written off	Amount of write off £
<b>Sundry Debtors</b>			
Overpayment of Housing Benefits	Debtor deceased	Mar 2015	43,164.48
Schools	Uneconomical to pursue	Mar 2015	19,332.70
Care charges	Debtor deceased	Feb 2015	6,353.08
Highways Service Charges	Bankruptcy & Liquidation	Jan 2015	23,595.00
			<b>92,445.26</b>

# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Reserves, Provisions and Balances 2014/15	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Mark Taylor	Director of Finance
	Tel	01902 556609
	Email	mark.taylor@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Confident Capable Council Scrutiny Panel	7 October 2015

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

1. Approve the transfers to/(from) specific reserves, provisions and general balances as detailed in tables 2, 3 and 4, including a transfer of £17 million from the General Fund balance into specific reserves.
2. Approve expenditure from provisions for their purposes as set out in Appendix B, up to the value held in each provision as at 31 March 2015.
3. Approve the continuation of delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to allocate funds from the Budget Contingency Reserve, the Regeneration Reserve, the Efficiency Reserve and the Transformation Reserve during 2015/16.

4. Approve the delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to allocate funds from the Development Reserve, the Regional Work Reserve, the Enterprise Zone Business Rates, the Business Rates Equalisation and the Treasury Management Equalisation Reserves, and the Budget Strategy Reserve during 2015/16.
5. Approve the delegation of authority to the Cabinet Member for Resources, in consultation with the Managing Director, to allocate funds from the Combined Authority Reserve during 2015/16.

**Recommendations for noting:**

The Cabinet is asked to note:

1. The level of the council's specific reserves, provisions and general balances as at 31 March 2015 and the purposes for which they are being held, as detailed in Appendices A and B.
2. That relevance and adequacy of specific reserves and general balances will be reviewed as required by the Constitution during the 2016/17 budget setting process.
3. That allocation of funding from all specific reserves will be reported to Cabinet (Resources) Panel in the scheduled quarterly budget monitoring reports.
4. That Confident Capable Council Scrutiny Panel will scrutinise the use of reserves as part of the budget setting process as in previous years.
5. That the Director of Finance considers that the overall level of all reserves, provisions and balances is sufficient to meet the likely level of obligations to be met from reserves, provisions and general balances in the short term.
6. The favourable General Fund outturn position during 2014/15, and the resulting adjustments to reserves, will help to support the Council's short term financial position, however it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £46.3 million of savings. Work continues to identify budget savings to address the projected budget deficit faced by the council over the medium term.



## 1.0 Purpose

- 1.1 The purpose of this report is to inform Cabinet of the Council's resources currently held as specific reserves, provisions and general balances as at 31 March 2015, taking account of the outturn position for 2014/15.

## 2.0 Summary

- 2.1 An analysis of the authority's general balances, specific reserves and provisions at 31 March 2015 is provided in table 1 below. This comprises of reserves, provisions and balances held for all funds including the General Fund, the Housing Revenue Account and Schools.

**Table 1 – Balances, Reserves and Provisions as at 31 March 2014 and 31 March 2015**

	Further details	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
Total General Balances	Table 2	(47,990)	17,968	(30,022)
Total Specific Reserves	Table 3	(27,630)	(23,816)	(51,446)
Total Provisions	Table 4	(39,053)	9,140	(29,913)
<b>Overall Total</b>		<b>(114,673)</b>	<b>3,292</b>	<b>(111,381)</b>

- 2.2 Overall, during 2014/15 there has been a reduction in the level of general balances, specific reserves and provisions. Full details of the movements against general balances, specific reserves and provisions are provided in the sections below.

## 3.0 Background

- 3.1 Specific reserves are made up of retained surpluses against previous years' revenue budgets, which are available to fund future expenditure. Some are required by law or accounting practice, whilst others represent amounts voluntarily set aside by the council for specific purposes.
- 3.2 The definition of provisions is set out in financial reporting standards. They state that a provision should be established when:
1. the council has a present obligation as a result of a past event, and
  2. there is significant uncertainty around the timing or amount of settlement of the obligation, but
  3. a reliable estimate can be made of the likely cost to the council.
- 3.3 These definitions are for accounting purposes. The important issue for the Council in looking forward is whether or not the specific reserves and provisions, taken together

with the Council's general balances, are sufficient to meet the cost of fulfilling the obligations (past or future) for which these reserves and provisions were established. If those obligations have been met, it is good practice to release the reserve or provision. The funds released are then available for other uses.

- 3.4 Due to the projected financial challenges facing the Council over the medium term, combined with the budget risks, reserves should only be called on in very specific circumstances and are not a viable funding option to reduce the projected budget deficit over either the short or longer term.
- 3.5 The policy on the use of reserves was revised during the 2014/15 budget process, and approved by Full Council in November 2013. The revised policy states:
1. Specific Reserves - to provide sufficient sums to meet known and estimated future liabilities and/or planned expenditure.
  2. General Fund Balance:
    1. To retain a minimum balance of £10 million at all times in order that sufficient sums are available to address the significant budget risks that face the authority should they materialise.
    2. This actual balance may however be lower than the £10 million where the use of these balances is the only option to fund significant costs associated with downsizing the workforce, in order to deliver significant ongoing savings. These balances should however be replenished to the minimum level of £10 million within a maximum of two financial years.
    3. Can only be used following the agreement of Full Council having first been considered by the Cabinet Member for Resources in consultation with Cabinet colleagues and then by Cabinet (Resources) Panel and only in the following circumstances:
      - a. To fund one-off exceptional/extraordinary items of expenditure where such expenditure cannot be contained within existing budgets or by calling on specific reserves and/or provisions.
      - b. To smooth the impact of a significant projected medium term budget deficit, where robust plans to address that deficit will take time to approve and implement.
      - c. To fund Invest to Save or income generating initiatives where there are insufficient sums held within the Efficiency Reserve to fund the initiative and there is a payback within a reasonable period of time.

## 4.0 General Balances

4.1 The Council maintains a number of general balances created by retained surpluses in this year and past years, as detailed in the table below.

**Table 2 – General Balances at 31 March 2014 and 31 March 2015**

	<b>Balance at 31 March 2014 £000</b>	<b>Net Movement 2014/15 £000</b>	<b>Balance at 31 March 2015 £000</b>
Schools' Balances	(15,990)	968	(15,022)
General Fund Balance	(27,000)	17,000	(10,000)
Housing Revenue Account Balance	(5,000)	-	(5,000)
<b>Total Balances</b>	<b>(47,990)</b>	<b>17,968</b>	<b>(30,022)</b>

- 4.2 General balances, unlike specific reserves, are funds that are generally available and not earmarked for a specific purpose although the individual funds are ring-fenced.
- 4.3 Schools' Balances are accumulated from savings against school budgets in past years. This sum is only available to fund expenditure against schools' delegated budgets.
- 4.4 The General Fund Balance has been accumulated from savings against general fund budgets in previous years. Due to the favourable General Fund outturn position for 2014/15, as reported to Cabinet at this meeting in the Revenue Outturn 2014/15 report, the Council did not draw down £9.9 million from the General Fund Balance to balance the budget, as originally budgeted for. It is therefore proposed that the balance in excess of £10 million in the General Fund Balance – £17 million – is transferred from the General Fund balance into specific reserves for future invest to save projects and redundancy costs.
- 4.5 The General Fund Balance will therefore be £10 million on 1 April 2015; the minimum balance as determined by the Council's policy on reserves and balances. Emphasis has therefore been placed on identifying budget savings to meet the projected budget deficit over the medium term. Details of the savings strategy progress to date for 2016/17 will be presented to Cabinet at this meeting in the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 report.
- 4.6 The Housing Revenue Account (HRA) Balance has been accumulated from net savings against HRA budgets in previous years. This balance is only available to fund expenditure against the HRA budget.

## 5.0 Specific revenue reserves

5.1 In addition to general balances, the Council also holds a number of specific reserves. An analysis of the authority's specific revenue reserves at 31 March 2015 is provided in the table below and is shown in more detail by individual reserve in Appendix A.

**Table 3 – Specific Revenue Reserves as at 31 March 2014 and 31 March 2015**

	<b>Balance at 31 March 2014 £000</b>	<b>Net Movement 2014/15 £000</b>	<b>Balance at 31 March 2015 £000</b>
People	(3,467)	(1,554)	(5,021)
Place	(3,933)	(57)	(3,990)
Corporate Services (including Education)	(5,315)	(358)	(5,673)
Corporate Budgets	(14,915)	(21,847)	(36,762)
<b>Total Specific Reserves</b>	<b>(27,630)</b>	<b>(23,816)</b>	<b>(51,446)</b>

5.2 As part of the 2015/16 budget process all specific reserves were reviewed for relevance and adequacy by Strategic Finance in conjunction with Budget Managers. They were also reviewed by Confident Capable Council Scrutiny Panel Specific Reserves Working Group for appropriateness.

5.3 There have been net additions to specific reserves totalling £23.8 million, as detailed in Appendix A.

5.4 Following a review to ensure adequacy by the Director of Finance, it is recommended that the following transfers between specific reserves are approved by Cabinet:

1. Transfer £766,156 from the Blocks 10 & 11 Treasury Management Reserve and £735,256 from the Southside Treasury Management Reserve to the newly established Treasury Management Equalisation Reserve;
2. Transfer of £250,000 from the LAC Transformation Reserve to the Efficiency Reserve;
3. Transfer of £132,238 from the Jennie Lee Centre Disposal Reserve to the Efficiency Reserve;
4. Transfer of £105,000 from the Furniture Reserve to the Efficiency Reserve;
5. Transfer £66,266 from the Professional Support and Advice Reserve to the Budget Contingency Reserve;
6. Transfer £38,552 from the Troubled Families Programme Reserve to the Efficiency Reserve;
7. Transfer £7,000 from the Economic Development Reserve to the Regeneration Reserve;
8. Transfer of £5,951 from the Corporate Advertising Reserve to the Efficiency Reserve; and,
9. Transfer of £143,905 from the Efficiency Reserve to the Regeneration Reserve.

- 5.5 In addition to those transfers detailed in the paragraph above, due to the favourable General Fund outturn position for 2014/15, as reported to Cabinet at this meeting in the Revenue Outturn 2014/15 report, the Council did not draw down £9.9 million of general fund reserves to balance the budget, as originally budgeted for. It is therefore proposed that the balance in excess of £10 million in general fund reserves – £17 million – is transferred into specific reserves for future invest to save projects and redundancy costs. The specific reserves detailed in Appendix A reflect this proposal, which Cabinet are recommended to approve.
- 5.6 Specific reserves will be reviewed as part of the revenue budget monitoring process throughout 2015/16, as required within the Constitution. Any proposed adjustments to specific revenue reserves will be reported to Cabinet (Resources) Panel for approval.
- 5.7 Further to this, the Confident Capable Council Scrutiny Panel will scrutinise the use of reserves as part of the 2016/17 budget setting process as in previous years.

## 6.0 Provisions

- 6.1 An analysis of the authority's provisions at 31 March 2015 is provided in the table below and is shown in more detail by individual provision in Appendix B.

**Table 4 – Provisions as at 31 March 2014 and 31 March 2015**

	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
Provisions for Bad and Doubtful Debts	(13,524)	1,072	(12,452)
Other Provisions	(25,529)	8,068	(17,461)
<b>Total</b>	<b>(39,053)</b>	<b>9,140</b>	<b>(29,913)</b>

## 7.0 Adequacy

- 7.1 In accordance with the provisions of the Local Government Act 2003 (Section 25); the Director of Finance is required to report on the adequacy of the proposed reserves. The Director of Finance considers that the overall level of all reserves, provisions and balances is sufficient to meet the likely level of obligations to be met from reserves, provisions and general balances in the short term.
- 7.2 It is important to note however, that many of the changes to reserves detailed within this report, which have arisen from the favourable General Fund outturn position in 2014/15, are already factored into the Council's Medium Term Financial Strategy. The underspend against budget during 2014/15 will help to support the Council's short term financial position, however it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £46.3 million of savings.

7.3 Work continues to identify budget savings to address the projected budget deficit faced by the council over the medium term, and progress will be reported to Cabinet at this meeting in the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 report.

## **8.0 Financial implications**

8.1 The financial implications are discussed in the body of the report.  
[MH/08072015/G]

## **9.0 Legal implications**

9.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs.  
[TS/13072015/H]

## **10.0 Equalities implications**

10.1 This report has no direct equality implications. However, any consideration given to the use of reserves and/or balances could have direct or indirect equality implications: these will need to be considered as and when sums are allocated from reserves and/or balances whereby an initial screening will be conducted.

## **11.0 Environmental implications**

11.1 This report has no direct implications for the council's environmental policies. However, any consideration given to the use of reserves and/or balances could have direct or indirect environmental implications: these will need to be considered as and when sums are allocated from reserves and/or balances.

## **12.0 Schedule of background papers**

Draft Budget and Medium Term Financial Strategy 2016/17 to 2018/19, report to Cabinet, 22 July 2015.

Revenue Outturn 2014/15, report to Cabinet, 22 July 2015.

5 Year Budget and Medium Term Financial Strategy 2014/15 to 2018/19, report to Full Council, 6 November 2013.

Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>People</b>				
BCF Transition Reserve	To support the Better Care Fund Programme 2015/16.	-	(1,312)	(1,312)
Building Resilience Reserve	To continue activities under the Preventing Violent Extremism work stream.	(23)	19	(4)
Library Equipment	For the purchase of equipment for libraries.	(157)	-	(157)
Looked After Children Transformation Reserve	One-off project management costs arising from the Looked After Children (LAC) Transformation programme.	(250)	250	-
Mary Ellen Bequest - Oxley Training Centre Reserve	Bequest available for use at the Oxley Training Centre.	(7)	-	(7)
Mediation Service	The Mediation Service is self-funded through annual contributions which do not match the financial year in which expenditure is incurred. Earmarking the income already generated for the Mediation Service aids service planning.	(24)	4	(20)
Public Health - Alcohol	In line with the Corporate Priority to support the delivery of an effective Hospital based Alcohol Treatment Service and the implementation of a Multi Agency Safeguarding Hub (Toxic Trio Link).	-	(150)	(150)
Public Health - Emergency Planning Contingency	To respond to public health incidents and support the establishment of the resilience team imbed robust framework.	(50)	15	(35)
Public Health - Health Protection and Sexual Health	To support the implementation of new sexual health services for Wolverhampton and to initiate new ways of engaging and protecting vulnerable groups from infectious diseases.	-	(260)	(260)
Public Health - Healthy Ageing	To support collaborative work that aims to promote independence.	-	(70)	(70)

Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>People</b>				
Public Health - Infant Mortality	Corporate action in relation to the Infant Mortality Scrutiny Review and Action Plan.	-	(325)	(325)
Public Health - Obesity	Corporate action in relation to the Obesity call To Action.	-	(500)	(500)
Public Health - Public Mental Health	To fund projects supporting Public Mental Health	-	(86)	(86)
Public Health - Year 2 Transformation Fund	To support 2nd year Transformational projects approved through Health & Wellbeing Board.	-	(525)	(525)
Public Health CASH Additional Contracts	To fund public health interventions across the wider determinates in health.	(65)	45	(20)
Public Health Early Intervention Team	To support the families first programme.	(100)	31	(69)
Public Health Family Functional Therapy	To fund a specialised service to support adolescence on the edge of care remain with their families.	(40)	40	-
Public Health HOPE Service	To fund door to door local community research.	(3)	3	-
Public Health Housing Standards	Improving health through improving private sector housing.	(400)	-	(400)
Public Health MTFS 2014/15	To fund social inclusion re-design to meet public health outcomes for children and young people in the city.	(350)	350	-
Public Health Reserve	Public Health initiatives - ringfenced grant to meet public health criteria.	(545)	545	-
Public Health Services with PH Benefit	Public Health Services with Public Health Benefit	(150)	150	-
Public Health Strength and Balance	To support the Falls Prevention Service.	(117)	117	-
Public Health Telecare	Supporting telecare use to help independence particularly for elderly adults.	(100)	41	(59)
Public Health Transformation Fund	To support Transformational projects approved through Health & Wellbeing Board.	(700)	217	(483)



Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>People</b>				
Public Health Workforce	To support adoption leave cover and pharmacy lead.	(100)	100	-
Safeguarding – Adults Board	To fund Adults Board expenditure in future years.	-	(21)	(21)
Safeguarding – Children’s Board	To fund Children’s Board expenditure in future years.	-	(106)	(106)
Sam Sharpe Memorial	Funds to support Youth Events	(4)	4	-
Troubled Families Programme	Funding for the Troubled Families Programme, reserve no longer required transferred to corporate.	(39)	39	-
Youth Cafe Reserve	Fund the Youth Café.	(193)	(169)	(362)
Youth Offending IT Reserve	To fund the Youth Offending Team migration onto Childview - a new bespoke upgraded database.	(50)	-	(50)
<b>People Total</b>		<b>(3,467)</b>	<b>(1,554)</b>	<b>(5,021)</b>

Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>Place</b>				
Art Gallery Touring Exhibitions Reserve	To support the costs of touring exhibitions.	(9)	-	(9)
Building Control Service Improvements	Any surplus achieved on the Building Control Service is required to be reinvested back into the service	(169)	(45)	(214)
Cemeteries and Crematorium Reserve	To fund the replacement and repair of memorials.	(210)	15	(195)
Economic Development Reserve	Reserve to continue the momentum of business support in the city, with specific focus on assisting business relocations.	(165)	165	-
Energy Efficiency Reserve	To fund major repairs and/or refurbishment to supplement capital budgets targeted at energy efficiency measures.	(476)	(158)	(634)
Furniture Reserve	To fund projects where spatial reorganisation of working areas can deliver efficiency savings.	(105)	105	-
HRA Homelessness	Available to support initiatives that work to prevent homelessness.	(122)	(31)	(153)
Kickstart Loans	Recycling of funds secured following the repayment of Kickstart Loans into assistance for private sector housing improvements.	(47)	(25)	(72)
Licensing Reserve	Licensing Fee income. The surplus is to be reinvested in the Licensing Service.	(83)	39	(44)
Magistrates Court Reserve	Sinking fund to meet future refurbishment costs for building occupied by Magistrates court.	-	(34)	(34)
Markets Reserve	To meet predicted costs of wholesale market maintenance.	(54)	-	(54)
Regeneration Reserve	To fund projects in support of corporate regeneration priorities and maintaining the city centre development.	(1,908)	(92)	(2,000)

Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>Place</b>				
Showell Road Travellers Site - Residents Deposits Reserve	Deposits from new tenants of sites managed by Wolverhampton City Council. The deposits are refundable when tenants leave or they are used to offset arrears or to pay for any damage.	(1)	-	(1)
Showell Road Travellers Site Reserve	For the refurbishment of an existing site and also the provision of a new site, an annual contribution is made from the revenue budget.	(227)	(102)	(329)
Victoria Square Sinking Fund Reserve	Sums set aside for future maintenance costs at Victoria Square commercial units.	(31)	22	(9)
Voluntary Sector and Community Partnership Reserve	To support partnership activities approved by the Safer Wolverhampton Partnership and Wolverhampton Strategic Partnership.	(115)	-	(115)
Youth Zone	For the development of the Youth Zone. Transferred from People to Place directorate.	(211)	84	(127)
<b>Place Total</b>		<b>(3,933)</b>	<b>(57)</b>	<b>(3,990)</b>
<b>Corporate Services and Education</b>				
Apprenticeship Scheme Reserve	To support the apprenticeship scheme.	(101)	(31)	(132)
Corporate Advertising Reserve	Funding for the promotion and advertising of the city.	(6)	6	-
Insurance Reserve	To fund the council's self insurance commitments for unknown insurance claims, the movement during the year reflects the in year deficit of contributions in excess of insurance related costs.	(3,320)	488	(2,832)
Transformation Reserve	To progress the 3Cs Transformation Strategy and ultimately deliver greater efficiencies.	(900)	(600)	(1,500)
Pupil Referral Units Reserve	Held in accordance with the Scheme of Delegation for Pupil Referral Units (PRUs).	(914)	(221)	(1,135)
Schools Arts Service Reserve	Funds to support arts projects in schools.	(74)	-	(74)
<b>Corporate Services and Education Total</b>		<b>(5,315)</b>	<b>(358)</b>	<b>(5,673)</b>

Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>Corporate</b>				
Art Fund	Funds administered to support revenue expenditure against criteria defined by the bequest.	(33)	-	(33)
Blocks 10 & 11 Treasury Management Reserve	Funding to support the treasury management costs associated with Blocks 10 and 11 capital expenditure. The residual funding has been transferred into the Treasury Management Equalisation Reserve during 2014/15.	(766)	766	-
Budget Contingency Reserve	Available to address in-year budget pressures that cannot be addressed from within existing service budgets. Funds in this reserve have been increased due to the increased risks associated with the budget, including but not limited to the delivery of challenging savings targets.	(500)	(6,350)	(6,850)
Budget Strategy Reserve	Funds available to address reorganisation costs as a result of the financial challenges faced by the Council over the medium term.	-	(9,000)	(9,000)
Business Rates Equalisation Reserve	To equalise the fluctuation in business rates as a result of revaluations and appeals.	-	(3,000)	(3,000)
Combined Authorities Reserve	Established from contributions of £50,000 from each Metropolitan District Council in the West Midlands to support the Combined Authority.	-	(350)	(350)
Development Reserve	To fund feasibility works.	-	(500)	(500)
Efficiency Reserve	Available to allow pump priming and investment in new developments, where the main aim is to generate efficiencies and savings in the future as supported by a fully costed business case. These business cases are considered by the Strategic Executive Board and decisions are reported to Councillors as part of the quarterly financial monitoring and reporting arrangements.	(5,477)	(430)	(5,907)

Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>Corporate</b>				
Enterprise Zone Business Rates Equalisation Reserve	To equalise the fluctuation in business rates receipts within the Enterprise Zone.	-	(500)	(500)
Funds and Bequests Reserve	Trust funds administered by the authority with specific criteria for allocation.	(9)	-	(9)
FutureWorks Reserve	This amount has been set aside to part fund costs arising from the council's FutureWorks Programme.	(2,440)	860	(1,580)
International Youth Exchange	Trust funds administered by the authority with specific criteria for allocation.	(10)	10	-
Jennie Lee Centre Disposal Reserve	This reserve was created to fund the disposal and relocation costs resulting from the disposal of the Jennie Lee Centre. The residual funding in this reserve was transferred into the Efficiency Reserve during 2014/15.	(132)	132	-
Job Evaluation Reserve	To assist with the funding of the implementation of new pay scales arising from job evaluation, in addition to equal pay costs that cannot be charged to the provision.	(2,600)	13	(2,587)
Local Strategic Partnership Reserve	The council's unspent share of LPSA reward grant received in 2010/11, the use of this funding is managed by the Wolverhampton Partnership.	(159)	22	(137)
Mayors Award	Trust funds administered by the authority with specific criteria for allocation.	(2)	-	(2)
Professional Support and Advice Reserve	For professional services and advice, e.g. financial, legal, technical etc. where there is insufficient funding available within existing service budgets. The residual funding in this reserve has been transferred into the Budget Contingency Reserve during 2014/15.	(66)	66	-

Specific Reserve	Description of Reserve	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>Corporate</b>				
Regional Work Reserve	Available to fund and support regional initiatives, including the Combined Authority for example.	-	(1,000)	(1,000)
Revenue Grants Unapplied (IFRS) Reserve	Established in accordance with the principles of IFRS in relation to the recognition of grants and contributions in the council's accounts. Approvals for the use of actual grants are made during the year according to the council's constitution.	(1,986)	(1,321)	(3,307)
Southside Treasury Management Reserve	Established to fund the estimated treasury costs associated with the regeneration of the city centre. The residual funding has been transferred into the Treasury Management Equalisation Reserve during 2014/15.	(735)	735	-
Treasury Management Equalisation Reserve	To support the revenue costs associated with slippage in the Capital Programme.	-	(2,000)	(2,000)
<b>Corporate Total</b>		<b>(14,915)</b>	<b>(21,847)</b>	<b>(36,762)</b>
<b>Council Total</b>		<b>(27,630)</b>	<b>(23,816)</b>	<b>(51,446)</b>

Provision	Description of Provision	Balance at 31 March 2014 £000	Net Movement 2014/15 £000	Balance at 31 March 2015 £000
<b>Provisions for Bad and Doubtful Debts</b>				
Local Taxpayers	All bad and doubtful debt provisions are calculated by application of an established formula that takes account of the risk of not recovering debts owed to the council using a combination of factors including age of debt.			
Council Tax		(4,384)	1,682	(2,702)
Costs				
Council Tax		(566)	-	(566)
General Fund				
Sundry Debtors/ ABMN		(6,839)	(484)	(7,323)
Housing Revenue Account				
Rents/Other	(1,735)	(126)	(1,861)	
<b>Provision for Bad and Doubtful Debts Total</b>		<b>(13,524)</b>	<b>1,072</b>	<b>(12,452)</b>

Balance at 31 March 2014 £000	Provision Name	Provision Details	Amounts Used in 2014/15 £000	Provisions Made in 2014/15 £000	Balance at 31 March 2015 £000
<b>Other Provisions</b>					
(18,725)	Capitalisation Risks	This provision is in respect of potential claims under equal pay legislation. The Council had approval from the Government to capitalise payments it may need to make in respect of Equal Pay Back Pay claims. It is currently uncertain when payments might need to be made, and the value of any such payments.	6,344	-	(12,381)
(2,304)	Insurance	The Council self-insures risks to property and assets up to a total aggregate limit of £1.0 million and its liability exposures up to a limit of £250,000 on any one occurrence above which limits the external insurance cover operates. The insurance provision of £2.3 million is in respect of the outstanding claims under the self-insurance programme covering the current and past years.	-	-	(2,304)
(1,818)	Termination Benefits	During 2014/54, the Council undertook a further voluntary redundancy exercise. As a result of this initiative, there were a number of employees and former employees to whom termination benefits were due, but had not yet been made, at the end of the year.	1,818	(243)	(243)



Balance at 31 March 2014 £000	Provision Name	Provision Details	Amounts Used in 2014/15 £000	Provisions Made in 2014/15 £000	Balance at 31 March 2015 £000
(186)	Midlands Housing Consortium (MHC)	MHC was previously a member of the West Midlands Pension Fund. It paid a lump sum to the Council to support pension payments to fund members. This provision will reduce gradually over time as pension payments are made.	-	-	(186)
(557)	Carbon Reduction Commitment	This provision is in respect of the council's liability under the national, compulsory Carbon Reduction Commitment scheme. It represents the council's estimate of the amount it will have to pay to purchase allowances for its use of carbon in 2014/15.	557	-	-
(105)	Housing Revenue Account	There are three separate provisions: for legal disrepair claims, for tenant management organisation expenditure and for rent bonds.	-	-	(105)
(1,746)	Outstanding NNDR appeals	The Collection Fund account requires a provision for appeals against the rateable valuation set by the Valuation Office Agency (VOA) not settled as at 31 March 2014.	663	(1,071)	(2,154)
(88)	Other	These are small amounts relating to ex-members of the pension fund and refunds of aftercare payments made by residents subsequently falling within Section 117 of the Mental Health Act 1983 and from whom charges are not due.	-	-	(88)
<b>(25,529)</b>	<b>Total Other Provisions</b>		<b>9,382</b>	<b>(1,314)</b>	<b>(17,461)</b>

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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Mark Taylor Tel Email	Director of Finance 01902 556609 <a href="mailto:mark.taylor@wolverhampton.gov.uk">mark.taylor@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Strategic Executive Board Confident Capable Council Scrutiny Panel	10 July 2015 7 October 2015

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### Recommendation(s) for action or decision:

That Cabinet is recommended to approve:

1. That the savings targets amounting to £16.9 million in 2016/17, be further developed, including the necessary equalities analyses, for inclusion in the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19, to be reported to Cabinet in October 2015 for approval to proceed to the formal consultation and scrutiny stages of the budget process.
2. The commencement of initial consultation and/or stakeholder engagement relating to individual savings opportunities, where this is necessary in order that they can be fully developed ahead of the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 being reported to Cabinet in October 2015.

## Recommendations for noting:

That Cabinet is asked to note:

1. That while progress is being made against the council's approved strategy to identify new savings of £20 million for 2016/17; work continues to identify £5.1 million of the £20 million new savings for 2016/17.
2. That the General Fund revenue outturn position for 2014/15 was a net underspend of £6.991 million (2.82%) against the net budget requirement of £247.6 million, as reported to Cabinet at this meeting in the Revenue Outturn 2014/15 report. This, combined with the receipt of additional Business Rates Support grant totalling £3.4 million, resulted in the Council not needing to draw down £9.9 million from General Fund Balances to balance the budget, as originally budgeted for.
3. That a significant element of the underspend arising within the 2014/15 General Fund outturn is already factored into the Council's Medium Term Financial Strategy, including savings arising as a result of changes to the Council's Minimum Revenue Provision (MRP) Policy, as approved by Full Council on 4 March 2015. Whilst the underspend against budget during 2014/15 will help to support the Council's short term financial position, it does not address the challenging financial position that the Council finds itself in over the medium term; namely identifying an additional £46.3 million of savings. Further to this, it is anticipated that the financial challenge could potentially be worse once the Autumn Spending Review is announced.
4. That a comprehensive review of all service areas, which is being led by Finance, is currently being undertaken to challenge all areas of underspend and identify any recurring savings which may contribute towards the savings strategy for 2016/17. The results of this review will be reported to Cabinet in October as part of the Draft Budget and Medium Term Financial Strategy report.
5. That it is proposed that £17 million is transferred from the General Fund Balance into specific reserves, for which approval is sought in the Reserves, Provisions and Balances 2014/15 report to be presented at this meeting. The Council's General Fund Balance will therefore stand at £10 million; the minimum balance as determined in the Council's approved Reserves and Balances Policy. This is in accordance with the planned approach as set out in the Council's MTFS, approved by Full Council on 4 March 2015.
6. That due to the uncertainty surrounding the future of public finances in 2016/17 and beyond following the Government budget announcement on 8 July which indicated that there would be some additional cost pressures and potential further cuts to grant, and the existing assumptions concerning the successful delivery of significant levels of challenging savings, the projected additional savings requirement in each of the next four financial years could still change significantly as more information becomes available, particularly following the spending review that is due to be published in the Autumn.

7. That in the event that the challenge increases in 2016/17 it will be necessary to identify more savings to ensure that the minimum of £10 million in the General Fund Balance is maintained for 2016/17.
8. That the 2016/17 budget timetable will, as in previous years, include an updated report presented to Cabinet in October 2015 detailing savings proposals that will be subject to formal budget consultation and scrutiny during October 2015 - January 2016. Further to this, an update on all budget assumptions and the Local Government Settlement will be presented to Cabinet by January 2016, with the final budget report due to be approved by Full Council in March 2016.

## **1.0 Purpose**

- 1.1 The purpose of this report is to identify additional savings for 2016/17 and future years in accordance with the strategy set out in the Budget 2015/16 and Medium Term Financial Strategy (MTFS) 2015/16 to 2018/19, which was approved by Cabinet in February 2015 and Full Council in March 2015.
- 1.2 This report is the first of the financial year on the budget and MTFS and provides an update on some key factors, the timetable for the budget process and the risks in relation to them.

## **2.0 Background and Summary**

- 2.1 The Budget 2015/16 and Medium Term Financial Strategy (MTFS) 2015/16 to 2018/19 was presented to Full Council for approval on 4 March 2015. After taking into account savings proposals approved during the 2015/16 budget setting process, equating to £26.9 million over the four year period to 2018/19, the Council is now faced with finding further estimated savings totalling £46.3 million by 2018/19.
- 2.2 A strategy to address the projected budget deficit over the medium term was approved by Full Council in March 2015, with an initial focus on identifying £20 million of additional savings for 2016/17 during the first few months of the current financial year, in order to demonstrate that a balanced budget can be achieved in 2016/17. Whilst the projected budget deficit for 2016/17 stands at £14.8 million, a savings target in excess of the projected budget deficit was deemed necessary due to the increased uncertainty surrounding future government funding. In the unlikely event that government funding is in line with, or better than, current projections, this strategy would give the Council some choice over the implementation of savings proposals.
- 2.3 It is important to note that a £2 million Adult Services savings target was incorporated into the existing MTFS within 2016/17, taking account of this the total savings target for 2016/17 stands at £22 million.
- 2.4 A further £26.3 million of savings need to be identified, over and above the savings target for 2016/17, in order to address the projected budget deficit over the medium term to 2018/19. Although it should be noted that due to the very uncertain times within which the Council is operating this figure could potentially increase significantly.
- 2.5 Since the 2015/16 budget was set, detailed work has been in progress across all areas of the Council to identify savings to deliver the approved strategy of identifying £22 million of savings for 2016/17.
- 2.6 The detailed work that has taken place to date has resulted in the identification of savings targets totalling £16.9 million for 2016/17; further details are provided in Section 3.

- 2.7 Whilst this represents significant progress against the Council's agreed budget strategy, work is continuing to identify possibilities to deliver the remaining estimated £5.1 million of savings targets required to meet the agreed budget strategy for 2016/17.
- 2.8 The General Fund revenue outturn position for 2014/15 was a net underspend of £6.991 million (2.82%) against the net budget requirement of £247.6 million, as reported to Cabinet at this meeting in the Revenue Outturn 2014/15 report. This, combined with the receipt of additional Business Rates Support grant totalling £3.4 million, resulted in the Council not needing to draw down £9.9 million from General Fund Balances to balance the budget, as originally budgeted for.
- 2.9 Significant underspends against the General Fund budget have been achieved during 2014/15 as a result of savings arising from a change in the Council's Minimum Revenue Provision (MRP) Policy, the early implementation of approved savings and the improved financial management and control achieved from the implementation of Agresso. A comprehensive review of all service areas, which is being led by Finance, is currently being undertaken to challenge all areas of underspend and identify any recurring savings which may contribute towards the savings strategy for 2016/17. The results of this review will be reported to Cabinet in October as part of the Draft Budget and Medium Term Financial Strategy report.
- 2.10 It is therefore proposed that £17 million is transferred from the General Fund Balance into specific reserves, for which approval is sought in the Reserves, Provisions and Balances 2014/15 report to be presented at this meeting. The Council's General Fund Balance will therefore stand at £10 million; the minimum balance as determined in the Council's Reserves and Balances Policy. Emphasis has therefore been placed on identifying budget savings to meet the approved savings strategy for 2016/17 and later years. It is important to note that this is in accordance with the planned approach as set out in the Council's MTFS, approved by Council on 4 March 2015.
- 2.11 Recent Government budget announcements on the 8 July indicated that Local Government will not incur additional in-year budget cuts; however it indicated that there would be some additional cost pressures, e.g. the impact of the living wage on the cost of external contracts, etc. and likely further cuts to grant; this will not become clear until the Autumn Spending Review is announced. Detailed research will be conducted to project the impact that this may have on the Council, with further updates reported to Cabinet in October.

### 3.0 Additional Savings Targets for 2016/17

3.1 The additional savings targets that have been identified at this stage are summarised in the table below:

**Table 1 – Additional Savings Targets for 2016/17 by Cabinet Portfolio**

<b>Cabinet Portfolio</b>	<b>No.</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>
Adult Services	5	(1,734)	350	-
Children and Young People	2	(4,500)	-	-
Public Health and Wellbeing	2	(1,600)	-	-
Education	2	(4,338)	4,046	(239)
City Assets	2	(102)	6	(38)
City Economy	4	(310)	(144)	-
City Environment	14	(1,312)	(87)	263
Governance	2	(165)	-	-
Resources	10	(2,871)	170	400
<b>Total</b>	<b>43</b>	<b>(16,932)</b>	<b>4,335</b>	<b>386</b>

- 3.2 Further details regarding these savings targets can be found in Appendix A. As can be seen in table 1 above, the Council has currently identified £16.9 million savings target towards the approved savings strategy of £22 million for 2016/17. Whilst this represents significant progress against the Council's agreed budget strategy, work is continuing to identify possibilities to deliver the remaining estimated £5.1 million of savings required to meet the agreed budget strategy for 2016/17. This will include a comprehensive review of the 2014/15 outturn position as detailed in Section 4 below.
- 3.3 It is proposed that Cabinet approve, the commencement of initial consultation and/or stakeholder engagement relating to individual savings opportunities where this is necessary, in order that they can be fully developed ahead of the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 being reported to Cabinet in October 2015.
- 3.4 An update to the assumptions and projections built into the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 will be undertaken during the 2016/17 budget setting process. The Government budget announcement on 8 July indicated that there would be some additional cost pressures, e.g. the impact of the living wage on the cost of external contracts, etc. and likely further cuts to grant, however this will not become clear until the spending review is announced in the Autumn. In the event that the challenge increases in 2016/17, it will be necessary to identify more savings to ensure that the minimum of £10 million in the General Fund Balance is maintained for 2016/17.



#### **4.0 General Fund Outturn and General Balances**

- 4.1 The General Fund revenue outturn position for 2014/15 was a net underspend of £6.991 million (2.82%) against the net budget requirement of £247.6 million, as reported to Cabinet at this meeting. This, combined with the receipt of additional Business Rates Support grant totalling £3.4 million, resulted in the Council not needing to draw down £9.9 million from General Fund Balances to balance the budget, as originally budgeted for.
- 4.2 A significant element of the underspend arising within the 2014/15 General Fund outturn is already factored into the Council's Medium Term Financial Strategy (MTFS), including the early achievement of approved savings and savings arising as a result of changes to the Council's Minimum Revenue Provision (MRP) Policy, as approved by Full Council on 4 March 2015. It is important to note that, whilst the underspend against budget during 2014/15 will help to support the Council's short term financial position; it does not address the challenging financial position that the Council finds itself in over the medium term.
- 4.3 Nevertheless, a comprehensive review of all service areas, which is being led by Finance, is currently being undertaken to challenge all areas of underspend and identify any recurring savings which may contribute towards the savings strategy for 2016/17. The results of this review will be reported to Cabinet in October 2015.
- 4.4 Due to the favourable General Fund outturn position for 2014/15, the Council did not draw down £9.9 million from the General Fund Balance to balance the budget, as originally budgeted for, as stated above. It is therefore proposed that £17 million is transferred from the General Fund Balance into specific reserves, for which approval is sought in the Reserves, Provisions and Balances 2014/15 report to be presented at this meeting. This will therefore reduce the General Fund Balance to £10 million; the minimum balance as determined in the Council's approved Reserves and Balances Policy. Emphasis has therefore been placed on identifying budget savings to meet the approved savings strategy for 2016/17 and later years. It is important to note that this is in accordance with the planned approach as set out in the Council's MTFS, approved by Council on 4 March 2015.

#### **5.0 Update on Key Factors**

- 5.1 The assumptions used in the preparation of the budget and Medium Term Financial Strategy (MTFS) remain under constant review and update.
- 5.2 The Government budget announcement on 8 July indicated that Local Government will not incur additional in-year budget cuts; however it is clear that there will be some additional cost pressures, e.g. the impact of the living wage on the cost of external contracts, etc. and it is anticipated that the financial challenge could potentially worsen once the Autumn Spending Review is announced and the extent of any further cuts to grant become more clear.

5.3 Detailed research will be conducted to project the impact that this may have on the Council, with further updates reported to Cabinet in October 2015.

## 6.0 Budget Risk Management and Timetable

6.1 A summary of the 2016/17 budget setting process timetable is detailed in the table below:

**Table 2 – Budget Timetable**

<b>Milestone</b>	<b>Deadline</b>
Report to Cabinet	22 July 2015
Further development of savings possibilities	August – October 2015
Draft Budget and MTFS 2016/17 – 2018/19 report to Cabinet	21 October 2015
Formal Budget Consultation and Scrutiny	October 2015 – January 2016
Report to Cabinet following the Local Government Financial Settlement	January 2016
Final Budget Report 2016/17 to Cabinet	February 2016
Full Council Approval of Final Budget 2016/17	March 2016

6.2 The overall level of risk associated with the Draft Budget and Medium Term Financial Strategy 2016/17 to 2018/19 continues to be assessed as Red. The following table provides a summary of the risks associated with the MTFS, using the corporate risk management methodology.

**Table 3 - General Fund Budget Risks 2016/17 – 2018/19**

<b>Risk</b>	<b>Description</b>	<b>Level of Risk</b>
Financial and Budget Management	Risks that might materialise as a result of the impact of non-pay inflation and pay awards, staff vacancy factors, VAT rules, loss of ICTS facilities, treasury management activity and the impact of Equal Pay and budget management failure.	Amber
Transformation Programme	Risks that might materialise as a result of not identifying savings, not delivering the savings incorporated into the budget and not having sufficient sums available to fund the upfront and one-off costs associated with delivering savings and downsizing the workforce.	Red
Income and Funding	Risks that might materialise as a result of income being below budgeted levels, claw back, reduction to government grant or increased levels of bad debts.	Red
Service Demands	Risks that might materialise as a result of demands for services outstretching the available resources.	Amber
Third Parties	Risks that might materialise as a result of third parties and suppliers ceasing trading or withdrawing from the market.	Amber
Government Policy	Risks that might materialise as a result of changes to Government policy including changes in VAT and personal taxation rules and, in particular, from the Care Bill.	Red

## 7.0 Financial Implications

- 7.1 The financial implications are discussed in the body of the report.  
[MH/10072015/T]

## 8.0 Legal Implications

- 8.1 The Council's revenue budgets make assumptions which must be based on realistic projections about available resources, the costs of pay, inflation and service priorities and the likelihood of achieving any savings proposals.
- 8.2 The legal duty to spend with propriety falls under S.151 Local Government Act 1972 and arrangements for proper administration of their affairs is secured by the S.151 Officer as Chief Financial Officer.
- 8.3 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to report to the Council when it is making the statutory calculations required to determine its council tax. The Council is required to take this report into account when making its budget decision. The Chief Financial Officer's report must deal with the robustness of the budget estimates and the adequacy of the reserves for which the budget provides. Both are connected with matters of risk and uncertainty. They are inter-dependent and need to be considered together. In particular, decisions on the appropriate level of Reserves should be guided by advice based upon an assessment of all the circumstances considered likely to affect the Council.
- 8.4 The relevant guidance concerning reserves is Local Authority Accounting Panel Bulletin 77, issued by CIPFA in November 2008. Whilst the Bulletin does not prescribe an appropriate level of reserves, leaving this to the discretion of individual authorities, it does set out a number of important principles in determining the adequacy of reserves. It emphasises that decisions on the level of reserves must be consistent with the Council's MTFs, and have regard to the level of risk in budget plans, and the Council's financial management arrangements (including strategies to address risk).
- 8.5 In addition, Section 114 of the Local Government Finance Act 1988 requires the Chief Financial Officer to **'...make a report ... if it appears to him that the Authority, a committee or officer of the Authority, or a joint committee on which the Authority is represented'**:
- (a) has made or is about to make a decision which involves or would involve the Authority incurring expenditure which is unlawful,
  - (b) has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the Authority, or
  - (c) is about to enter an item of account the entry of which is unlawful.
- 8.6 The Chief Financial Officer of a relevant Authority shall make a report under this section if it appears to him that the expenditure of the Authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

- 8.7 These statutory requirements will have to be taken into account when making final recommendations on the budget and council tax requirement for 2015/16.

[TS/13072015/J]

## **9.0 Equalities implications**

- 9.1 The further development of the various savings targets for Cabinet's consideration in October will include an initial equalities screening for each proposal and, where necessary, a full equalities analysis. This will enable Councillors to pay due regard to the equalities impact of their budget decisions. The Council will publish the equalities analyses as part of its public consultation around the 2016/17 budget.

## **10.0 Human resources implications**

- 10.1 In line with the Council's statutory duties as an employer under the Trade Union Labour Relations (Consolidation) Act 1992, an HR1 form has been issued to the Secretary of State for Business, Innovation and Skills identifying the intention to reduce the workforce by up to 1,000 jobs across the Council in the period up to 31 March 2016 through both voluntary redundancy and savings targets which will result in compulsory redundancies.
- 10.2 Reductions in employee numbers will be achieved in line with the Council's HR policies. Compulsory redundancies will be mitigated as far as is possible through seeking voluntary redundancies in the first instance, and through access to redeployment. Given the volume and range of savings being proposed, there will be reductions in services and employee numbers which will require fair and due process to be followed regarding consultation, selection and implementation of any compulsory redundancies. The accelerated timetable for achieving savings in the light of the financial settlement is likely to require the Council as an employer to utilise the statutory 45 day and 30 day consultation periods for some service reductions, rather than the best practice position of allowing, where possible, 90 days.
- 10.3 The Council will ensure that appropriate support is made available to employees who are at risk of and selected for redundancy, and will work with partner and external agencies to provide support. Savings targets to move service delivery from direct Council management to private, community or third sector providers may have implications under the TUPE regulations.
- 10.4 There is on-going consultation with the trade unions on the impact Council's budgetary position and the targets being made to meet the challenges posed by it.

## **11.0 Schedule of Background Papers**

Revenue Outturn 2014/15, report to Cabinet, 22 July 2015.

Reserves, Provisions and Balances, report to Cabinet, 22 July 2015.

Budget 2015/16 and Medium Term Financial Strategy 2015/16 – 2018/19, report to Full Council, 4 March 2015.

Quantified Savings Targets by Cabinet Portfolio

Adult Services

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Reshaping of Older People Services	Cllr Elias Mattu	People	(820)	-	-
Restructuring of the Library Service	Cllr Elias Mattu	People	(500)	-	-
Early achievement of existing savings proposal – Learning Disabilities Assessment and Care Management Care Packages	Cllr Elias Mattu	People	(350)	350	-
Move Warstones Office Base (completion of 2013/14 savings proposal)	Cllr Elias Mattu	People	(35)	-	-
Efficiency saving from the relocation of the Independent Living Service	Cllr Elias Mattu	People	(29)	-	-

**Quantified Savings Targets by Cabinet Portfolio**

**Children and Young People**

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Children's Services Redesign	Councillor Val Gibson	People	(4,350)	-	-
Youth Offending Team - efficiency savings	Councillor Val Gibson	People	(150)	-	-

**Public Health and Wellbeing**

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Use of Public Health funding to support service areas with positive impact on public health outcomes	Councillor Sandra Samuels	People	(948)	-	-
Further review of utilisation of Public Health funding - Community Safety, Resilience, Healthier Schools	Councillor Sandra Samuels	People	(652)	-	-



Quantified Savings Targets by Cabinet Portfolio

Education

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
BSF related opportunities – Refinancing of Highfields & Penn Fields PFI (one-off saving)	Councillor Claire Darke	Education	(4,200)	4,200	-
Primary Capital Programme (expansions) - utilise grant now secured to replace prudential borrowing	Councillor Claire Darke	Education	(138)	(154)	(239)

City Assets

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Highways Maintenance – Reduction in Borrowing following successful grant bid	Councillor Peter Bilson	Place	(52)	6	(38)
Establish a single catering function across the Council	Councillor Peter Bilson	Place	(50)	-	-

Quantified Savings Targets by Cabinet Portfolio

City Economy

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Phased Removal of remaining Grand Theatre Grant	Councillor John Reynolds	Place	(124)	(124)	-
Further Restructure of City Economy Services	Councillor John Reynolds	Place	(93)	-	-
Further external funding of Outdoor events.	Councillor John Reynolds	Place	(20)	(20)	-
Review remaining Lighthouse Media Centre Grant	Councillor John Reynolds	Place	(73)	-	-

Quantified Savings Targets by Cabinet Portfolio

City Environment

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Capitalise thin surfacing of carriageways	Councillor Steve Evans	Place	(636)	24	263
Bus Lanes Phase 2	Councillor Steve Evans	Place	(150)	-	-
Review residential parking across wider New Cross area	Councillor Steve Evans	Place	(100)	(100)	-
Further restructure of Street Lighting Operations.	Councillor Steve Evans	Place	(70)	-	-
Review of residential areas street cleanse manual frequency focussing resources on known litter hotspots	Councillor Steve Evans	Place	(55)	-	-
Review of frequency of leisure site cleansing	Councillor Steve Evans	Place	(50)	-	-

Quantified Savings Targets by Cabinet Portfolio

City Environment

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Fixed Penalty Receipts	Councillor Steve Evans	Place	(50)	-	-
Surface water management	Councillor Steve Evans	Place	(50)	-	-
Provision of UTC services for Walsall BC	Councillor Steve Evans	Place	(40)	-	-
Amendments to Regulatory Services Operations	Councillor Steve Evans	Place	(31)	-	-
Review of the number of play areas	Councillor Steve Evans	Place	(25)	-	-
Review the employee structure for the Market Service following the relocation of Wolverhampton market.	Councillor Steve Evans	Place	(25)	-	-
Various amendments to waste collection operations	Councillor Steve Evans	Place	(19)	-	-
Further Grounds Maintenance Reductions/Efficiencies	Councillor Steve Evans	Place	(11)	(11)	-

Quantified Savings Targets by Cabinet Portfolio

Governance

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Review of Staff Training	Councillor Paul Sweet	Corporate	(90)	-	-
Governance Restructure	Councillor Paul Sweet	Corporate	(75)	-	-

Quantified Savings Targets by Cabinet Portfolio

Resources

Description of Saving	Cabinet Member	Directorate	2016/17 £000	2017/18 £000	2018/19 £000
Customer Services Transformation – accelerate existing savings	Councillor Andrew Johnson	Corporate	(850)	150	700
Review of council tax scheme, discounts and charging for invoices	Councillor Andrew Johnson	Corporate	(525)	-	-
Review of Centro Levy	Councillor Andrew Johnson	Corporate	(431)	-	-
Review of Pensions costs	Councillor Andrew Johnson	Corporate	(400)	-	-
Treasury Management savings including MRP	Councillor Andrew Johnson	Corporate	(300)	-	(300)
Review of ICT requirements	Councillor Andrew Johnson	Corporate	(145)	(20)	-
Efficiencies within Financial Services	Councillor Andrew Johnson	Corporate	(70)	(10)	-
Accelerate Revenues and Benefits team restructure	Councillor Andrew Johnson	Corporate	(50)	50	-
Revised approach to Procurement	Councillor Andrew Johnson	Corporate	(50)	-	-
Review residual fraud resource (within Internal Audit)	Councillor Andrew Johnson	Corporate	(50)	-	-

# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Approval for a Combined Authority engagement process	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Roger Lawrence Leader of the Council	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Combined Authority Programme	
<b>Accountable employee(s)</b>	Rachel Ratcliffe Tel Email	Programme Officer – Combined Authority 01902 551969 Rachel.Ratcliffe@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	N/A	

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

1. Delegate approval to the Leader of the Council, in consultation with the Managing Director, through an Individual Executive Decision Notice, to approve, as and when they become available, the draft governance review findings and scheme.
2. Submit the final governance review and scheme to full Council on 23 September 2015 for approval.
3. Agree to the holding of engagement events on the proposals contained within the draft governance review.
4. Approve the transfer of £250,000 from the Regional Work Reserve to fund the Council's contribution to the next stage of the Combined Authority implementation.

**Recommendation for noting:**

The Cabinet is recommended to:

1. Note the work conducted to date on the Combined Authority Programme.



## 1.0 Purpose

1.1 This report outlines:

- The actions undertaken by the Leader of the Council and Council employees to progress the process for the creation of a Combined Authority in the West Midlands
- The process undertaken to conduct a governance review in respect of the combined authority which is being considered in the West Midlands
- The proposed approach to engagement and seeks agreement to host specific events on the review of strategic governance and the operation of a potential West Midlands Combined Authority

## 2.0 Background

2.1 A Combined Authority is not a 'super council / authority' or a merger of local authorities. Whilst a combined authority is a legal entity, each local authority retains its own local identity and powers. An approach of this nature enables local authorities to be in control of the governance arrangements for establishing a Combined Authority. Any 'asks' of Government will always be predicated on the needs of the locality each local authority represents and wishes to secure economic benefits for.

2.2 Following the Queen's Speech in May 2015, the Government has confirmed its commitment to provide the legislative framework, via the proposed Cities and Local Government Devolution Bill, to deliver future devolution deals for local government. This political commitment follows on from the creation of Combined Authorities for Greater Manchester, Sheffield City Region, West Yorkshire, Liverpool City Region and the North East. Furthermore, this legislation will provide the legislative framework to deliver the devolution agreement signed between government and the Greater Manchester Combined Authority in relation to devolved powers and budgets.

2.3 Broadly, a Combined Authority provides local authorities with the opportunity to collectively:

- secure greater resources from government over the long-term (ten years+)
- engage with government on issues and functions that cross local authority boundaries (such as transport, economic development, skills, business support, inward investment and employment)
- be consulted and ultimately influence the delivery of national programmes to address local need

The following actions, detailed below, have been undertaken to progress the feasibility of establishing a Combined Authority in the West Midlands area:

January 2015	Combined Authority Programme Office established, led by Wolverhampton City Council, to support local authorities in assessing the feasibility of creating a Combined Authority.
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<p>March 2015 onwards</p>	<p>Establishment of six principal workstreams, namely:</p> <ul style="list-style-type: none"> <li>(i) Creation of the Combined Authority – identifying the necessary steps required to create a combined authority.</li> <li>(ii) Economic Analysis - undertaking economic analysis to understand the Functional Economic Market Area (FEMA) in the West Midlands; essentially, focusing on travel to work data, migration patterns and industrial specialisations.</li> <li>(iii) Infrastructure - identification of key regional and sub-regional infrastructure interventions and requirements.</li> <li>(iv) Balance – identifying how each partner can benefit from a Combined Authority, with the understanding that not every area will benefit at the same time in the same way.</li> <li>(v) Public Sector Reform (PSR) – considering opportunities for building on successful preventative services (e.g. Troubled Families)</li> <li>(vi) Communications – tasked with developing the communications protocols and strategy for the programme and co-ordinating media enquiries.</li> </ul>
<p>28 and 29 April 2015</p>	<p>Leaders’ Summit (including Chief Executives) – agreement reached on the founding principles.</p> <ul style="list-style-type: none"> <li>(i) All Leaders are committed to working together to deliver the vision behind the Combined Authority</li> <li>(ii) All communities will benefit from the Combined Authority, but not all communities will benefit at the same time, or in the same way</li> <li>(iii) The Combined Authority should facilitate smarter investment decisions with better outcomes</li> <li>(iv) The Combined Authority should deliver economic growth for the benefit of its communities</li> <li>(v) The Combined Authority should reform fragmented public services</li> <li>(vi) The Combined Authority should ‘walk before it can run’ and the initial focus should be on small, but high impact, number of ‘early wins’</li> </ul>

May 2015	Coventry City Council and Solihull Metropolitan Borough Council – ‘in principle’ agreement to proceed with discussions.
1 June 2015	Meeting held with the Chancellor, George Osborne, former Deputy Prime Minister, Lord Heseltine, Local Government Secretary, Greg Clarke, and Local Government Minister, Marcus Jones with the Leaders of Birmingham, the Black Country, Coventry, Solihull Councils plus the Leader of Lichfield Council, alongside representatives from the three regional Local Enterprise Partnerships (LEPs) in Birmingham.
24 and 25 June 2015	Leaders’ Summit including districts and county that make up the three LEP areas.
6 July 2015	The seven Metropolitan Councils released a launch statement, with a supporting letter from the three LEP chairs, and engagement with the Districts and County. This document shows how the area can drive forward joint objectives in support of economic growth and progressive public sector reform.

In line with the initial priorities agreed at the Leaders’ Summit in April 2015 the potential economic benefits for the City of Wolverhampton are detailed below:

<b>Enterprise Zones</b>	<p><b>Aim:</b> To develop a proposal to extend the Black Country and Birmingham Enterprise Zones geographic boundaries and timeframe.</p> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>To balance the location of major employment provision to meet the growth demands of existing and future businesses; in particular, those in the high value manufacturing sector and associated supply chain.</li> </ul>
<b>Skills</b>	<p><b>Aim:</b> To develop a proposal to produce a coherent skills strategy and programme, co-ordinated across agencies (local authorities, Department for Work and Pension, Department for Business, Innovation and Skills and Department for Education) or combining the roles.</p> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>Creation of a single and coherent skills strategy</li> <li>Greater flexibility on skills budgets to deliver employer-led provision.</li> <li>Greater co-ordination of skills provision across all agencies.</li> </ul>

<p><b>Business support and International Inward Investment</b></p>	<p><b>Aims:</b> To develop a ‘one front door’ approach to providing business support and facilitating international investment, which is more efficient and effective across the Combined Authority area, building upon the programmes, services and interfaces that the local authorities and LEPs have in place. To determine the region’s approach and strategy to the offer and ask in relation to business support, inward investment and trade.</p> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• ‘One front door’ approach with enhanced services to Wolverhampton businesses</li> <li>• Single Memorandum of Understanding with UK Trade and Investment and potentially other business support providers (Manufacturing Advisory Service)</li> </ul>
<p><b>Transport</b></p>	<p><b>Aims:</b> Develop a Single Economic Impact Assessment to assess the wider benefits and implications of transport programmes across the CA area and beyond, which can be used to prioritise investment. Develop a transport strategy for the CA region that articulates how transport will support the CA vision, interlinking with the skills and housing and employment spatial strategies.</p> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Secure greater resources for transportation improvements to link Wolverhampton with the regions transport networks</li> <li>• Improving access to key regeneration sites within the City, for example i54 and Bilston</li> </ul>
<p><b>Collective Investment Vehicle</b></p>	<p><b>Aim:</b> To develop an investment vehicle that is controlled by the Combined Authority and can be used for a wide array of investments across the Combined Authority.</p> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• Develop a single strategy to inform future investment decisions</li> <li>• The vehicle will look to leverage private sector investment that can be used to deliver the priorities of the Combined Authority, deliver a range of Offers and Asks, and/or specific programmes of activity.</li> <li>• To secure investment, in partnership with the private sector and government, to bring forward and assemble unviable brownfield sites across in Wolverhampton in line with the review of the Core Strategy for the Black Country</li> </ul>

### **3.0 Governance Review and Scheme – the statutory process**

- 3.1 In accordance with Section 108 of the Local Democracy, Economic Development and Construction Act 2009 a governance review will be undertaken to assess how a potential Combined Authority could address the effectiveness and efficiency of:
- (a) transport within the area covered by the review
  - (b) arrangements for economic development and regeneration within the review area.
- 3.2 The statutory process for establishing a Combined Authority is a phased process consisting of three opportunities for individual local authorities to confirm their approval:
- (i) The approval to engage on the proposals which will include the following actions:
    - local workshops to collect views and evidence from stakeholders in each constituent authority, the Integrated Transport Authority (ITA) and the Local Enterprise Partnerships (LEPs) to consider the functions or activities that could benefit from strengthened collaborative governance arrangements
    - one-to-one interviews with external stakeholders, including LEP members, Chambers of Commerce and neighbouring local authorities, to collect views on the draft proposals
    - options assessment based on the above evidence.
  - (ii) The second opportunity will follow the engagement process on the governance review findings and Scheme when approval of both documents is sought by the constituent Councils and submitted to Government for consideration. The Secretary of State will consider the scheme and undertake a formal consultation exercise. Subject to any amendments, in light of consultation responses, the Secretary of State will approve a draft order to be laid before both Houses of Parliament for adoption
  - (iii) The third and final opportunity will be when approval is required to become a constituent Member of a potential Combined Authority.
- 3.3 The purpose of the strategic governance review will be to determine:
- (i) Whether the area covered by the local authorities can properly be seen as constituting a functional economic market area for the purpose under consideration in the review; and
  - (ii) Whether the existing governance arrangements for strategic economic development, regeneration and transport are effective or would benefit from changes.
- 3.4 The process of the review will examine the options available to local authorities evaluated against the likelihood of improving the following: -

- (i) The exercise of statutory functions relating to economic development, regeneration and transport;
- (ii) The effectiveness and efficiency of transport; and
- (iii) The economic conditions in the area.

#### **4.0 Financial implications**

- 4.1 The cost of the next stage of the Combined Authority implementation is estimated to be £2.1 million, with each of the participating local authorities contributing a total £300,000. An initial contribution of £50,000 has already been made by each. It is proposed that the £250,000 now due from Wolverhampton City Council is funded by transfer from the Regional Work Reserve.
- 4.2 The financial implications of the Combined Authority are currently being assessed by the Finance Directors of the seven local authorities. They are not quantifiable at this stage, but when known will be detailed in future reports to Councillors.  
[GE/09072015/Z]

#### **5.0 Legal implications**

- 5.1 Combined Authorities are a type of authority which may be set up, by the Secretary of State, at the request of local authorities in a specified area. Their purpose is to undertake joint functions through a public body with its own legal personality. They were introduced in sections 103-113 of the Local Democracy, Economic Development and Construction Act 2009. Local authorities must trigger a governance review process in advance of setting a combined authority up, but the power actually to create a Combined Authority lies with the Secretary of State, via a statutory instrument under the affirmative procedure.  
[TS/13072015/T]

#### **6.0 Equalities implications**

- 6.1 An initial Equality Impact Assessment has been undertaken for the period to establish the proposed Combined Authority. It seeks to ensure that different people protected by the equalities act can be measured effectively.

#### **7.0 Environmental implications**

- 7.1 There are no environmental implications associated with this report.

#### **8.0 Human resources implications**

- 8.1 There are no human resources implications associated with this report.

**9.0 Corporate landlord implications**

9.1 There are no corporate landlord implications associated with this report.

**10.0 Schedule of background papers**

10.1 N/A

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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Customer Service Strategy	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Customer Service	
<b>Accountable employee(s)</b>	Sue Handy Tel Email	Head of Customer Service 01902 553053 sue.handy@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Place Leadership Team Corporate Leadership Team Strategic Executive Board Executive Team C3 Scrutiny Panel Cabinet	18 May 2015 18 May 2015 19 May 2015 3 June 2015 16 June 2015 22 July 2015

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

Review and approve the proposed Customer Service Strategy 2015-18.

## **1.0 Purpose**

- 1.1 To seek Cabinet approval of the refreshed Customer Service Strategy 2015 – 2018.

## **2.0 Background**

- 2.1 The current customer service strategy was approved for delivery by Cabinet on 10 October 2012. The strategy set out the Council's ambitions for the future delivery of customer services to the citizens of Wolverhampton, partner organisations and existing or potential business partners.
- 2.2 The strategy also identified the need to look inward and evaluate how services within the council can improve the way in which they work together to provide resolution at first point of contact for our customers. In order to achieve this aspiration 14 projects were outlined for delivery; all 14 projects were completed in October 2014.
- 2.3 The outcome of delivering the 14 projects has been the development of a customer service transformation programme which is transforming Wolverhampton's customer service offer. Cabinet endorsed delivery of this programme of work in April 2014.
- 2.4 The primary focus of the customer service transformation programme is to create a single front office for the Council through the migration of customer facing activity from all service areas into customer services. During this process work flows are streamlined and using a "Digital by Design" ethos more cost effective channels are opened up through "channel shift" for customers to use whilst existing channels remain for those who are not digitally enabled. The customer service transformation program also includes a wider channel shift program and this is currently being delivered in accordance with the schedule agreed by Cabinet in October 2014.

## **3.0 Current Position**

- 3.1 The present customer services strategy is no longer fit for purpose and needs to be refreshed in order to reflect:
- I. Customer services updated values "Delivering excellent customer service first time, every time, by providing smooth and efficient access to council services through the maximum number of channels"
  - II. Customer services inherent link to the Council's C3 transformation programme which supports delivery of a confident capable council through the "Future Customer" workstream
- 3.2 The refreshed customer service strategy, attached, sets out the current position within customer service, our savings targets and the five principals of customer service that we are committed to delivering as an organisation;

- I. Customer needs -: We will put the user at the heart of service design and delivery to ensure that we provide responsive, joined-up services that are inclusive and customer focussed.
  - II. Access to council services -: We will provide easily accessible services and information promptly and in a way that reflects our customers' choices, needs, and circumstances. This will include as a priority the development and implementation of a Channel Management System for the Council's website to facilitate channel shift when this is desired by our customers.
  - III. First time resolution -: We will reduce the need for customers to repeatedly contact us because we have failed to deliver a service or information by getting it 'right first time'.
  - IV. Employees -: We will ensure that employees have the skills and abilities to deliver effective, customer focussed services, are encouraged to work in a collaborative way and have a role in identifying and developing improvements.
  - V. Improvement -: We will use customer and staff feedback, business intelligence and performance reporting to achieve continuous service improvement.
- 3.3 Implementation of the refreshed strategy will be supported through delivery of a five point action plan. Progress against delivery of this plan will be reported to the customer service transformation board on a monthly basis.
- 3.4 The refreshed strategy will expire in 2018 which is in line with the completion date for delivery of the customer service transformation programme. At this point a new strategy will be developed to ensure that customer services remains current and strives to achieve continued improvement.
- 3.5 Delivery of the current customer service strategy was corporately reported through the Programme Office; the current customer service transformation programme is monitored and reported through the council's project management system, Verto.

#### **4.0 Financial implications**

- 4.1 All costs associated with the internal Customer Service Transformation Programme will be met from within existing resource.
- 4.2 There is a savings target of £1.5 million attached to this programme, savings to be achieved by the end of 2017/18. Savings against this target are monitored and reported to the Customer Service Transformation Board on a monthly basis.  
[MF/21052015/V]

#### **5.0 Legal implications**

- 5.1 There are no legal implications arising from this report.  
[RB/21052015/U]

## **6.0 Equalities implications**

6.1 An Equalities Analysis was completed in 2012 as part of the implementation of the existing customer service strategy; an analysis of the proposed strategy is currently being progressed.

## **7.0 Environmental implications**

7.1 There are no environmental implications arising from this report.

## **8.0 Human resources implications**

8.1 There are no legal human resource implications arising from this report.

## **9.0 Corporate landlord implications**

9.1 There are no corporate landlord implications arising from this report.

## **10.0 Schedule of background papers**

10.1 Report to Performance and Governance Scrutiny Panel 2 February 2012.

10.2 Report to Cabinet on 10 October 2012 – Development of a Customer Services Strategy for the Council.

10.3 Report to Corporate Delivery Board and senior Executive Board October 2012 – Proposals for Customer Service Improvements in the Civic Centre.

10.4 Report to Performance Governance & Support services Scrutiny Panel 11 April 2013.

10.5 Report to Cabinet 23 April 2014 – Customer Services Review

10.6 Report to Senior Executive Board (SEB) 20 January 2015 Channel Shift – Progress to date.

10.7 Report to SEB 14 April 2015 – Customer service transformation Programme Update

10.8 Report to SEB 14 April 2015 - Customer service transformation – Channel Shift Update

10.9 Report to SEB 19 May 2015 – Customer Service Strategy

10.10 Report to C3 Scrutiny Panel 16 June 2015 – Customer Service Strategy



# City of Wolverhampton Council's Customer Services Strategy

Page 125

Improving the customer  
experience 2015-2018

[wolverhampton.gov.uk](http://wolverhampton.gov.uk) 01902 551155

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# Contents

Foreword	03
Introduction	04
The Bottom Line	06
Transformation Programme	10
The Five Principles of Excellent Customer Services	23
Our Action Plan	30

1



**Councillor  
Andrew Johnson**  
Cabinet Member  
for Resources



**Sue Handy**  
Head of  
Customer Services

## Foreword

### Cabinet Member for Resources

Providing excellent customer service is the acid test as to how we are performing as an organisation.

It is important that, as an organisation, we understand what we mean when we talk about our customers. They aren't exclusively traditional customers such as service users or other people with whom we have a 'transactional relationship'. As community leaders, our customers also include visitors, local, national and international business and partner organisations.

Whilst we undoubtedly face an organisational budget challenge it is vital that we not only deliver 'business as usual' but we continue to enhance our services in line with the customer expectations, evolving technologies and opportunities. This in turn will heighten the view that Wolverhampton is 'making it happen'.

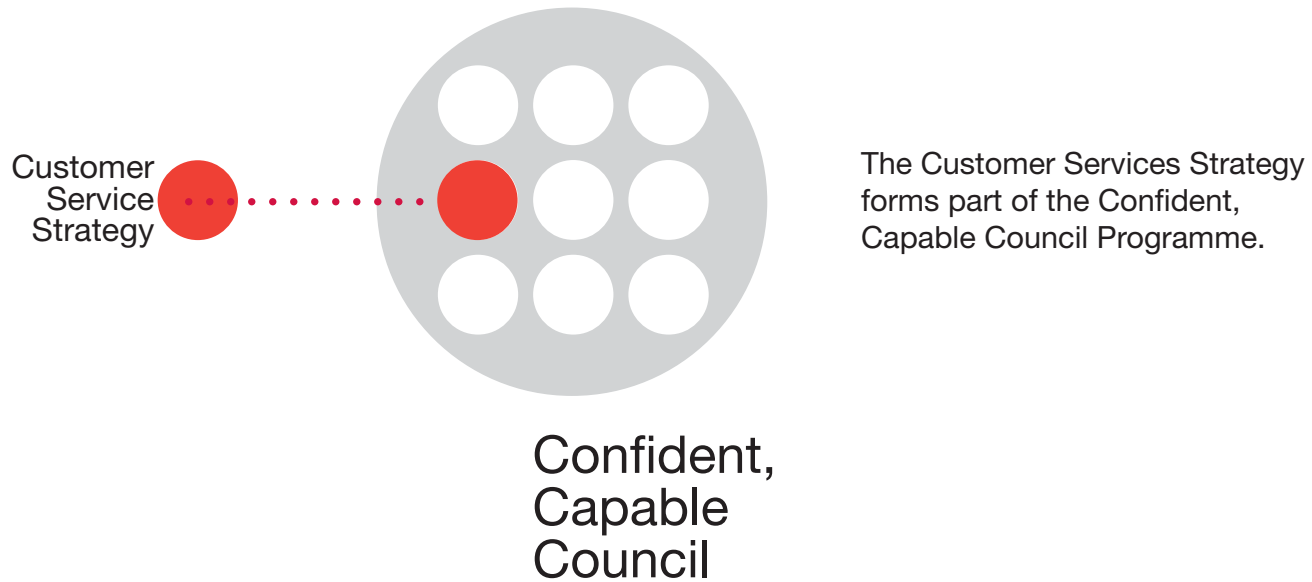
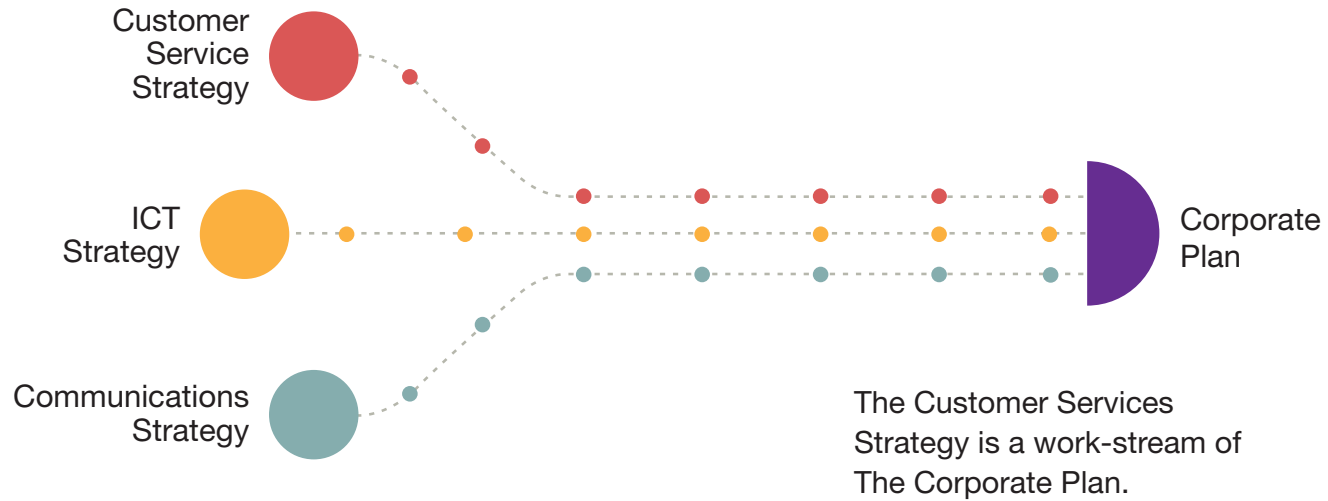
The Customer Service Strategy details how the City of Wolverhampton Council aims to offer joined up services which are designed for customers putting their needs at the heart of our business.

### Head of Customer Services

In recent years of financial hardship many have said that across a number of industries customer service standards have been in decline. In reality, what we know, is that customer expectations have increased in regards to the quality of service available to them. This comes in the wake of a technology revolution across many channels – social media, online accounts and apps.

The City of Wolverhampton Council customers expect an 'Amazon' quality of customer service; information readily available to them regarding their area and business with the council. In order to achieve this it is vital that Customer Services is efficient and at the heart of it contains staff who consider the customer impact in each action they take. For these staff, it is about having the right tools at hand to do their jobs in the most efficient manner.

Our strategy is designed to ensure that over the next three years a coherent and ever-increasing depth of service is offered to Wolverhampton residents, visitors and businesses across all channels – firmly putting the customer first.





## 2

## Introduction

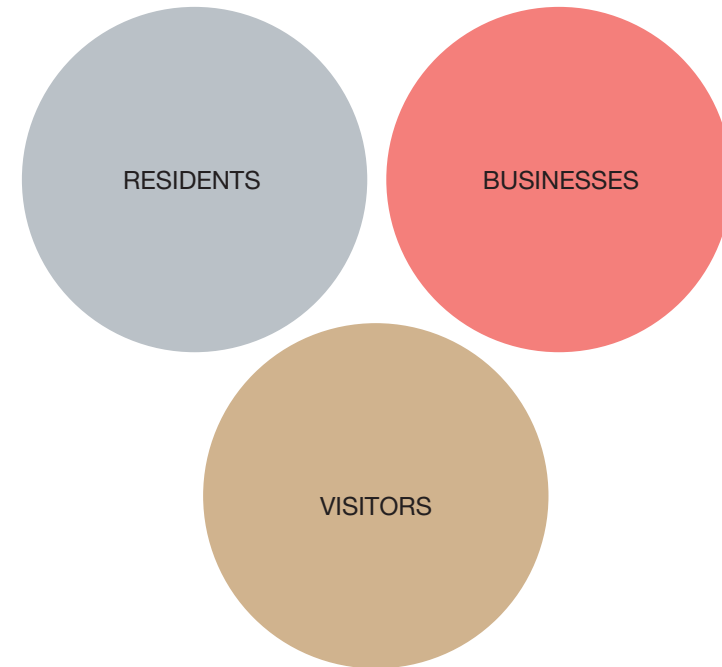
## 2.1

## Our Customers

Wolverhampton has a diverse range of customers with varying needs. In the broadest sense, everyone who lives, works, visits or does business in Wolverhampton will use a Council service in some form, whether they are visiting one of our WV Active leisure centres, claiming a benefit or simply walking down one of the streets which we maintain.

As a council, we are also conscious of the need to provide excellent service to existing and prospective commercial partners so that they in turn start or continue to help us in developing Wolverhampton as a place to work, live, and as the first choice for inward investment.

The organisation is making radical changes in the way its services are delivered. Simultaneously, we are in the midst of radical reform nationally in the wake of Universal Credit and the Care Act which introduce changes to welfare benefits and care provisions respectively.



With these changes a-foot you can already begin to imagine the questions this creates for our customers and impact it has to our social fabric in the region. It is vital that the Customer Service offer across our face to face receptions, telephony and online is geared up to meet current and future demand.

# 3

## The Bottom Line

Customer Services supports:



*A stronger economy*



*Stronger communities*



*A confident capable council*

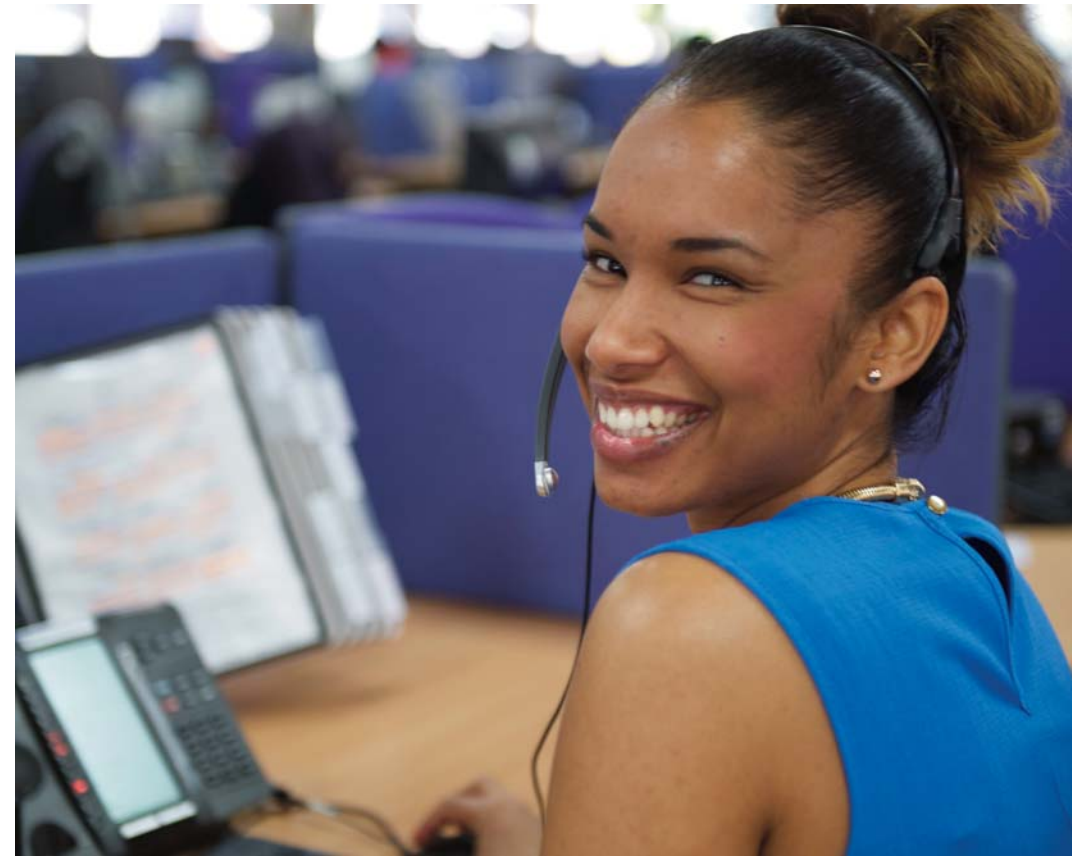
3.1

### Our Savings



During 2015-2018 Customer Service must deliver £1.5 million savings to contribute towards the £124m corporate savings target. A Customer Service Transformation Programme is already underway to ensure this is delivered.

There are a number of contributing factors that dovetail with this strategy which must be considered to realise the savings required and to ensure delivery of an improved customer service experience.



3.2

Our Start

Currently Customer Services receives on average per month:

Page 131



60,000

telephone contacts

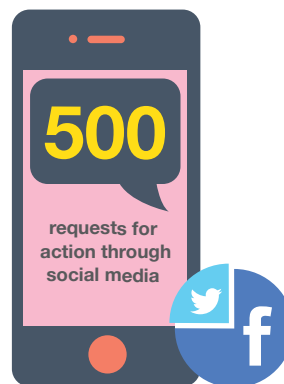


57,000

visits to the Civic Centre office (7,000 visits) and WV Active (50,000 visits)



Emails



316,000

hits to website homepage

(data includes both wolverhampton.gov.uk - 300,000 and wvactive.com - 16,000)



hits on website forms

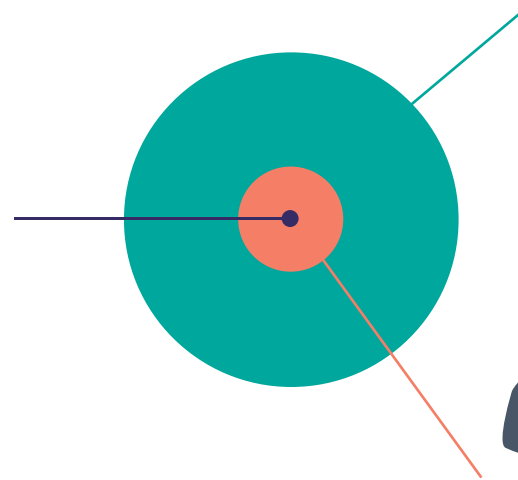
We know that the industry standard benchmarked associated costs per contact are:



**£8.62**  
per face to face  
transaction



**£0.15**  
per web transaction



**£2.83**  
per telephony  
transaction

We know there are more cost effective ways of providing services to customers and that there is appetite to access services in new and innovative ways.

## 3.3

### The Challenge

The Customer Service team are currently organised in a large multi-skilled group of advisors. Our advisors are currently required to utilise and interpret a number of inwardly facing IT systems to provide customers with the information or service they require. These systems are often quite limiting in terms of the customer experience – down to the little things we have come to expect such as a text or an email to confirm you have ordered something or made a booking.

The current systems utilised also require back office duplication in loading or processing requests which in turn has a knock on effect on the efficient progression and updates of a customer enquiry.



The Customer Service team does front a large number of services offered by the council but there are equally some ‘top task’ council services where customer contact is still managed by officers in the back office service areas. This leaves customers trying to understand how we operate and who to contact.

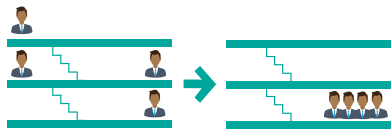
## 4

## Transformation Programme

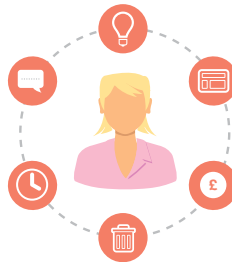
## 4.1

## Our Aims

The Customer Service Transformation Programme, which commenced in November 2014, aims to deliver:



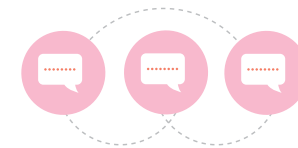
The creation of a single front office, dealing with all types of customer enquiries - transferring as much customer facing activity as possible into Customer Services



A Customer Service department which will be staffed by a range of multi-skilled customer and service specialists who will work with back office services to ensure customers don't need to know how the council works in order to access help and advice



A service where customers will have more of their enquiries answered at the first point of contact - wherever and however they choose to contact us



The removal of wasteful repetition and unnecessary process steps so that we provide a more efficient service to save money and protect front line services

## 4.2

## Customer Champions

The Customer Strategy and Transformation Programme require senior managers to:

- Recognise its importance
- Believe in the strategy
- Be active in leading by example
- Take actions that support those charged with carrying it out.
- Hold services accountable
- Instil a 'shared governance' of this strategy council wide.

Equally this strategy requires employees to exhibit excellent standards of customer service throughout contact with our customers via any channel they choose to contact us on.

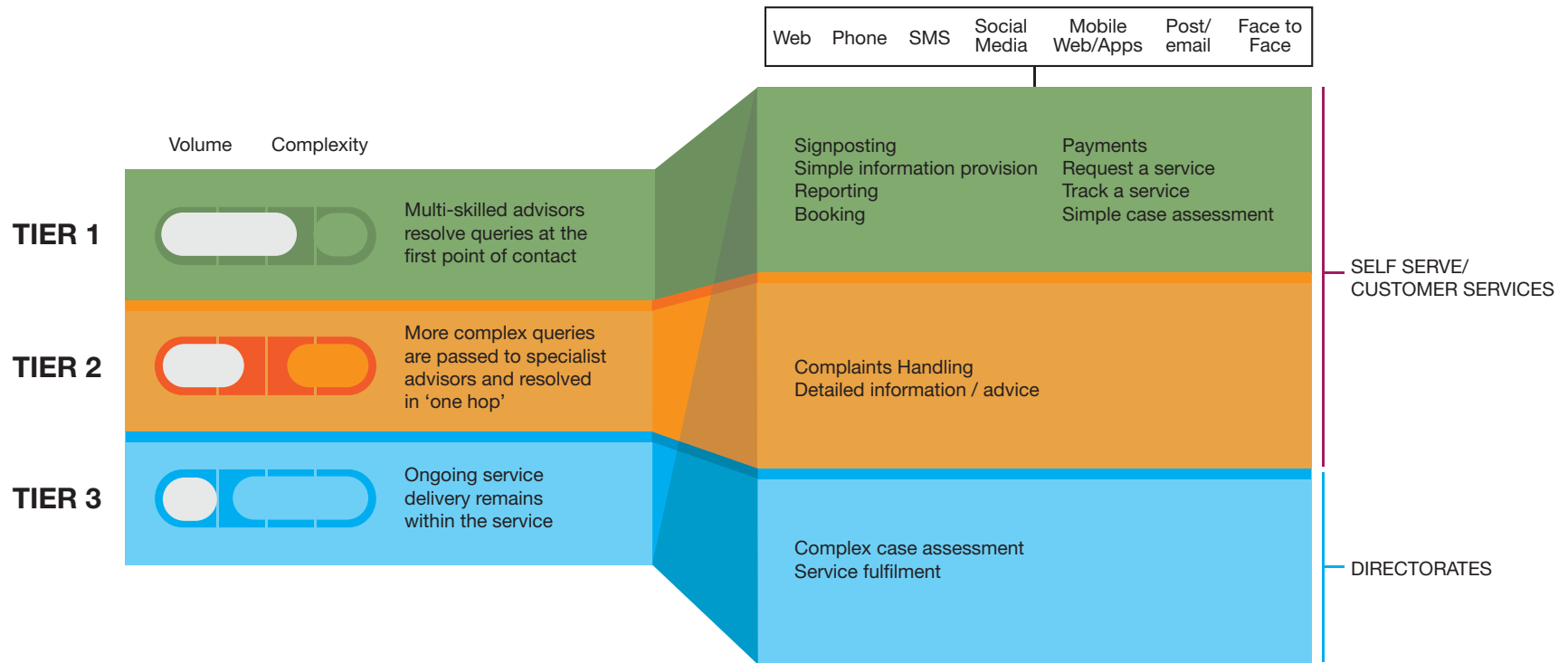
**The Customer Service Transformation Board** will have direct oversight and governance of the work programme, chaired by the Managing Director.

The Customer Services management team will use the strategy as the driver for their service plan, performance indicators and staff appraisal.



4.3 The Target Operating Model for Customer Services

Page 136

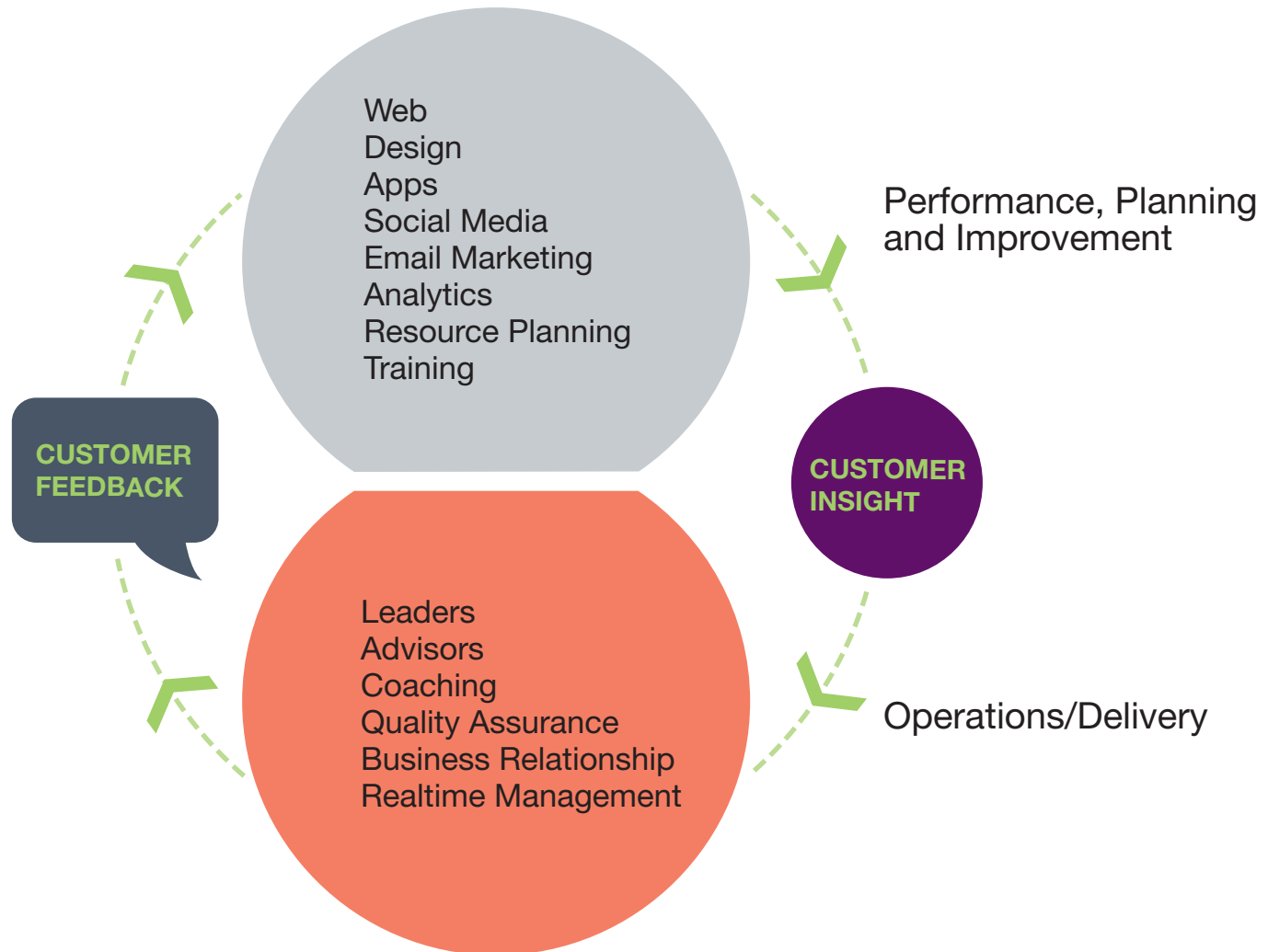


The implementation of the targeting operating model will result in having the 'right people, with the right skills, doing the right things at the right time in the right way' **(Confident, Capable Council)**.



## 4.4 Structure

The structure and function is now in place to deliver the target operating model





#### 4.5 Empowering our customer - enabling transformation

As illustrated from the costs per contact on page 9, it is even more important that as well as aligning our customer service resource we must focus our efforts on the empowerment of our customers to self-serve.

Ofcom reported in 2012 that 94% of residents held an email address and we also know that more people are accessing the internet via their mobiles now than on a conventional desktop PC. In 2013, the Office for National Statistics reported that 72% of all adults bought goods or services online, up from 53% in 2008\*.

However it is not simply a case of switching our customer contact online. We know from the council's Digital Inclusion Strategy that 36% of our households did not have access to a broadband connection at 2010. This was in spite of Wolverhampton being third highest in terms of broadband coverage across UK cities with availability high at 93%. There are technical, knowledge and skill barriers to overcome with our customers

Moreover, the cheapest channel is not always the most cost effective if it creates failure demand. If customers who require a particular service are not digitally enabled or it is not feasible to encourage or incentivise them to do so we need to be aware of this. This poses the question – what is Wolverhampton's approach to this digital dilemma?

\* (<http://www.ons.gov.uk/ons/rel/rdit2/internet-access---households-and-individuals/2013/stb-ia-2013.html>)

City of Wolverhampton Council's approach to Channel Shift



4.6

**'Channel Shift' – the Wolverhampton Way**  
 Channel Shift is widely accepted to be the migration of customer contact from more expensive channels to less expensive channels.

We recognise that every contact counts – both in financial terms to the Council but more important to each customer's individual needs. The cost benefits illustrated in Figure 1 are useful to consider but is only meaningful when customer insight is taken into account.

The City of Wolverhampton Council has adopted a 'digital by design' ethos. This is opposed to being 'digital by default'. In simple terms what does this mean?

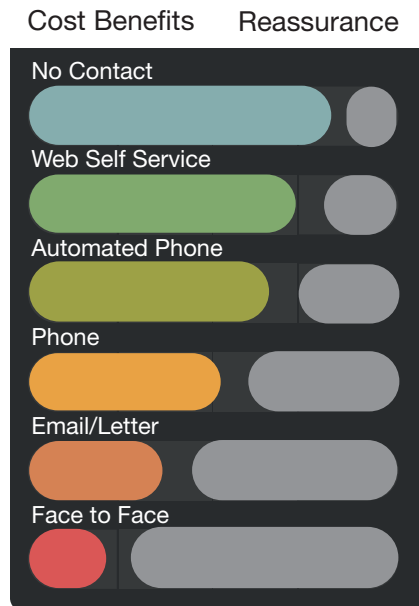
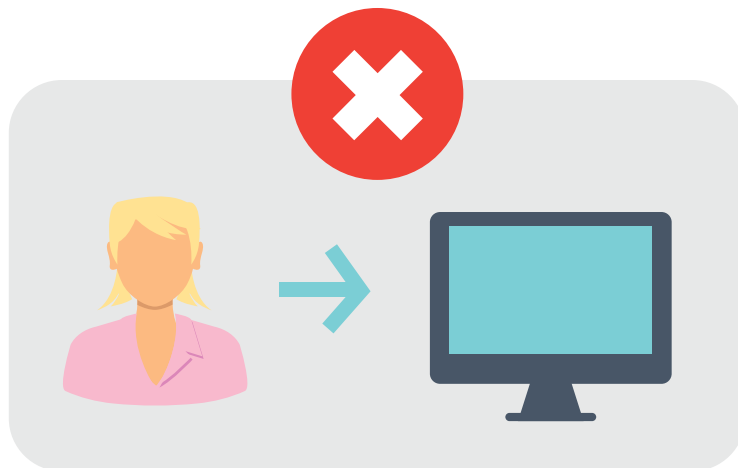


Figure 1

**Channel Effectiveness - Digital by Design**

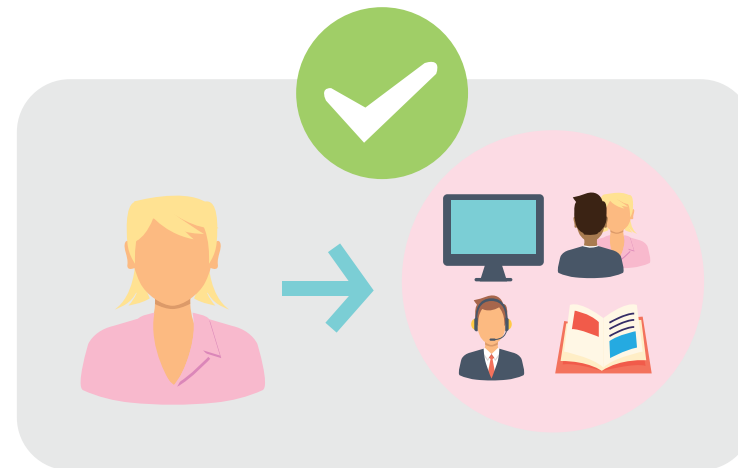
**Digital by default** is where customers are moved to digital channels by force. The business process is redesigned with the primary purpose being to remove any other channels for customers to contact or place a service request.



**Rejected approach**

**Digital by design** is where the end to end business process is reviewed in detail and areas deemed suitable for channel shift are identified. Digital options can be made available to customers at salient stages of the enquiry or transaction process or the entire process can be transformed to digital. This method places emphasis on due diligence and consideration of the demographic, processes involved and intervention required by the customer and the back office.

The consequence of this is opening channels rather than shutting them down. Customers who still wish to contact us via conventional means will always be able to do so should they choose to.



**City of Wolverhampton Council's approach**

COMMUNICATIONS



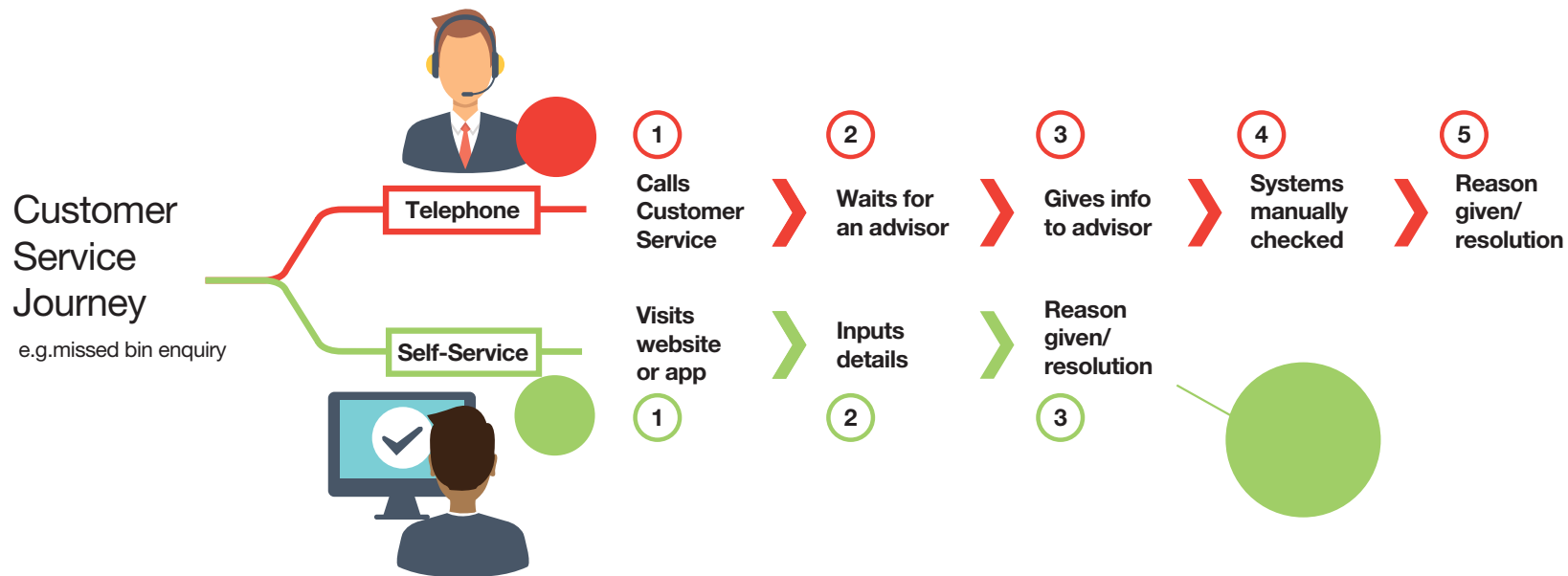
Involving our customers throughout this process will be the recipe for our success - it is vital that we question whether we are building services in tune to the reality of how customers behave and wish to contact the City of Wolverhampton Council.

## 4.7

**Interdependencies**

As the City of Wolverhampton Council commits to becoming a 'stronger council ready and able to deliver change', it is important that we understand internal programme dependencies and synergies and the competent, capable council transformation programme.





### ICT Strategy

The ICT Strategy sets out to ‘deliver better, trusted public services’ and commits to being customer centric and not afraid to try new innovative ways of working. ICT will be procuring a new digital engagement platform which will offer the Customer Service team the desired single view of the customer and enable engagement through a number of contact channels – SMS, apps, a ‘My account’ function on the council website, social media and other emerging channels. This will further support the delivery of the Customer Service Target Operating Model (TOM).

This platform will be accessible to service areas within the council, partner organisations and outwardly by the public in the ways they would expect to do business digitally with any other service provider.

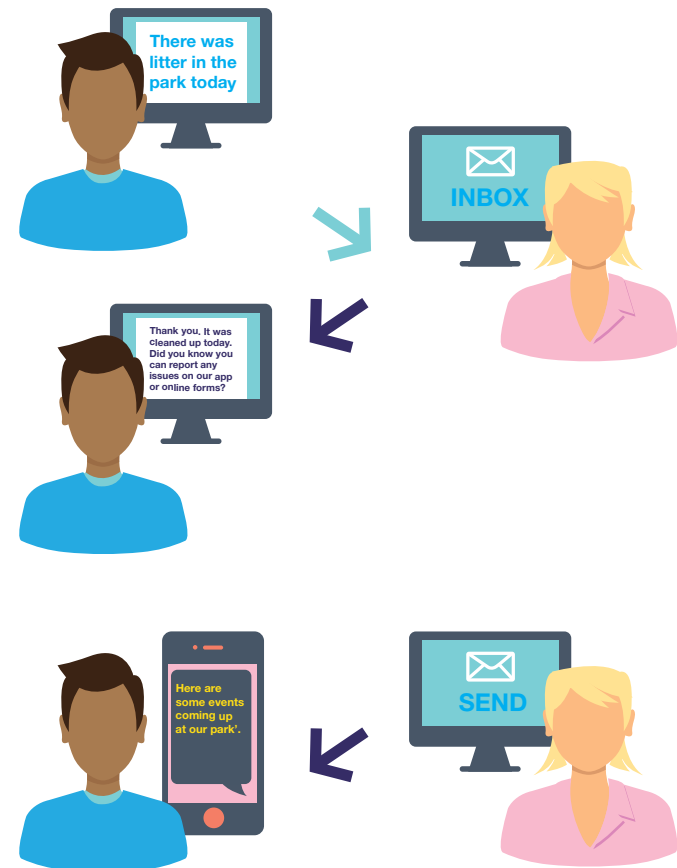
The Customer Service team will be able to locate relevant information in relation to a customer request in real-time, efficiently and be able to take customer’s contact preferences into account. In order to achieve this, the ICT team achieving integrations with back office technologies will be essential. This kind of intuitive technology will be vital in achieving ‘channel shift’ and the ‘digital by design’ approach.

### Communications Strategy

Matrix working between Customer Services and the corporate communications team is imperative to ensuring our customers get the messages they want and that they need to hear instantly. It is also essential to market any digital offer as efficiently and as effectively as possible.

The joint implementation of an email marketing solution by both the corporate communication team and the web team within Customer Services will enable the council to conduct targeted marketing about events in the city, new policies/initiatives and promote new ways of doing business with the council across digital channels. The web team are also well placed in Customer Service to see what is trending in terms of call volumes and receptions, identifying new priorities for channel shift.

*For example* “You made a comment about your local park. Would you like to sign up to our list of events in the park?”





This vision is echoed across the social media channels and monitoring tools which are managed in unison with the corporate communications team.

These avenues to ‘push’ information to customers are best utilised when customer insight is considered – what information have customers elected to hear, what are they already contacting us about, what pages do we know that they are already visiting on the website? The Customer Service team can pull a great deal of intelligence from these channels to determine new ways of working, service improvements, and can also consistently ask for feedback during every step of the customer journey.

This business intelligence between the two teams will ensure best value for money. If Customer Services know that posters in the city about an event/sign up campaign are not reaching customers we can review our strategy and refocus our in-house marketing resources and spend.

### Digital Inclusion Strategy

It is in the Customer Service team’s interest to be well versed in the digital inclusion strategy and become the champion to increase public access, capability and interest in digital channels.

Frontline staff should be well equipped to support customers with the move to more cost effective self-service where services have been identified this is appropriate for.



## 4.8

**Other partners and their contribution**

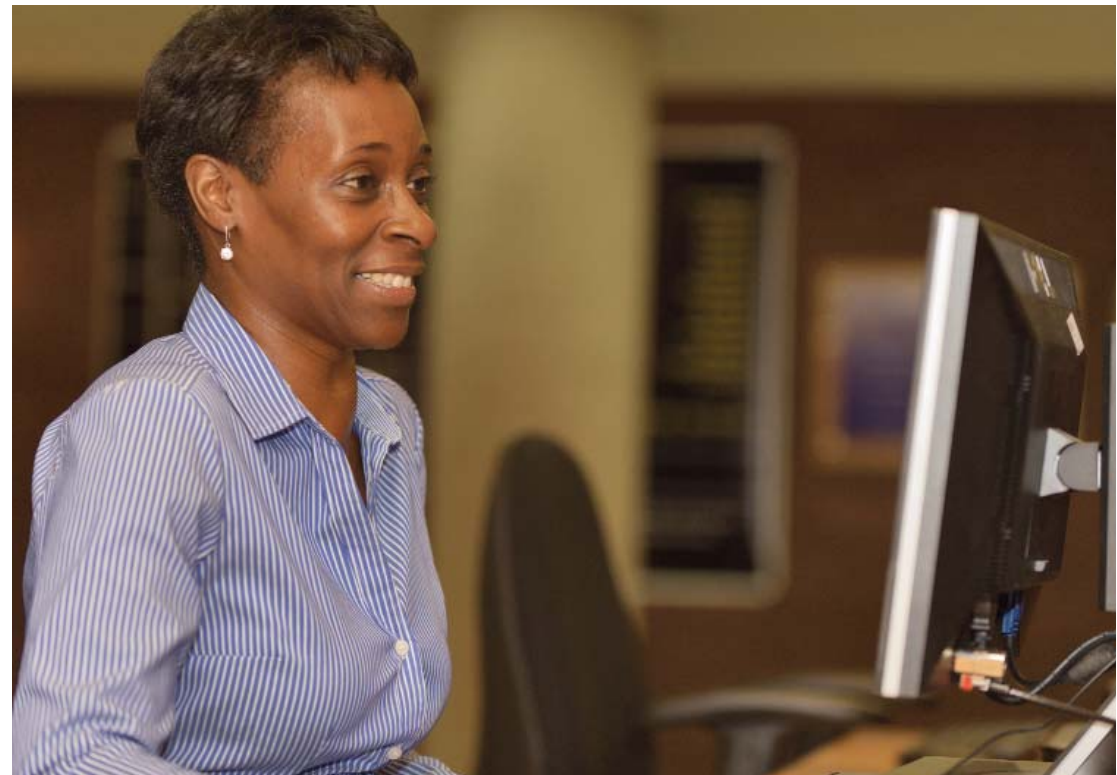
To give our customers the best experience the Customer Service team is committed to working alongside the following community partners:

Credit Union Wolverhampton	Citizens Advice British Legion
Information Network	Wolverhampton Homes
Equality and Diversity Forum	Public Health
NHS	West Midlands Police
Business in Wolverhampton	

As our strategy is delivered, these stakeholders will be brought along the journey and their insight sought where appropriate and joined up working occurring when beneficial to our customers.

**FutureSpace**

For those customers who wish to visit our offices we plan to work with our colleagues to achieve a face to face service whereby self-service kiosks are in situ and those vulnerable customers who need face to face support get their additional time that they deserve. There will also be additional provisions made in respect of courtesy PC access and payment kiosks.



5

## The five principles of excellent customer service

In order to deliver our vision we have identified five key customer service principles:



Customer Needs



Access to Council services



First Time Resolution



Employees



Improvement

# Customer Needs

We will put the user at the heart of service design and delivery to ensure that we provide responsive, joined-up services that are inclusive and customer focussed.

## Overview

Through the Customer Service Transformation Programme we will look to baseline current customer contact activity across the organisation and broaden the service provision. Opportunities to best meet customer needs will be identified, defined and business processes re-designed as a consequence.

This process will be repeated, continually evaluated and built upon aspiring towards a fully integrated approach to customer service across the organisation.



## Commitments

- Listen and understand customer intentions and trends.
- Customer satisfaction surveys will be conducted and reviewed across all channels regularly.
- Operating hours will be reviewed to meet customer needs.
- Process redesign will be with the view to customers only having to contact us once wherever possible.
- Ensure the council is business friendly.
- A single view of the customer will be created so that customer needs can be best identified/ remedied.
- Services and facilities for customers at the Civic Centre will be reviewed through the Future Space programme.
- We will ensure information security and data privacy is at the heart of any service redesign.
- Any essential handover to back office services will be conducted seamlessly.

# Access to Council Services

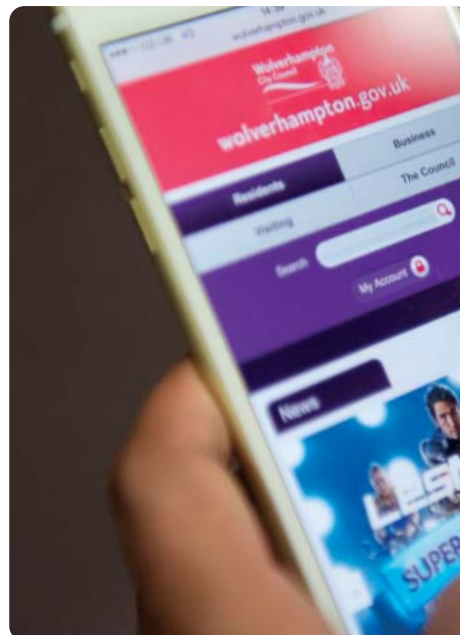
Page 149

2

We will provide easily accessible services and information promptly and in a way that reflects our customers' choices, needs, and circumstances. This will include as a priority the development and implementation of a Channel Management System for the Council's website to facilitate channel shift when this is desired by our customers.

## Overview

The 'digital by design' ethos will be embedded across the development of all channels of communication. Communication channels shall not work exclusively but in co-ordination with one another to support our customer needs.



## Commitments

- Effective branding will be in place to ensure customers have confidence in knowing when they are conducting business with the council.
- To engage and reach people and respond real-time through the social channels of choice.
- Digital inclusion will be assured in any development of customer services.
- The telephony system will be continually evaluated and developed. For example, numbering, menu options, call back functions.
- Translation services will be provided across all channels.
- Customer service standards will be set and reviewed for any written communication ensuring customer-centric language/approach.
- To promote and assist with online self-service and other digital channels to customers to improve customer experience.
- The Government Digital Service (GDS) will be referenced to share best practice locally and nationally on upcoming technologies and platforms.
- All projects and initiatives will be subject to equalities and data privacy impact assessments.

# First Time Resolution

We will reduce the need for customers to repeatedly contact us because we have failed to deliver a service or information by getting it 'right first time'.

## Overview

Customer Service will undertake effective internal and external stakeholder engagement, ensuring that advisors and channels have the most up to date and relevant information to assist in a customer enquiry or service request.

Page 150

3



## Commitments

- To deliver the 'Tier 1' and 'Tier 2' functions in the Target Operating Model across the whole of the organisation.
- Data will be joined up across services to remove unnecessary delays in providing information/ updates to customers.
- Where technology can be put in place to enable first time resolution on digital channels this will be prioritised to give customers greater choice and access to services.
- First point of contact and repeat contact will be measured to better understand and identify areas for improvement.
- Transparent performance management information and reports will be made available to senior managers and the public.
- Effective guidance for all enquiries and diagnostic tools will be made available to customer service staff.
- Where further investigation is required we will collect contact details and record customers preferred method of contact.
- When something isn't working, we will look at the business process from start to finish – no plaster fixes.
- We will signpost customers to appropriate organisations where we cannot assist.

# Employees

We will ensure that employees have the skills and abilities to deliver effective, customer focussed services, are encouraged to work in a collaborative way and have a role in identifying and developing improvements.

## Overview

Customer Service will champion standards of excellence across the internal department and wider organisation.



Customer Service has been recognised as an Investors in People (Gold) employer since **month year here**.



## Commitments

- Skills and abilities will be measured through a balanced scorecard within the Customer Service department.
- To promote and be transparent about customer feedback policies and procedures.
- To lead in the development of customer service 'soft skills'.
- To produce and maintain mandatory e-learning and face to face customer service training for all frontline employees.
- To provide guidance on dealing with difficult or aggressive customers.
- To encourage employees to persuade customers of the benefits of online self-service and the 'best fit' for their needs.
- To quality monitor our employees regularly and have a clear process in place for feedback from service areas and peers.
- To aspire to our internal values and behaviours.
- To motivate, maintain morale and cultivate a forward thinking working environment where employees suggestions are encouraged.

# Improvement

We will use customer and staff feedback, business intelligence and performance reporting to achieve continuous service improvement.

## Overview

Whilst all principles are important we feel the last of our 5 is key and is what our customers expect. We expect to make intelligence driven decision making in regards to improvements.

Page 152



## Commitments

- Use customer feedback to improve services we deliver.
- To encourage instantaneous customer feedback.
- To create a framework for monitoring and improving customer service performance across the organisation.
- Pinpoint repeat issues and understand the customers these issues effect.
- Consult customers through focus groups and other mediums to glean desired improvements.
- Learn from our mistakes
- To improve the way we share customer service performance information enabling back office functions to improve end to end business process.
- To ensure consistency in our customer service standards.
- To have Service Level Agreements in place for those services which we front in order to ensure two way commitment to improvement.
- Use channel analytics such as Google Analytics/MOSAICs to understand customer behaviour and identify opportunities for improvement.
- Share and promote positive customer feedback and compliments.





Page 153

**Vision Statement** – Delivering excellent customer service first time, every time by providing smooth and efficient access to Council Services through the maximum number of channels.



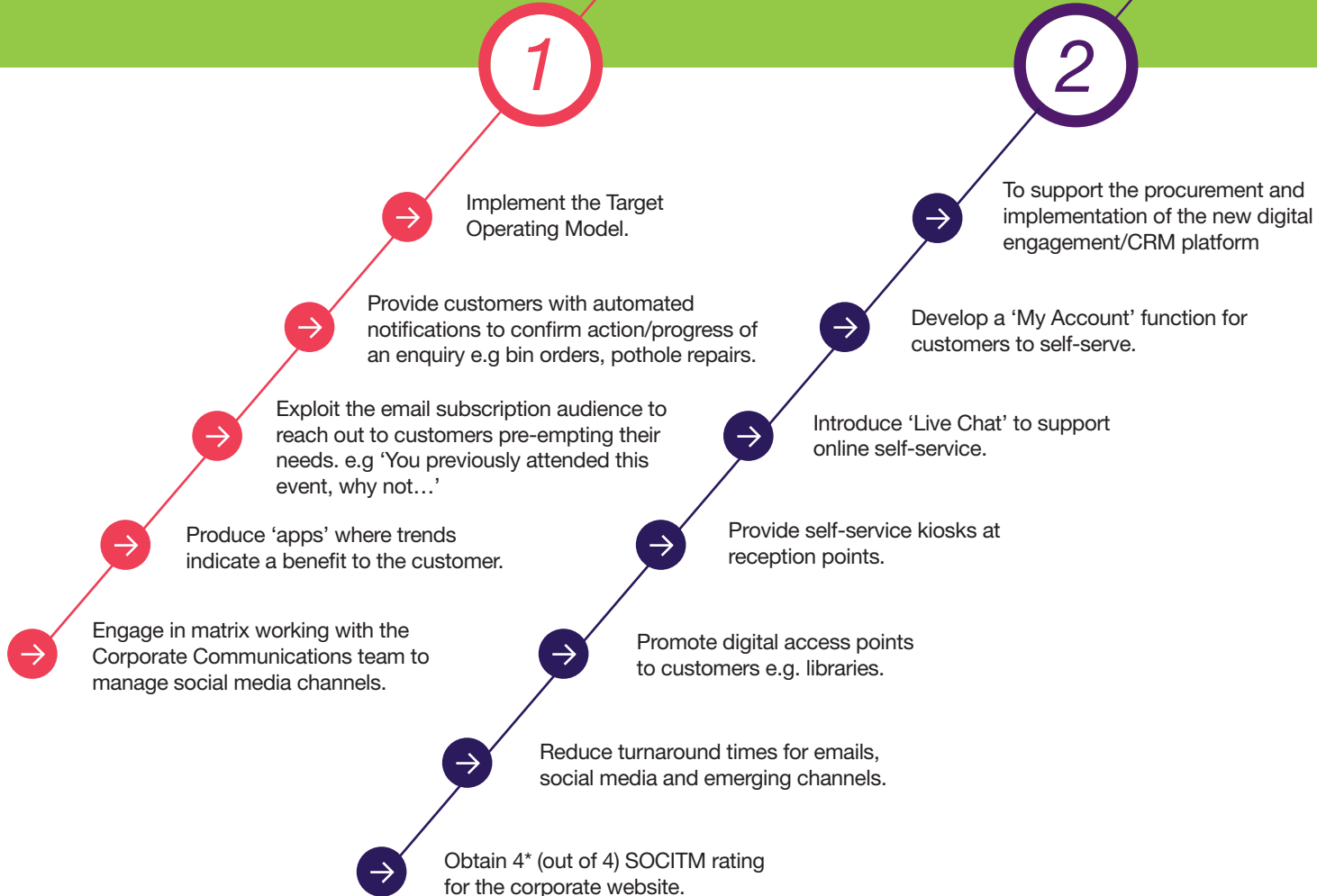
# 6 Our Action Plan

## Customer Needs

## Access to Council Services

1

2



First Time Resolution

3

Staff

4

Improvement

5

Page 155

- Reduce number of enquiries which require additional support at first point of contact.
- Automate simple administrative processes which enable low complexity high volume enquiries to be satisfactorily answered at the first point of contact.
- Migrate high volume customer contact into the Customer Service department so that customers do not have to understand how the Council operates.

- Use a balanced scorecard for customer service activity to manage quality effectively e.g. Measure resolution at first point of contact.
- Provide training for staff about digital services and channel shift.
- Make customer service training mandatory across the organisation.
- Monitor adherence to corporate customer service standards.
- Retain Investors in People (Gold) status.

- Attract business enquiries from within and beyond the city boundaries by supporting a strong business identity across all channels.
- Produce monthly dashboards to highlight areas of success and improvements required.
- Look to reduce print costs for traditional in-house publications/ notices published e.g. Events publications.
- Build services that add value and market them such as online events identity.

## MISSION STATEMENT



*To satisfy all customers both internal and external, through provision of high quality and quick responses to enquiries at first point of contact where possible; providing consistent accurate information / advice regardless of contact channel used.*

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Customer Services, Wolverhampton City Council, Civic Centre,  
St. Peter's Square, Wolverhampton WV1 1SH



**INVESTORS  
IN PEOPLE** | Gold

# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Corporate Communication Strategy 2015-17	
<b>Cabinet member with lead responsibility</b>	Councillor Roger Lawrence Leader of the Council	
<b>Key decision</b>	No	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Corporate Communication	
<b>Accountable employee(s)</b>	Name: Ian Fegan	Head of Corporate Communications
	Tel:	01902 554286
	Email:	<a href="mailto:ian.fegan@wolverhampton.gov.uk">ian.fegan@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Strategic Executive Board	19 May 2015
	Executive Team,	3 June 2015
	C3 Scrutiny Panel	16 June 2015
	Cabinet	22 July 2015

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### Recommendation(s) for action or decision:

Cabinet is recommended to:

Review and approve the proposed Corporate Communication Strategy 2015-17

## **1.0 Purpose**

- 1.1 The purpose of this report is to set out the strategic approach and plan to improve the city council's approach to corporate communication and to identify core campaigns for the coming years.

## **2.0 Background**

- 2.1 This three-year corporate communications strategy and plan will deliver more for less and supports the Corporate Strategy and wider City Strategy. By putting in place industry-standard, professional public relations (PR) practices and standards, the City Council can achieve better, more effective, value-for-money communications which improves two-way engagement with key stakeholders.

## **3.0 Progress and discussion.**

- 3.1 New thinking is critical to the success of the city council's corporate communications approach. Connecting the function to the centre of organisational policy and decision-making is essential to maximise opportunities and minimise reputational risks.
- 3.2 Solid research and evidence will under-pin all communication activity and campaigns, helping senior managers to set clear communication objectives with measurable outcomes.
- 3.3 Key strategic communication objectives include increasing the number of people who feel informed about our services, raising awareness of key services that deal with what matters to local people, increasing the number of active foster families, developing a sustained and integrated stakeholder communication approach to businesses, investors and developers and improving internal communication and engagement. Partnership and collaboration – at a local, regional and national level – will be critical to our success in delivering these priorities.
- 3.4 Delivering value-for-money approaches to communication will see investment in new, cost effective channels and a fundamental shift away from traditional ways of working to 'digital by design'. Growing our 40,000-plus-strong social media presence will see better marketing and content provision on existing City Council Facebook, Twitter, Flickr and You Tube channels. Digital growth will also see the launch of new social media channels, including LinkedIn, and greater use of TripAdvisor. Email marketing will be another significant and exciting direct, digital growth area as will the exploitation of the new corporate customer relationship management (CRM) system for marketing purposes.
- 3.5 A detailed campaigns plan with strong, core brands will set out how the Corporate Communications team will prioritise and support key corporate priorities and through improved professionalism, planning and innovation make things happen.

#### **4.0 Financial implications**

4.1 The Corporate Communications Strategy is part of the Future customer work stream. The C3 programme is intended to deliver transformation, improve efficiency and the increase the quality of services and will, therefore, directly contribute towards the delivery of the Medium Term Financial Strategy, including challenging savings requirements.

4.2 The corporate communications strategy will be implemented using existing corporate communications resources.

[GE/27052015/Y]

#### **5.0 Legal implications**

5.1 There are no direct legal implications to this report.

[TS/27052015/F]

#### **6.0 Equalities implications**

6.1 There are no equalities implications arising from this report.

#### **7.0 Environmental implications**

7.1 There are no equalities implications arising from this report..

#### **8.0 Human resources implications**

8.1 There are no equalities implications arising from this report..

#### **9.0 Corporate landlord implications**

9.1 There are no equalities implications arising from this report..

#### **10.0 Schedule of background papers**

10.1 Not applicable

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Page 161

# **A City that makes things happen: Wolverhampton City Council Corporate Communication Plan 2015 /18 <DRAFT>**

Author:	Ian Fegan, Head of Corporate Communication
SEB Lead	Keith Ireland, Managing Director

## 1. Executive summary

This three-year corporate communications strategy and plan will deliver more for less and supports the Corporate Strategy and wider City Strategy. By putting in place industry-standard, professional public relations (PR) practices and standards, the City Council can achieve better, more effective, value-for-money communications which improves two-way engagement with key stakeholders.

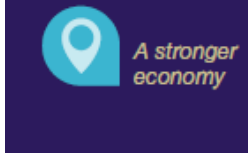
Day-to-day, better planning - the use of a PR forward planning grid - teamwork and continued professional development will be the building blocks of a more dynamic and effective PR team moving forward. The team will continue to deal with daily media enquiries, based on a new and clear media protocol, publicising good work and managing reputational issues. Strategic campaign planning and support for event management, including greater coordination of activity across the City, will ensure greater consistency in our communication.




A new way of thinking is critical to our success. Connecting the Corporate Communications function to the centre of organisational policy and decision-making is essential to maximise opportunities and minimise reputational risks. Solid research and evidence will under-pin all communication activity and campaigns, helping us set clear communication objectives with measurable outcomes. Key strategic communication objectives include increasing the number of people who feel informed about our services, raising awareness of key services that deal with what matters to local people, increasing the number of active foster families, developing a sustained and integrated stakeholder communication approach to businesses, investors and developers and improving internal communication and engagement. Partnership and collaboration – at a local, regional and national level – will be critical to our success in delivering these priorities.


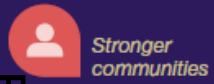
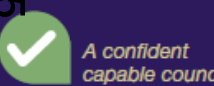

Delivering value-for-money approaches to communication will see investment in new, cost effective channels and a fundamental shift away from traditional ways of working to 'digital by design'. Growing our 40,000-plus-strong social media presence will see better marketing and content provision on existing City Council Facebook, Twitter, Flickr and You Tube channels. Digital growth will also see the launch of new social media channels, including LinkedIn, and greater use of TripAdvisor. Email marketing will be another significant and exciting direct, digital growth area as will the exploitation of the new corporate customer relationship management (CRM) system for marketing purposes.

A detailed campaigns plan with strong, core brands (*see section two below for an overview*) will set out how the Corporate Communications team will prioritise and support key corporate priorities and through improved professionalism, planning and innovation make things happen.

## 2. At a glance: campaigns 2015/16 - implementing the strategy

Corporate priority	Campaign	Activity	Key messages
 <p data-bbox="91 730 136 916" style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 163</p>	<p data-bbox="353 379 757 687"> <b>“Wolverhampton: making it happen” ...</b>  <b>Focuses on our achievements in creating jobs, growth and prosperity</b> </p>	<p data-bbox="786 343 1140 375"><b>Key campaign activity:</b></p> <ol data-bbox="786 379 1140 1109" style="list-style-type: none"> <li>1. Planned and sustained PR campaigns for jobs and growth and improving the City’s offer such as I10, I54, the new Youth Zone, new investment in the west-side, south-side, canal-side, Bilston Urban Village, the Civic Hall, and housing growth</li> <li>2. City Board conference programme: Wolverhampton Business Week, Wolverhampton Working Well Week, Visit Wolverhampton Week.</li> </ol> <p data-bbox="786 1157 1088 1189"><b>Supporting activity:</b></p> <ol data-bbox="786 1193 1140 1369" style="list-style-type: none"> <li>1. Support E&amp;E to develop a coordinated and integrated approach to City Marketing based on best practice</li> </ol>	<p data-bbox="1167 343 2011 411">- <b>Top level: We want jobs, growth and opportunities for Wolverhampton people</b></p> <ul data-bbox="1167 416 2152 1125" style="list-style-type: none"> <li>• We’re a business-friendly City with a ‘can do’ attitude, and we’re determined to support existing business and attract new investment to our City to help it grow.</li> <li>• We’re investing in better buildings, roads and transport links to boost growth. Developments such as I10 and the railway station are really important to our future prosperity</li> <li>• Wolverhampton’s going places with a number of exciting projects to boost growth and transform the City such as i54, new investment in the west and south sides of the City, Interchange 10 and Bilston Urban Village</li> <li>• Wolverhampton is already home to some of the UK’s top cutting-edge businesses - such as aerospace and research. 137 companies with a turnover of over £1 million have chosen to invest here and we want more</li> <li>• We are ambitious and optimistic about the future of our city. It’s a great place to live, work, visit and do business</li> <li>• We’re working with businesses and partner agencies to bring new investment into our City through regional, national and European funding.</li> </ul>

 <p>A stronger economy</p>	<p><b>“Cleaner, greener, better” ...</b></p>	<p><b>Key campaign activity:</b></p>	<p><b>- Top level: We want to deal with what matters to our communities so that Wolverhampton is a cleaner, greener, better place to live</b></p>
	<p><b>Focuses on dealing with the things that matter to local people and making them feel better about where they live</b></p>	<p>1. Planned and sustained PR campaigns to reduce fly-tipping, littering, dog-fouling and promote community involvement in Operation Springclean and the recruitment of community cleansing champions</p>	<ul style="list-style-type: none"> <li>• Wolverhampton is a great place to be. We want to foster a sense of pride in where we live, in our community and our great City to make it cleaner, greener and better</li> <li>• We are dealing with what matters to our communities.</li> <li>• We are determined to deal with persistent offenders of environmental crimes.</li> <li>• We need your support to spend less time and money on avoidable problems like fly-tipping, dog-fouling and getting rid of waste. Help us by reporting incidents immediately.</li> </ul>
<p>Page 164</p>  <p>Stronger communities</p>	<p><b>“Better schools, brighter futures” ...</b></p>	<p>1. Planned and sustained PR campaign to support service improvement in educational attainment</p>	<p><b>- Top level: We’re committed to closing the attainment gap and helping schools improve so our young people have the chance to reach their full potential</b></p>
 <p>Stronger communities</p>	<p><b>“Healthier, happier, longer lives” ...to improve life expectancy and opportunity and reduce reliance on services</b></p>	<p>1. Planned and sustained campaigns to tackle obesity and smoking 2. Promote the work we are doing to help older people live independent</p>	<p><b>- Top level: We want Wolverhampton to be a healthier place so our people live longer, happier lives.</b></p>
			<ul style="list-style-type: none"> <li>• We make a huge investment into helping people live healthier, happier, independent lives through our leisure centres and our support programmes to help people quit smoking, drink less alcohol and lose weight</li> <li>• Smoking and obesity are major health problems in our City and</li> </ul>

		lives	we are ready to support those who need our help the most.
	<p><b>‘Make a difference’ ...to encourage more people to foster</b></p>	<ol style="list-style-type: none"> <li>1. Planned and sustained campaign to increase the number of active foster carers in Wolverhampton</li> <li>2. Planned and sustained campaign to increase the number of specialist foster carers in Wolverhampton</li> </ol>	<p><b>- Top level: You could make a difference and provide a caring, stable home for a local child in need</b></p> <ul style="list-style-type: none"> <li>• Could you care for a child in need?</li> <li>• Want to give something back to your community?</li> <li>• Do you have time, motivation and a spare bedroom to be able to care</li> <li>• We are looking for people of all ages and backgrounds to be foster carers</li> <li>• You’ll receive professional support and training</li> <li>• You could earn £20,000 a year</li> </ul>
 <p>Page 165</p>	<p><b>‘Pride in the City’ ...improve local perception / pride in place and lift aspiration</b></p>	<ol style="list-style-type: none"> <li>1. Planned and sustained campaign to improve perceptions of the city and increase local pride.</li> </ol>	<p><b>- Top level: Wolverhampton’s a great place to live and work.</b></p> <ul style="list-style-type: none"> <li>• We want people to connect and be proud of the history, heritage and future ambitions of the City</li> <li>• People make Wolverhampton – you are the City’s biggest asset</li> <li>• We have a huge amount to be proud of as one of the top 20 biggest cities in the UK</li> </ul>
		<ol style="list-style-type: none"> <li>1. Planned and sustained campaign to manage the impact of financial challenge and difficult decisions, including support for the budget consultation</li> <li>2. Encourage greater public participation in City Council decision-making including an annual resident’s survey to measure public perception</li> </ol>	<p><b>- Top level: Despite the tough challenges we face, we’re determined to serve Wolverhampton, boost prosperity and deliver value for money services</b></p> <ul style="list-style-type: none"> <li>• We provide hundreds of vital services on your behalf for just 17p an hour. That’s real value for money</li> <li>• We’re thinking smarter and differently about the way we work to provide services to local people and businesses that are efficient, effective and affordable</li> <li>• Working smarter means better use of technology, closer partnership working and collaboration with our partners to get as much value we can out of every pound we spend.</li> <li>• We’re committed to doing all that we can to protect and safeguard those who are the most vulnerable in our communities</li> <li>• Despite the cuts, we want the City of Wolverhampton to be a place</li> </ul>

		3. A planned and sustained internal communication plan	of opportunity and fairness for all <ul style="list-style-type: none"> <li>• We are determined to continually improve and learn.</li> </ul>
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### 3. Introduction

The City Council is going through a period of huge transition and change. Whilst savings of £88 million have already been made to date, another £46 million is required to balance the books by 2018/19.

This corporate communication strategy will help deliver the ‘City Strategy’ and the council’s vision and corporate plan, making a strong and clear connection to the Corporate Plan’s priorities of delivering:

- A stronger economy
- Stronger communities
- A confident, capable council.

through ‘branding, leadership and strategy’ (LGA, LGcomms and SOLACE: “Building Trust Action Plan, Oct 2013) across the council communication needs to show that the City Council is dealing with what matters to Wolverhampton people, changing lives for the better, improving key services, engaging people and delivering value for money.

As resources decrease, it will be increasingly important for us to work with our communities and businesses to deliver outcomes. Trust and confidence will be critical to building mutually beneficial relationships. This will need to be based on an understanding of needs, driven by excellent insight and research. With diminishing public relations resources, the importance of embedding excellent communication across all levels of the organisation is increasingly important. Communications must play a significant role in developing, supporting and coaching the organisation to improve.

This strategy is based on consultation and engagement with strategic leaders – councillors and senior managers – across the council. It also builds on local business plans. It aims to ensure a unity of purpose between councillors, the strategic executive board and the corporate communication team.

Page 156

## 4. Research

Communication and public relations activity needs to be evidence-based and underpinned by research. To build trust and confidence in the council we need to understand, and be responsive to, the needs of the communities - and other key stakeholders - we serve so that we deal with what matters to them.

### 4.1 Public / resident's perceptions and opinions

The most recent research/evidence from the 2013 Resident's Opinion Survey tells us:

**Overall, 74% of residents were satisfied with their neighbourhood as a place to live.**

The top five priorities for people where they lived were:

- Anti-social behaviour (36%)
- Road and pavement repairs (32%)
- Activities for young people (27%)
- Crime (26%)
- Overall quality of where I live (23%).

**Overall, 44% of residents were satisfied with Wolverhampton as a place to live.**

The top five city-wide priorities were:

- Anti-social behaviour (42%)
- Crime (33%)
- Road and pavement repairs (31%)
- Job opportunities (31%)
- Activities for young people (25%).

The survey highlighted that **trust, satisfaction and community engagement** could be improved:

- only 27% of residents felt able to influence decisions made by the council and partners
- only 26% would speak positively about the Council (37% had no views either way)
- 42% were satisfied with the way the council runs things
- only 25% felt the council provides value for money
- 39% felt informed about council performance (*this compares to a national average of 66% as based on research by the LGA: 'Building Trust Action Plan', 2013, P.17*).

Crime and anti-social behaviour (ASB) were high on the list of priorities despite the fact that in the last five years the chances of being a victim in the city have reduced from 86 reported crimes per 1000 population in 2008/2009 to 67 in 2013/14 a reduction of 22% (21,526 offences in 2008/09 to 16,870 in 2013/14 – a reduction of 4,656 offences). At same time, anti-social behaviour has reduced from 63 reported incidents per 1000 population in 2008/2009 to 25 in 2013/14 a reduction of 60% (15,721 reported incidents in 2008/09 to 6,215 in 2013/14 – a reduction of 9,506 incidents).

Page 168

*Summary:* From this insight, four strategic communication themes are clear:

- We need to increase the number of people who feel informed about the services we deliver through cost-effective and innovative communication
- Activity needs to focus on Council services that are making a difference to the lives of local people
- Services available to people in the way they want eg via the web, social media, telephone or face-to-face
- We need to do more work to support and influence local community safety partners reduce the fear of crime and ASB.

## 4.2 Businesses

There is little available research or insight into what businesses think about the services they receive from the City Council. The most recent research comes from the Black Country Business Survey, May 2013. However, this focuses on business growth factors and confidence. It highlights some positive news in that *'business confidence across Wolverhampton is high'* with 47% of businesses expecting turnover to increase in the next two years. 'Businesses' can be further segmented into three clear stakeholder groups: businesses, developers and investors.

*Summary:* There appears to be little insight into business perceptions. This plan would therefore advocate the following:

- Annual survey of businesses to measure perceptions including the three strategic questions set out under Section 4



- Survey results used as benchmark to develop further targeted communication activity and service improvement.

### 4.3 Our employees

There are some very good examples of internal initiatives such as single status and Futureworks. However, employee engagement in the broader sense is still under-developed.

Internal communication and engagement are significant improvement areas for the City Council. A weakness is the lack of current research and insight from our employees on which to base improvement – and communication - activity. The last employee perception survey was over five years ago.

*Summary:* more engaged and involved employees are happier and more productive. Strategic themes to consider are:

- In the short-term, developing an electronic baseline survey to get employee feedback on how internal communication could be improved.
- In the medium-to-longer-term, the Council should consider commissioning an independent annual employee survey (and annually thereafter) to get the views of employees on a wide range of issues including internal communication
- Developing a comprehensive and sustained internal communication and engagement plan *based on the feedback from the employee survey.*

Page 169

## 5. Key issues

Based on the research above, there are a number of key issues to address. Some are short-term, whilst others – particularly perception issues – are longer-term:

- Resident and business trust and satisfaction with the Council and its' services need to be improved. Significantly, there are clear gaps in the Council's ability to measure key stakeholder perceptions of trust, confidence and service satisfaction. This needs to be addressed if we are committed to making a positive difference to the lives of Wolverhampton residents and business people. This calls for a clear stakeholder consultation / engagement strategy and in particular:
  - a more regular and sustained resident's perception (minimum 3 – 5 year resource commitment) and satisfaction survey
  - a more regular and sustained business perception and satisfaction survey (minimum 3 – 5 year resource commitment).

- Developing direct communication channels with local residents and businesses. There is a correlation between being informed about something (a service) and being confident in it. The City Council's direct channels of communication are limited, albeit developments such as Wolverhampton Today and the new website are excellent. Whilst other council's still publish regular resident newspapers to help keep residents informed, the City Council cut its own newspaper a number of years ago to make much needed savings. Cost effective digital alternatives are required and email marketing offers a real opportunity to achieve channel shift. A small level of investment is required here.
- Our employees are our most valuable asset. More time and investment needs to be put into internal employee communication and engagement particularly at a time when we are changing rapidly, trying to keep existing talent and to attracting new, high calibre employees when vacancies arrive.
- Given the significant challenges we still face due to the financial challenge, we need to manage and mitigate the impact of these on public confidence through proactive engagement and greater community empowerment. Public relations has a key role to play here in supporting engagement and increasing awareness of the rationale behind big decisions.

## 6. Communication objectives

In the broadest terms, the aim of this communication strategy and plan is to increase public trust and confidence in Wolverhampton City Council. Keeping communities and key stakeholders informed can make a real impact but this needs to be backed-up by excellent customer service. Research shows that the more informed people are more trusting and confident. The following key outcome indicators, based on those set out in the 'Building Trust Action Plan', are therefore recommended:

1. Increase the percentage of local residents / business leaders who trust their local council from benchmark to + ten per cent by 31 March 2018 (the LGA 2013 residents survey found that 61% of respondents said they had a great deal or fair amount of trust in their local council)

2. Increase the percentage of local residents / business leaders who agree that their local council acts on the concerns of local residents from benchmark to + ten per cent by 31 March 2018 (the LGA 2013 residents survey found that 63% of respondents agreed with this statement)
3. Increase the percentage of local residents / business leaders who agree that their local council keeps residents informed about the services and benefits it provides from 39% to 60% (LGA 2013 residents' survey average was 66%) by 31 March 2018.

These prime indicators will be supported by other outcome measures, for example employee perception, motivation and engagement (to be clearly articulated in a new internal communication and engagement strategy but to include % employees who have a clear understanding of how they contribute to the Corporate Plan and % employees satisfied with the council as an employer) and specific campaign plan objectives. Output objectives, aimed at increasing the capability and capacity of our communication activity, will also be measured:

4. Increase the number of *local* people who follow us on social media from 40,000 to 80,000 by the end of March 2018
5. Achieve 60,000 residents registered for email updates (53% of the 112,607 adults in Wolverhampton who are aged 18 and over and are in MOSAIC groups who preference email as a form of communication) by the end of March 2018 and all City businesses.
6. Achieve a balance in key media coverage of the City Council which is 60% factual/informative, 30% positive and <10% negative and where 60% of all coverage is generated proactively (generated by our efforts) and 40% reactively (responding to enquiries).
7. Deliver all agreed corporate campaigns detailed in section 6 (see also the agreed annual campaign plan at section 10) to deadline, to budget and to the satisfaction of internal customers.

## 7. Strategy

Our approach to communication will be defined by four strategic principles:

1. **Putting the 'City Strategy' and Corporate Plan at the heart of everything** – all communication activity will support delivery of our priorities. This will be based on planned and sustained campaigns for each of the four priorities (see section six).
2. **Digital by design** – the new structure (and processes) need to put much more emphasis on a channel shift to digital. More consumers are increasingly getting their information digitally and we have an opportunity to build market share to enhance direct communication and engagement. This means we have an opportunity to engage directly in a timely, open and direct way rather than relying on traditional channels. This is a long-term growth strategy which will include implementing and developing an email marketing / communication solution and will also see significant activity to grow our already successful and national-recognised social media channels.

3. **Brand leadership / positioning** – focused on our role in encouraging ‘pride in place’ and active support and participation in making Wolverhampton a better place and a place to be proud of **Wolverhampton: making it happen or Wolverhampton: the city at the heart of the Black Country. A great place to be’.**
4. **Partnership working** – wherever possible we will work with local, regional and national partners and agencies to achieve joint outcomes, consistency, coordination and better value for money for taxpayers.

## 8. Evaluation: measuring success

### 7.1 External stakeholders

Annual resident, Citizens’ Panel and business perception survey measuring:

- Level of trust in Wolverhampton City Council
- Extent to which City Council acts on the concerns of local residents
- How informed do you think your local council keeps residents about the services and benefits it provides.

### 7.2 Internal stakeholders

Annual employees survey measuring key perceptions including:

- % employees who are aware of the corporate priorities
- % employees who understand how their job contributes to corporate priorities
- % employees satisfied with the council as an employer
- % employees proud to work for the City of Wolverhampton Council.

### 7.3 Management reporting / accountability

- Weekly media / social media monitoring report

- Quarterly performance dashboard report including

- Media evaluation linked to priorities, tone, impact score and proactivity
- Social media evaluation linked to priorities, tone, impact score and proactivity
- Campaign evaluation detailing outcomes from PR activity on agreed programme of work.

## 7.4 Annual review

To ensure that the strategic approach and priorities are relevant and clearly connected to the Corporate Plan.

## 9. Our approach: people and processes

### a. Departmental structure

*Focus on building a new, dynamic team* – by bringing in new thinking, and strategic PR skills, improving the skill base within the department to deliver integrated communication through a sustained plan of professional development and improving communication within the new team.

Roles and responsibilities will be aligned to delivering this plan and aim to foster closer team-work and development:

Head of Department	Lead for strategy development, service development strategic reputation management, overall internal and external campaign planning and coordination. Link and quality assurance for commissioned funding for City Marketing, lead communication strategist for City Board and wider partnership working across the City
Principal (lead) Communication Advisor (Content and media)	Leads on strategic issue / reputation management, content/channel coordination and gathering across the team, Comms Tracker and media single point of contact for Corporate Directorate.
Principal Communication advisor (media)	Leads as campaign manager for 'Better Schools, Brighter Futures' campaign and media single point of contact for People Directorate.
Communications Officer (media)	Day-to-day media enquiries and single point of contact for Place Directorate.
Principal Communication advisor (Campaigns)	Lead for strategic campaign development and planning, specific campaign lead for 'Make a Difference' fostering, campaign lead for encouraging greater public participation in council decision-making, lead for event management and planning
Communication and Marketing Officer	Lead for 'Making it Happen' campaigns for jobs and growth and for delivering communications support to the annual City Board conference programme and action plan
Communication and Marketing Officer	Lead for 'Cleaner, Greener Better' campaign and "Healthier, Happier Lives"
Communication Officer (Digital)	Lead for Pride in the City campaign and digital content gathering and publication
Communications Officer (internal)	Delivers the internal communication and engagement plan and also supports on day-to-day media enquiries where capacity available.
Communication assistant	Daily media monitoring, social media monitoring, administration of Comms Tracker, general

## b. Better planning and processes

This will be underpinned by:

- *Prioritising what matters* – the department can play a key role in raising awareness of, and support for, the priorities set out in the Corporate Plan and what we are doing to deal with the things that matter to Wolverhampton people. With reduced resources, there needs to be a clear plan to prioritise what gets done (clear link to Corporate Plan) and what doesn't (no link).
- *Evidence / insight-based* – this strategy and all supporting communication / public relations campaign will be based on research and evidence
- *Be more proactive, less reactive* – through better strategic and operational planning
- *Better information technology* – to improve integrated internal and external communication and information management, flexibility and responsiveness

Key products the team will implement will include a:

- A Corporate Communication Strategy/Plan 2015/18
- A quarterly campaign planner with all campaigns based on the same model of excellence: ROSIE (Research, Objectives, Strategy, Implementation and Evaluation).
- A quarterly performance dashboard
- Comms Tracker Forward planning grid (electronically available to key internal stakeholders)
- A new media management and evaluation database
- Digital channel shift in PR with a new email-marketing system and market growth strategy
- Development plans for every member of the team, reviewed monthly by the Head of Department.

## c. Dealing with media enquiries

- Service coverage provided by team between 8.30am and 5pm
- Development of a media protocol to ensure coordination, consistency and clarity of roles and responsibilities between employees, elected councillors and Corporate Communications
- Given the importance of the ongoing relationship with the local media, organise meetings between the Leader, Chief Exec, Head of Corp Comms every two months. With clear agenda focusing on issues and opportunities.

d. Flexible and responsive customer service and support:

- Out-of-hours rota to support senior elected councillors and ensure emergency preparedness
- Customer service standards embedded throughout the team (based on those developed by Customer Services)
- Councillor development sessions to build confidence and skills in dealing with the media and social media.

Appendix one:

Action plan 15/16

Action	Strategic link	Who
Deliver the corporate communication forward planning grid (Comms Tracker) to improve content coordination, prioritisation and scheduling and provide weekly updates to senior officer and political leadership	Confident, capable council	TC
Develop a draft corporate communication strategy for approval by senior executive and political leadership to include an action plan	Confident, capable council	IF
Develop a media protocol to a consistent, coordinated and mutually beneficial approach between executive leadership, political leadership and the corporate communications team.	Confident, capable council	IF
Develop annual campaigns plan with budgets and timescales agreed with service leads	Confident, capable council	SJ/IF
Develop 15/16 campaign plan for the “Make a Difference” fostering campaign working closely with the People directorate including a campaign to recruit Special Foster Carers	Confident, capable council	SJ/IF
Provide support to Place Directorate senior management team in developing the ‘Wolverhampton Story’ and digital platform for joined-up promotion of the city	Stronger economy	IF
Develop a sustained 15/16 PR plan for the ‘Better Schools, Brighter Futures” campaign to show what we are doing to support school and educational improvement across the city.	Stronger communities	PB
Develop a sustained 15/16 PR plan for the ‘Cleaner, Greener, Better” campaign	Stronger communities	BH
Develop a sustained 15/16 PR plan for the ‘Healthier, Happier. Longer, Lives” campaign	Stronger communities	BH
Continuous Professional Development plans in place for all employee appointed to the new structure, based on role profiles and reviewed monthly	Confident, capable council	IF

Programme of weekly media monitoring summary reports distributed to key stakeholders	Confident, capable council	TC
Develop a sustained 15/16 PR plan for the 'Making it Happen' campaign focusing on jobs and growth	Stronger communities	JP
Develop overall communication strategy for supporting Wolverhampton City Board's annual conference programme including 1) Visit Wolverhampton Week (July 15), Wolverhampton Business Week 2015 (Sept 15) and Wolverhampton Working Well Week (March 2016) including objectives, strategy, implementation plan and apportioned budget spend	Stronger economy	JP
Put together an options plan to re-invigorate city boundary signage and improve image of city to potential investors, visitors and residents exploring the option of digital signage	Confident, capable council	IF
Implement media management database to improve consistency and coordination of approach to dealing with media enquiries	Confident, capable council	TC
Develop a communication plan for Futurespace to mitigate (as far as possible) the impact of the proposals	Confident, capable council	IF/IC
Develop an internal communication plan and plan on a page for the City Council based on direct feedback from employee (phase one – prior to full employee survey)	Confident, capable council	IC/IF
Produce draft residents survey aimed at understanding perceptions of Wolverhampton people and businesses	Confident, capable council	IF/CJ
Review current corporate identity / branding guidelines and make recommendations for improvement to achieve a strong visual presence for the organisation. Implement new approach.	Confident, capable council	IF
First performance dashboard / infographic report distributed to key internal stakeholders	Confident, capable council	IF
Deliver a new cost effective, digital, partnership approach to events marketing across the City	Stronger Place	IF/SJ
Develop fly-tipping communications plan as part of "Cleaner, Greener, Better" in close liaison with colleagues in the Place Directorate	Stronger Place	BH
Develop an integrated, targeted plan to increase our social media reach and develop new SM channels which improves communication with key stakeholder groups and thereby two-way engagement opportunities	Confident, capable council	TC/BH
Develop 16/17 budget communication and consultation plan	Confident, capable council	TC
Implement a new approach to email marketing aimed at improving direct communication and engagement with key audiences and better managing service demand	Confident, capable council	IF/PO
Deliver residents survey aimed at understanding perceptions of Wolverhampton people and	Confident, capable	IF/CJ



businesses	council	
Review the schools marketing service level agreement to make recommendations for the future direction	Confident, capable council	IF
Review and update the Council's social media policy in close liaison with customer services	Confident, capable council	IF
Develop campaign plan for Operation Springclean	Confident, Capable Council	TC
Annual awards event, funded by sponsorship, to recognise and reward the contribution of our employees	Confident, capable council	IC

DRAFT

Appendix two

Campaign plan 15/16

Campaign	Month										
	Apr	May	Jun	Jul	Aug	Sep	Nov	Dec	Jan	Feb	Mar
Making it Happen: jobs and growth											
Making it Happen: City Conferences											
Cleaner, Greener, Better				FT					DF		SC
Better schools, brighter futures											
Fostering											
Pride in the City											
Encouraging participation											
Healthier, happier, longer lives									SK	SK	
Internal communication											

Page 178

# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Performance Management Framework	
<b>Cabinet member with lead responsibility</b>	Councillor Roger Lawrence Leader of the Council	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Transformation	
<b>Accountable employee(s)</b>	Charlotte Johns	Head of Transformation
	Tel	01902 554240
	Email	charlotte.johns@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board	19 May 2015
	Executive Team	3 June 2015
	C3 Scrutiny Panel	16 June 2015
	Cabinet	22 July 2015

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

Agree the Performance Management Framework.

## **1.0 Purpose**

- 1.1 The purpose of this paper is to seek approval for the Council's Performance Management Framework.

## **2.0 Background**

- 2.1 As part of the Future Performance objective of the Council's corporate plan priority of a 'Confident Capable Council' the Performance Management Framework sets out for the first time our approach to ensuring we how we use information, data and business intelligence in order to make decisions, drive service improvement and to ensure a consistent and robust approach to performance management throughout the organisation.
- 2.2 The Performance Management Framework is one of the key stages on the 'Golden Thread' page of the 'Wolverhampton Way' document – which sets out our approach to delivery.

## **3.0 Our Approach**

- 3.1 The Performance Management Framework has been developed by building on good practice already in operation in some parts of the organisation, and articulating what will be our corporate approach to managing performance in the council.
- 3.2 The framework is based on a 'Plan – Do – Review – Revise' approach, to cover both our business and service planning and performance management activity in the council.
- 3.3 The Performance Management Framework is underpinned by a more specific action plan, included in Appendix A of the document, and more detailed plans which form the work plan within the Transformation service area. Resources will be reconfigured in order to support the delivery of the plan within the service area.
- 3.4 This document was subject to pre-decision scrutiny at the Confident Capable Council Scrutiny Panel on 16 June, and was welcomed.

## **4.0 Financial implications**

- 4.1 The Performance Management Framework is part of the Future Performance work stream. The C3 programme is intended to deliver transformation, improve efficiency and the increase the quality of services and will, therefore, directly contribute towards the delivery of the Medium Term Financial Strategy, including challenging savings requirements.
- 4.2 It will be necessary to procure a business intelligence and analytic dashboard solution, such as Qlikview. It is anticipated that this will be funded from existing ICT capital programme budgets.

[GE/27052015/S]

## **5.0 Legal implications**

5.1 There are no legal implications arising from this report.  
[RB/22052015/V]

## **6.0 Equalities implications**

6.1 Breaking down our data by protected characteristics wherever possible is an important part of meeting our duty under the Equalities Act, and this will be part of performance reports and dashboards wherever possible.

## **7.0 Environmental implications**

7.1 There are no environmental implications arising from this report.

## **8.0 Human resources implications**

8.1 The Council's restructure policy will be followed when reviewing any structures for a central business intelligence team.

## **9.0 Corporate landlord implications**

9.1 There are no corporate landlord implications.

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# City of Wolverhampton Council's Performance Management Framework 2015-18

# CONTENTS



Page 184

1	Introduction	3	6	How will the performance management framework be implemented?	15
2	Performance management at the City of Wolverhampton Council	5	7	Performance management cycle	16
3	Drivers for improved performance management	9	8	Reporting framework	17
4	What is performance management and why is it important?	10	9	Data quality	19
5	What is business intelligence?	13	A	Appendices	20



## 1

## Introduction

- 1.1. Managing performance is part of everyday effective management and work practice, and should be integral to all that we do.
- 1.2. The purpose of this performance framework is to underpin how information, data and business intelligence is used within City of Wolverhampton Council in order to make decisions, drive service improvement and to ensure a consistent and robust approach to performance management throughout the organisation.
- 1.3. The aim of this document is to clearly explain the framework so that Councillors, managers, employees, partners and the public can easily understand how the council manages its own performance.
- 1.4. Performance management is the activity we go through when we set strategy and devise the governance, values, processes and controls to use our resources to deliver our objectives. It enables us to answer the following questions:





1.5 Management of performance is at the heart of service delivery – it is what drives performance improvement. Where it is effective decisions are made in an open and informed way, acted upon and reviewed to drive continuous improvement and learning. Where key elements of performance management are weak, or not in place, the basis for decision making is often unclear, ineffectively communicated and cannot be readily assessed by Councillors, employees or other stakeholders.

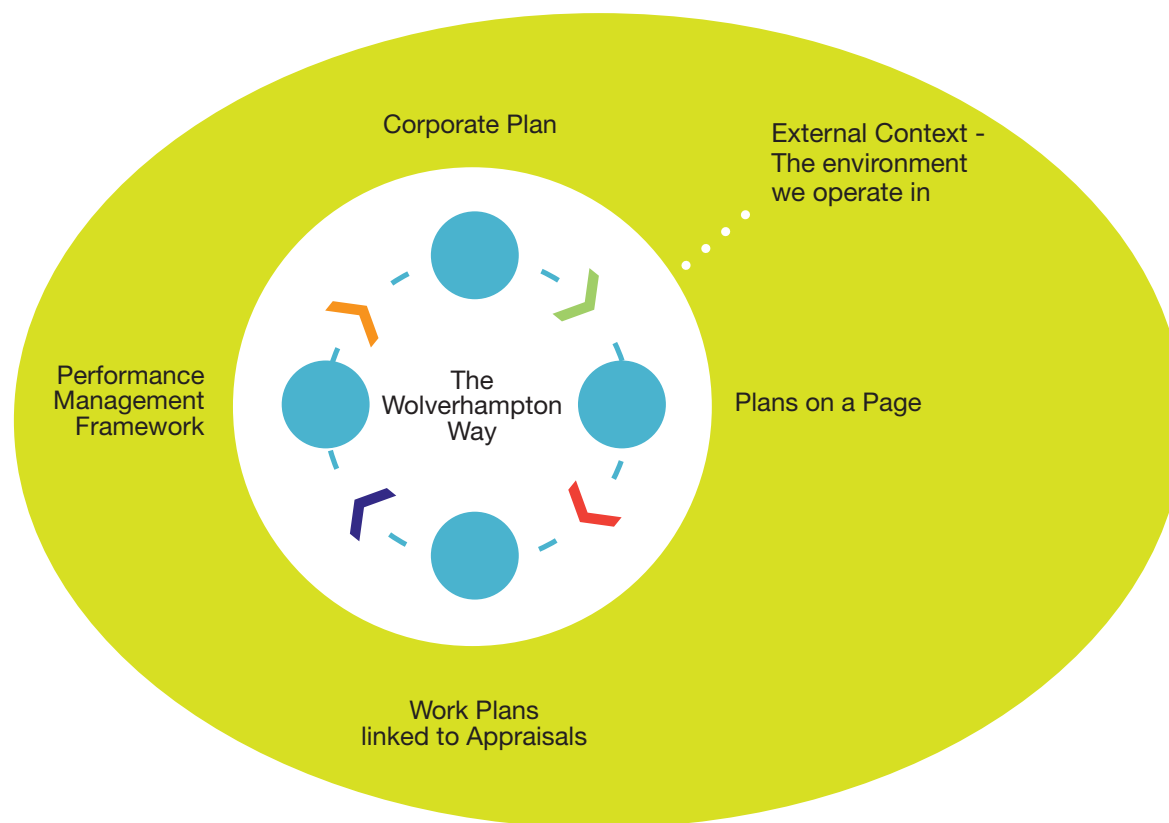
## 2

## Performance management at the City of Wolverhampton Council

- 2.1 Performance management is a key part of delivering our Corporate Plan. It is integral to creating a 'golden thread' to all that we do. Through clear and accountable performance management the council will ensure its goals and objectives are being consistently met. This document sets out the process by which performance and outcomes are set, monitored and improved. Performance management is an integral part of everyday practice, and includes the use of business intelligence to ensure all our decisions are evidence-based.
- 2.2 Performance management underpins the delivery of all of our corporate plan priorities and objectives. It also specifically links to our priority of being a 'Confident and Capable Council', and the 'Future Performance' objective which sits alongside the six other objectives in the council's corporate transformation agenda.
- 2.3 The key aims and outcomes of the Future Performance corporate priority are:
- Establish and embed a strong performance and project management culture throughout the organisation
  - Improve the performance of the council in line with our corporate plan priorities
  - Facilitate the cross-organisation ownership of key issues such as the number of Looked After Children, as we work as one to serve our city
  - Ensure that decisions are being made based on robust evidence, supported by accurate and up to date management information
  - Improve the availability, quality and use of management information
  - Ensure that there are clear lines of accountability
- 2.4 Developing a strong culture and framework for excellent performance is at the heart of 'The Wolverhampton Way' - our strategic approach to delivery. Excellent performance starts with having a clearly articulated Corporate Plan, which sets out what our strategic priorities are for the city - a stronger economy, stronger communities, supported by a Confident Capable Council.

Our Corporate Plan articulates the seven outcomes we are working to achieve and the objectives which underpin these. Each objective has a more detailed 'plan on page', which is owned by a Director or Service Director and sets out the key things we need to do to achieve it. This will ensure clear leadership and accountability for performance across the council.

Underneath these 'plans on a page' there will be directorate, service, team and project plans which provide more detail on how we will deliver our key actions and business as usual services. Most importantly, every employee should understand how they contribute to, and are accountable for, the objectives in the Corporate Plan through their own individual work plans, set out in their annual appraisal.



2.5 Performance management contains six essential elements, which are addressed collectively through the council’s C3 transformation programme:

**Culture and Behaviour**

How the council and its people behave; how their attitudes, knowledge and experience combine to deliver a motivated, high performing organisation that is willing to learn from itself and others to improve.

As part of our Future People objective, our Organisational Development (OD) Strategy sets out the behaviours which all employees will demonstrate, in order to deliver our mission of ‘working as one to serve our city’. Our behaviours are summarised in PRIDE - in our city, in our council, in each other and in ourselves.

**Leadership and Direction**

How the Cabinet and senior managers behave in ways that guide and enable the council to perform; how they set and communicate a clear vision – based on the needs of the city.

The vision for the city and council is clearly articulated in the Corporate Plan, which is owned and led by the Cabinet and senior managers. Our Organisational Development (OD) Strategy, part of our Future People objective has a priority around leadership and management, supporting this aspect of performance management.

**Systems and Information**

How technology is used, from how the council uses it to support its business processes and its delivery to the collection, analysis and presentation of information in meaningful ways for management and stakeholders.

The council will use technology to support improved performance, as articulated in our Future Works objective. We will implement new systems and performance tools such as a business intelligence and analytics software to enable interactive dashboards and real time manipulation of data.

**Processes**

How policies are translated into practice – processes and procedures; how evidence-based decisions are made. This also includes the tools and methods used and the processes to support delivery of ambitions.

The council is continually reviewing our governance, policies and procedures so that they are fit for purpose, robust and effective and that there is appropriate delegation and compliance with corporate procedures. This supports our Future Practice objective.

**People**

How people are acquired, valued, managed and developed; how required skills and competencies are identified, assessed and accessed, how incentives are used to motivate our staff to deliver the council's ambitions.

The council has a revised appraisal system, to support all individuals to improve their performance, and understand their contribution to the delivery of our Corporate Plan. Our learning and development framework is a key part of our OD Strategy and Future People objective.

**Organisation**

How the council is managed, structured and governed; how relationships (internal and external) are managed; how strategy is set and cascaded throughout the council and how it is perceived by its stakeholders.

The Corporate Plan and the Wolverhampton Way document set out our strategy, and how we will deliver it. This is communicated clearly to our key stakeholders – both external and internal.

# 3

## Drivers for improved performance management

### 3.1 National & Regional Drivers:

- Legislative requirements and changes e.g. The Care Act
- National statutory returns and datasets as per the requirements on the single data list
- Financial challenge to local authorities
- External inspections such as Ofsted
- Integrated working via partnership boards and other initiatives e.g. The Better Care Fund
- Increased potential for devolution e.g. Combined Authority
- Black Country Local Enterprise Partnership
- Local Government Association Corporate Peer Challenge and other sector led improvement initiatives

### 3.2 Local Drivers:

- The Corporate Plan
- Medium Term Financial Strategy
- Organisational Development Strategy
- Making evidenced based decisions
- Monitoring the move towards outcome focussed service provision
- Understanding the needs of the City as a whole and those of individual communities

# 4

## What is performance management and why is it important?

- 4.1 Performance management is the way in which the council ensures that its goals and objectives outlined in the Corporate Plan are consistently being met in an efficient and effective manner. This is achieved by the systematic monitoring and evaluation of practice, policies and procedures and user outcomes. Robust monitoring also provides an early indication of any issues allowing priorities to be adjusted and resources moved where needed to ensure that objectives are met.
- 4.2 When performance management is seen as an integral part of everyday practice and is used effectively in conjunction with business intelligence it supports the economic development of the city and the improvement of services for the residents and community by developing a better understanding of their needs and evidencing that:
- Economic improvements are effective;
  - We are meeting our legislative requirements;
  - Effective and efficient services are being offered in a timely and cost effective manner, and that these are being developed and improved;
  - Which interventions and services work best and are most effective;
  - Outcomes are being improved by identifying gaps and issues within services offered;
  - Opportunities to make improvements through service planning, training and commissioning are identified;
  - Vulnerable children and adults are being kept safe from harm
  - Employees are supported in carrying out their jobs safely and effectively.
- 4.3 The City of Wolverhampton Performance Management Framework is based on the 'Plan – Do – Review-Revise' model of performance management.



4.4 The City of Wolverhampton Performance Management Framework is based on the ‘Plan – Do – Review- Revise’ model of performance management.



A successful council understands its area and its needs. This understanding is based on a detailed knowledge of key demographic data and customer intelligence, available resources, anticipated risks and levels of current performance. This knowledge is used to prioritise what needs to be done and from this, strategic objectives are developed to inform the Corporate Plan, our thematic ‘plans on a page’, directorate, service and team plans and balanced scorecards that will lead to delivery and improvement.

There needs to be proper systems and processes in place – such as performance planning – to support the delivery of improvement. Taking appropriate action, managing risk, and supporting and coaching people to achieve better performance improvement.

We need to understand the impact of our actions. Regular review meetings need to be held to assess the delivery of our plans and their associated balanced scorecards, the management of known risks and employee performance. Services should speak to users and stakeholders about their experience of using services. They should commission and evaluate customer surveys, analyse the cause of complaints and share the learning.

Use the lessons learned from review to change what is done. Where there is under performance commission recovery plans, where people are under performing understand why and help them to improve, identify new and emerging risks and objectives.

4.5 The key components of performance management at the City of Wolverhampton are summarised below:

Diagram 2 – Performance management – key components



# 5

## What is business intelligence?

- 5.1 Performance management is the overarching process which describes planning, the monitoring of performance, challenge and review and the revision of plans, however the main instrument that is used to undertake performance management is business intelligence.
- 5.2 Business intelligence is the term used to describe quantitative and qualitative data from internal systems, regional and comparative data and other information sources and the analysis that is done to understand what the data and information means. As well as informing performance management for monitoring purposes, business intelligence should also be used in day to day planning and strategic decision making ensuring that key decisions are evidence based.
- 5.3 Business intelligence can be presented to the business using a number of different tools including:
- Automated reporting sent via email or accessed via SharePoint
  - Excel and word based reporting
  - Balanced Scorecards
  - Static PDF dashboards



Diagram 3 – Business intelligence

# 6

## How will the performance management framework be implemented?

- 6.1 Performance management should be an integral part of everyone's everyday practice at the City of Wolverhampton Council. It is only through clear and accountable performance management, that the council will ensure its goals and objectives are being consistently met.
- 6.2 Teams, services, managers and leaders are all accountable for identifying key areas for improvement and implementing action plans and changes to processes to achieve better performance as part of their management responsibilities.
- 6.3 A central business intelligence function will work with Directors, managers and the business to identify relevant data sets, design and build reports, undertake research and analysis and suggest other relevant areas for reporting and monitoring. In short the function will be responsible for the provision and co-ordination of information, analysis and performance management challenge across the council.



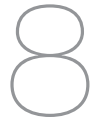
# 7

## Performance management cycle

Diagram 4 – Performance management cycle

- 7.1 Successful performance management relies on ensuring the performance management cycle is implemented in all business areas, at all levels, and in new strategies and initiatives. Adequate consideration of what information is available to evidence activities proposed, strategies and the decisions being made, is more likely to generate successful outcomes.
  
- 7.2 The performance management cycle (see diagram four) provides five steps to ensure that the goals identified from strategies and service planning are based on evidence of need; service delivery is monitored through availability of business intelligence and review is undertaken to identify whether goals have been met. The central Business Intelligence function will work with the business to implement the cycle.





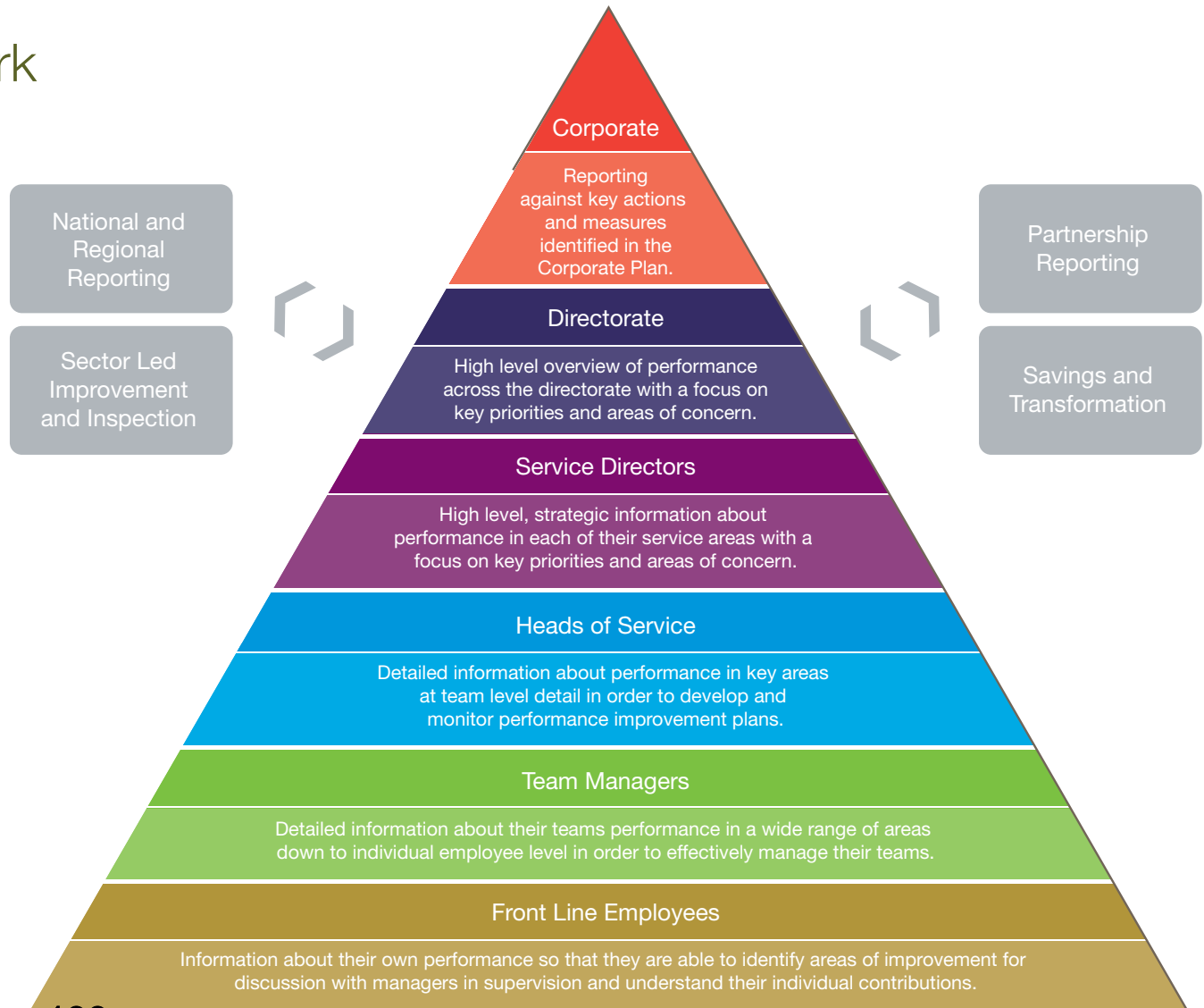
# Reporting framework

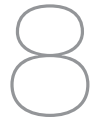
Diagram 5 – Regular reporting requirements

8.1 A successful performance management framework has, at its heart a robust reporting framework and relevant reporting tools that can address reporting needs at multiple levels. This:

- ensures that information provision is not disorganised
- embeds good quality information and robust performance management into the day to day management of the business.
- reduces the need for ad-hoc information requests

8.2 The different levels of regular reporting that are required are:





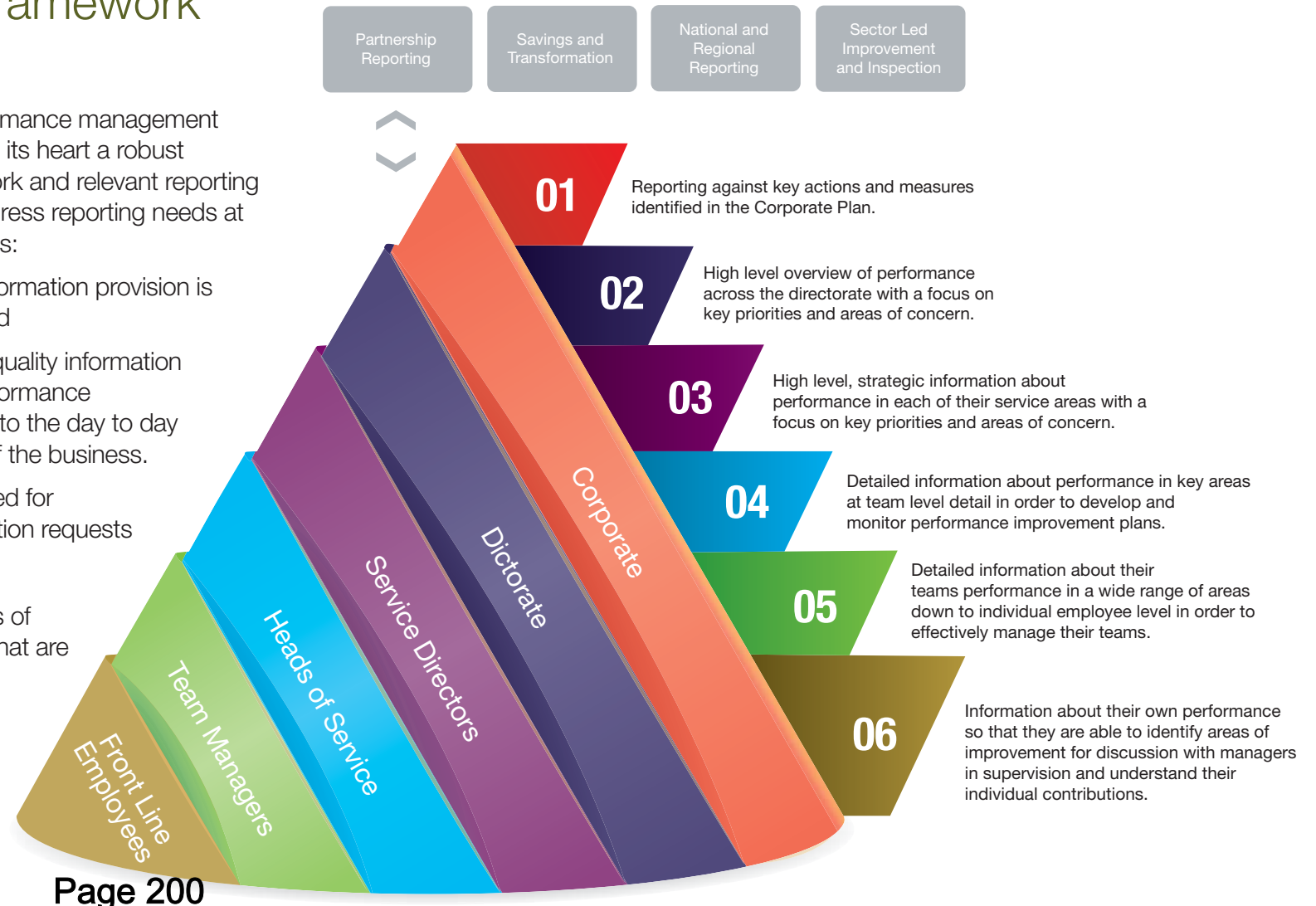
# Reporting Framework

Diagram 5 – Regular Reporting Requirements

8.1 A successful performance management framework has, at its heart a robust reporting framework and relevant reporting tools that can address reporting needs at multiple levels. This:

- ensures that information provision is not disorganised
- embeds good quality information and robust performance management into the day to day management of the business.
- reduces the need for ad-hoc information requests

8.2 The different levels of regular reporting that are required are:





- 8.3 A range of information will be included in reports drawn from a range of evidence based on the needs and requirements of the recipient. These areas include:
- Ward level data, to provide local context for Councillors, the public and officers;
  - National Indicators, including national and regional comparator information where available;
  - Measures from the corporate plan;
  - Local Key Indicators – these will reflect local priorities for the coming year;
  - Business Plans – ongoing monitoring of the measures within business plans;
  - Quality Assurance – regular reporting of the results of case file audits and monitoring of data quality issues, risk levels and usage;
  - Finance – including budget and savings target monitoring;
  - HR and employee data.

- 8.4 The frequency of reports will depend on the need, type and performance of a service or area. Whatever the frequency, it is important to ensure there is cyclical performance monitoring and an improvement cycle. Once data and intelligence is reviewed and discussed, plans for improvement should be agreed, with measurable milestones, then implemented and continually reviewed.

## 9

## Data quality

- 9.1 Effective performance management and improvement must be underpinned by a robust commitment to improving the quality, timeliness and accuracy of data. This will include a range of data both qualitative and quantitative, from within record management systems and paper records.
- 9.2 Data quality is one of the five pillars of the council's Information Governance Framework, which includes a specific Data Quality Policy that supports this Performance Management framework.



# Appendix A

## Key actions 2015-16

Action/Activity	Responsible Officer	Anticipated Outcome/Result	Timescales		Action/Activity
			Proposed Start Date	Proposed End Date	
Annual refresh of Corporate Plan and 'Plans on a Page'	Head of Transformation	Set strategic vision	December 2015	March 2016	Wider Leadership Team, Policy Officer
Leader's Annual report to Stakeholders for 2014-15	Head of Transformation	Increase accountability around performance	June 2015	September 2015	Wider Leadership Team, Policy Officer
Quarterly reports on Corporate Plan Measures to Cabinet and Scrutiny Board	Head of Transformation	Increase accountability around performance, key page of the 'review' stage of performance management	June 2015	March 2016	Policy Officer
Document methodology for each Corporate Plan measure	Head of Transformation	Improve data quality	June 2015	June 2015	Policy Officer
Procure and implement a business intelligence and analytics software solution, to work alongside other performance management software	Head of ICT	Improve use of technology and access to latest performance data	April 2015	September 2015	ICT and Transformation Teams involved in procurement, ICT Capital Programme
Establish thematic dashboard for each Corporate Plan objective	Head of Transformation	Improve use of technology and access to latest performance data	April 2015	September 2015	Transformation Team
Work with directorates to establish and develop a list of key service specific dashboards	Head of Transformation	Improve use of technology and access to latest performance data	April 2015	September 2015	Directorate Leadership Teams, Transformation Team

## Key actions 2015-16

Action/Activity	Responsible Officer	Anticipated Outcome/Result	Timescales		Action/Activity
			Proposed Start Date	Proposed End Date	
Produce a summary for managers on the key corporate reports available to them – on Finance, HR and other management information	Head of Transformation	Improve access to latest performance data	June 2015	July 2015	The Hub (Agresso) Transformation Team
Review the council's LIS – the external platform for data and information	Head of Transformation	Improve access to latest performance data	June 2015	March 2016	Transformation Team
Create a central business intelligence team/resource for the council	Head of Transformation	Improve use of council resources to deliver Future Performance priority	June 2015	November 2015	Wider Leadership Team, Transformation Team
Agree a suite of performance report templates for all council based management and performance reports	Head of Transformation	Improve consistency of performance reporting	June 2015	July 2015	Wider Leadership Team, Transformation Team
Procure infograph software	Head of Transformation	Improved performance reporting	June 2015	July 2015	Channel Shift

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**Page 205**

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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Better Care Technology and Strengthening Support at Home	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Elias Mattu Adults	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Linda Sanders, Strategic Director , People	
<b>Originating service</b>	Commissioning – Older People	
<b>Accountable employee(s)</b>	Paul Smith Tel Email	Head Of Commissioning – Older People 01902 555318 <a href="mailto:paul.smith@wolverhampton.gov.uk">paul.smith@wolverhampton.gov.uk</a>
<b>Report has been considered by</b>	Strategic Executive Board	2 June 2015
	Adults and Safer City Scrutiny Panel	14 July 2015
<b>To be considered by</b>	Cabinet	22 July 2015

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### Recommendation(s) for decision:

The Cabinet is recommended to:

1. Approve the transformation of community based services and the creation of a new community offer, with the delivery and development extended and enhanced Reablement and other services, including telecare, to support people to live independently in their own homes.
2. Approve the formal consultation process on the proposal to decommission services at Merryhill House and Nelson Mandela House and transfer to external market providers.
3. Approve the formal consultation process on the proposal to decommission services at Woden Resource Centre and re-provide high dependency day care in the external market through a personalised approach.

4. Approve the progression of the externalisation of community reablement and the commissioning of a specialist dementia reablement service.
5. Approve the development an ambitious telecare offer at scale to increase the independence of vulnerable people in Wolverhampton and to agree to be a national pilot for a proactive telephone service to reduce isolation and enhance wellbeing.



## **1.0 Purpose**

1.1 To present the transformation of community based services.

## **2.0 Background**

2.1 It is intended that all commissioning activity will be progressed with a common set of embedded themes:

- Personalisation
- Maximisation of the use of Assistive Technology (telecare)
- Delivery of the corporate savings objectives
- Deliver services aligned to the Corporate Plan

2.2 A key priority for the city's Health and Social Care economy is supporting people to remain independent and minimise the need for more intensive health and social care services wherever possible. This principle of demand reduction is central to the integration agenda with health and the delivery of the requirements of the Better Care Fund, through which closer integration between Health and Social Care is being driven.

2.3 One of the key strategic drivers is that home is the hub and services will be designed and commissioned in recognition of peoples expectation to remain at home for as long as possible. Placing people directly into residential or nursing care, even for a period of reablement can quickly create an expectation and level of dependency that can therefore lead to a level of usage above what would be the case if more people were able to experience a period of reablement in their home environment.

2.4 All of these future service reconfigurations and transformations are underpinned by the adult services 'Promoting Independence' programme and by the reforms outlined in the Care Act 2014.

2.5 The key principle articulated in The Joint Reablement Strategy 2014-2016 is to develop a more robust way to support people requiring a short term service in their own home and reduce the number of residential and nursing beds required for this purpose.

2.6 A further evaluation of residential, domiciliary reablement, telecare and carelink, has been undertaken. This report deals specifically with the delivery of developing extended and enhanced services including telecare to support people to live independently in their own homes.

2.7 To support the redesign of services to become more community based, provision at two of the Council's residential services will be de-commissioned with an emphasis on supporting more people at home.

2.8 The transformation and personalisation agenda will require that all services will be redesigned where it can be evidenced that this will deliver advances in:

- Choice and control
- Innovation and creativity
- The use of personal budgets including Individual Service Funds and Direct Payments
- Social impact of the service
- Pooled budgets and pooled direct payments

### **3.0 Value for Money Evaluation**

- 3.1 Wolverhampton City Council has a high level strategy for short term services to maximise independence which will see a move away from bedded facilities and the development of more robust services, providing care closer to home to support people in their own homes. This proposal of a home first integrated reablement approach and an increased telecare offer through rationalised resources will help to shift the balance of care to support at home.
- 3.2 A Value for Money Evaluation of in-house services for older people has been completed as part of these proposals, including a consideration of costs, quality, and usage. To complete this evaluation, a suite of performance and finance data has been considered. The following headlines have been concluded:

### **4.0 Residential Rehabilitation**

- 4.1 The 2015/16 revenue budget for the two residential rehabilitation units Bradley and Woden Resource Centre is £2.8 million (including corporate landlord budgets of £150,000).
- 4.2 Bradley Resource Centre
- 4.3 Bradley Resource Centre provides rehabilitation on a short term basis and has capacity for 23 beds.
- The annual budget is £1.4 million of which £70,000 are corporate landlords budgets.
  - There is currently a maintenance schedule with estimated costs of £83,000
  - The occupancy average taken over the previous 12 month period is 71% this equates to 16 beds being occupied and at a unit cost of £1,683 per week
- 5.0 Woden Resource Centre
- 5.1 Woden Resource Centre provides rehabilitation on a short term basis and has capacity for 26 beds and a high dependency day care provision offering 15 places per day (Total 75 places per week)

- The 2015/16 controllable budget is £1.4 million of which £80,000 are corporate landlord budgets
- There is currently a maintenance schedule with estimated costs of £308,000
- The occupancy average taken over the previous 12 month period is 63% this equates to 16 beds being occupied at a unit cost of £1,683 per week
- The occupancy average taken over the previous 12 month period for the high dependency day care unit is 34% (Actual). A current snapshot of the average occupancy is 45%
- Based upon the current occupancy, to purchase the re-provision of high dependency day care, in the external market, would cost an estimated £55,000
- It is therefore recommended that services are decommissioned at Woden Resource Centre and reprovided within the new reablement offer which will realise savings of £1.3 million (Including corporate landlord costs of £80,000)

## **6.0 Domiciliary Reablement HARP (Home Assisted Reablement Programme)**

- 6.1 The in-house provision of HARP domiciliary reablement exceeds the unit cost of an externally commissioned service. The city will develop a greater proportion of home based support following the externalisation of the HARP and Community Intermediate Care Team (CICT) (Social Care element) so the support hours per annum could be substantially increased yet with significant savings.
- 6.2 If the total commitment for 2014/15 was taken into consideration (all staff and management costs), the hourly rate based on the contact hours of 14,144 was £49.15 per hour.

## **7.0 Community Intermediate Care Team (Social Care Element)**

- 7.1 The same percentage has been used as identified by HARP to calculate the contact hours provided by the service. If the total commitment for 2014/15 was taken into consideration (all staff excluding management costs), the hourly rate based on the contact hours of 12,687 was £44.09 per hour.
- 7.2 Following the externalisation, in year one, additional hours for domiciliary reablement will be available across the city. It will be possible to increase commissioned hours from 27,000 to 40,000 per year at no additional cost as providers will only be paid at hours delivered.
- 7.3 It is also planned that in recognition of the demographic growth of people with dementia this offer will be inclusive of specialist targeted dementia reablement.

- 7.4. It is intended that the contract for the new service will be designed with an obligation on the provider to further reduce rates in year two and three.

Year two and Year three

Estimated savings based on a maximum cost of £24 per hour x 40,000 hours per annum, is £440,000 per annum.

## **8.0 Residential Long Stay and Respite**

- 8.1 There are currently ten long stay clients across the two services and the Council has not admitted any new long stay clients for a number of years.

- 8.2 The average usage of all bed based respite services at Merryhill House and Nelson Mandela House is 58%, based on 2014/15 out-turn at a cost of £2.3 million this equates to a total under usage cost of £949,000 per annum.

- There is currently a maintenance schedule at Merryhill House with estimated costs of circa £136,000
- There is currently a maintenance schedule at Nelson Mandela House with estimated costs of circa £156,000

- 8.3 The current occupancy unit cost based on the usage rate of 58% is £1,034 per week compared to a potential £419 per week for an external market placement.

- 8.4 The 2015/16 controllable budget for the residential units is £2.3 million (including £121,000 of landlord cost). To purchase 42 beds at £419 per week will cost £915,000 saving £1.4 million (saving net of Landlord cost is £1.3 million).

## **9.0 Expanding Telecare In Wolverhampton**

- 9.1 Technology is increasingly being used to support individuals and carers at the heart of care and support delivery, across all client groups and care settings. The enhanced telecare offer would build confidence for individuals and carers when returning home. Appendix one outlines case studies of the benefits telecare can offer.

- 9.2 This model will be a preventative proactive outward bound call system where individuals will be contacted to promote health and well-being. This model is aligned to three key principles of a telecare service which include:

- Promoting confidence
- Providing assurance
- Providing a routine offer of a safe and an effective transfer from hospital

- 9.2.1 The new model using the outbound telephone contact and proactively promoting independence and wellbeing will be the first service of its kind in the UK.

- 9.3. There continues to be a clear drive for and evidence of technology supporting individuals to remain independent in their own homes and communities for longer and the continued push from the general public for more information on how technology can support them and their loved ones – many local authorities are exploring options for self-funders to purchase technology either directly from the local authority or with the local authority acting as a trusted advisor and signposting people to retail sites. The enhanced telecare offer would build confidence for individuals and carers when returning home.
- 9.4. There are currently approximately 950 people supported with telecare packages in Wolverhampton but bold ambition is needed to drive change and improvement. It is therefore proposed to create a telecare service that has capacity to support approximately 3000 people over the next three years. The medium term ambition is to reach 6000 people through the proactive telecare plus service to reduce isolation and promote wellbeing.
- 9.5 In order to achieve the target of net 3000 new users over a three year period and in doing so achieving the outcomes of increased independence, targeted prevention and delivery of cost avoidance/cost reduction savings, it is recommended to target growth in three areas:
- Increasing the use of Telecare as an integral element of reablement provided to existing users in receipt of community based packages (increasing to a level of 70% of existing service users)
  - Conversion of existing Carelink service users where this will increase independence, support informal carers and enhance the service users experience of telecare
  - New telecare users buying into the service as self-funders

## **10.0 Commissioning Intentions**

- 10.1 In light of under- utilisation of the two bed-based Reablement services, alongside the development of a greater proportion of community based reablement it has been concluded that provision can be consolidated on one site.
- 10.2 People prefer services at home and aligned with our Promoting Independence agenda it is planned therefore that services will cease at one bed based resource centre linked to a reinvestment into community based reablement.
- 10.3 The decommissioning of the two long stay residential homes and one Reablement centre offers the local authority the best opportunity to improve and develop the community based offer to better meet the needs of vulnerable older people in the City whilst at the same time meet the current financial challenges.

## 11.0 Financial implications

- 11.1 The Medium Term Financial Strategy includes a savings proposal for the 'Reducing costs within In-House Services for Older People of £2.3 million (£928,000 in 2015/16 and £1.4 million in 2016/17). This target incorporates other services not detailed in this report which have already delivered savings of £920,000 towards this target leaving a balance of £1.4 million to be delivered from the services detailed in this proposal.
- 11.2 The proposals detailed within this report will deliver the following savings towards the target required of £1.4 million.

<b>Service</b>	<b>2015/16 £000</b>	<b>Savings 2016/17 £000</b>	<b>Total £000</b>
<b>Savings Target</b>	<b>208</b>	<b>1,192</b>	<b>1,400</b>
Residential Rehabilitation	500	797	1,297
Residential Long Stay and Respite	-	1,288	1,288
<b>Total Savings</b>	<b>500</b>	<b>2,085</b>	<b>2,585</b>
Savings over and above target	292	893	1,185

- 11.3 An additional savings proposal will be put forward as part of the Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19 for £820,000 for 2016/17. The balance remaining will be used to re-invest in extending the Better Care Technology offer and to contribute to the mitigation of the underlying pressures within the older people care purchasing budget  
[AS/10072015/H]

## 12.0 Legal implications

- 12.1 There will be a full consultation regarding the proposals outlined in this report.
- 12.2 If it is necessary for the Council to enter into any contracts in order to affect these proposals further reports will be required.  
[TS/08072015/L]

## 13.0 Equalities implications

- 13.1 Subject to approval, once the consultations and pilot are completed the findings from this will be used to complete an equality analysis on the proposals mentioned in recommendations two, three and five. The outcomes of this equality analysis will be presented in another report to Cabinet.

13.2 Subject to approval the equality analysis will be refreshed in relation to recommendation four.

#### **14.0 Environmental implications**

14.1 There are no environmental implications associated with this report.

#### **15.0 Human resources implications**

15.1 There are human resource implications associated with this report, if approval is given. The recommendations will be implemented in line with the Council's Human Resources Policies and Procedures and negotiations with Trade Unions. If any of these services are subject to Transfer of Undertakings (Protection of Employment) (TUPE ) implications there may be associated costs.

#### **16.0 Corporate landlord implications**

16.1 Corporate landlord is actively involved in the assessment of the asset implications relating to the service model proposals in this report.

#### **17.0 Schedule of background papers**

17.1 Cabinet Report 11 March 2015: In House Services – Adult Social Care  
Cabinet Report 4 March 2014: Deloitte – In House Service Options Appraisal  
Cabinet Report 23 October 2013 – Five Year Budget and Medium Term Financial Strategy 2014/15 to 2018/19

## Appendix One – Telecare Case Studies

### **Case Study one**

#### **Presenting Situation**

Mr. G is 74 years old, lives alone and is a carer to his sister who has mental health illness and lives a few doors away. He also cares for a neighbour who also has significant social care needs. In May 2014 Mr. G was admitted to hospital following a fall at home where he fractured his pelvis and dislocated his shoulder. On assessment Mr G had difficulties with memory recall and it was established that he had been experiencing memory loss for approx. 5 years. Following discharge and a period of reablement Mr. G had on going care and support needs, particularly difficulties in managing his medication safely - previously he was forgetting to take his medication with one occasion where he had taken too much. A domiciliary care package was arranged but it soon became clear that Mr. G only needed support with taking medication.

#### **Solution**

The Telecare Service arranged for a pharmacy to dispense and deliver Mr. G's medication fortnightly in an automated pill dispenser. The pill dispenser would remind him by means of an alarm and flashing light when to take his medication. It would make the correct dose available at the correct time of day whilst keeping other pills locked out of sight.

#### **Impact on the service user**

Mr. G's care calls ceased as he now manages his medication independently and no longer needs to rely on carers.

#### **Impact for the service**

The one off cost of the automated pill dispenser is £90 with a pharmacy dispensing service cost of £20/month.

Providing Telecare in this instance rather than continuing to providing the planned 7 hours per week of homecare at £12/ hour, equates to a net annual cost reduction saving of £4038.



## Case Study Two :

### **Presenting situation**

John is a 54 year old gentleman who acquired a brain injury after he was knocked down by a car. As a result he is unable to walk and uses a wheelchair to mobilise. John is a smoker and carers were aware that John was also using cannabis to help him cope with his low mood and depression. Carers noticed cigarette burns in John's clothing and on the carpet and were concerned that John would be in danger should a fire occur and although he wore a pendant and had the support of a community alarm service, he has difficulty communicating verbally and it was likely that John would struggle to call for help in the event of a fire.

### **Solution**

John agreed to the installation of further Telecare in the form of several smoke and heat detectors in his bungalow and a key safe on the outside of his property. The smoke detectors were linked to his community alarm and in the event of a fire the 24hr control staff could quickly alert the fire service. In June 2013 a fire broke out in the property at 2.30am and the control centre received smoke detection activation. The fire services were immediately summoned and arrived on scene at 2.39 am. John was rescued but received 20% burns to his lower body. Although John was hospitalised in a critical condition he recovered and was discharged 10 days later.

### **Impact on the service user**

Fire authority investigations following the fire concluded that it was without doubt that John would have died in the fire without the linked smoke detection.

### **Impact for the service**

Although John's home was badly damaged and he required rehoming his property was not totally destroyed, and there was no damage to any surrounding properties.

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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Children, Young People Families Plan 2015-25	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Val Gibson Children and Young People	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Linda Sanders, Strategic Director, People	
<b>Originating service</b>	Children and Young People	
<b>Accountable employee(s)</b>	Kush Patel	Strategic Improvement Development Officer
	Tel	01902 5550354
	Email	Kush.patel@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Children, Young People and Families Scrutiny Panel	8 July 2015
	Strategic Executive Board	23 June 2015
	Children's Trust Board	20 May 2015
	People Leadership Team	11 May 2015

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

1. Support Wolverhampton's Children, Young People and Families Plan 2015-25.
2. Endorse the Children's Trust Board governance arrangements.
3. Consider the comments of the scrutiny panel. These were;
  - Annual priority should include Children Adolescent Mental Health Services (CAMHS)
  - Regular review of the plan, every quarter (3 yearly) or annual.

## 1.0 Purpose

- 1.1 The purpose of the Children, Young People and Families Plan is to set out what Children's Trust partners will do so that children, young people and families in Wolverhampton can live healthy, happy lives. This plan sets out priorities for the next ten years. Comments are invited on how we feedback the progress of the plan. The plan is attached at Appendix 1.

## 2.0 Background

- 2.1 On 31 October 2010 the Coalition Government announced an overhaul of Children's Trusts. This included revoking all statutory guidance on Children's Trusts. The changes meant that: schools will no longer have a duty to co-operate through Children's Trusts, local authorities will no longer be required to set up Children's Trust Boards and Children's Trusts will no longer be required to publish a local Children and Young People's Plan.
- 2.2 It is important to note that this does not mean the abolition of Children's Trusts. The basic duty to co-operate, set out in the Children Act 2004, continued. However, there was greater flexibility in the local partnership arrangements to improve children's well-being.
- 2.3 Children's services have seen significant changes at both national and local levels. There have been changes in organisational structures and in service delivery across the children's services partnership. Funding changes have meant that some health-related initiatives have ended or are being delivered and targeted in new ways. New legislation has abolished Primary Care Trusts and has set up groups of General Practitioners (GP's) who are responsible for commissioning many areas of child health provision. Health and Wellbeing Boards have been established. Local Authorities have taken responsibility for public health. We have seen the introduction of new types of schools, schools becoming responsible for commissioning services, and responsibility for school improvement being increasingly shared between the local authority and schools themselves.
- 2.4 Amongst so much change, the strategic oversight was ever more important. The previous Children and Young People's Plan expired in 2014. In deciding whether a new plan was going to be developed, the Lead Member for Children and Young People along with the Service Director consulted with stakeholders on the future direction of Children's Trust. The conclusion was an overwhelming commitment to continue with Wolverhampton Children Trust Board and the development of a new children, young people and families plan. There was a unanimous commitment by Board members on;
- Wanting the best for our children, young people and families
  - Partnership working and to supporting the wider regeneration of the city
  - Children, young people and families being the centre of everything we do
  - Utilising resources effectively and efficiently
- 2.5 The Children's Trust Board consists of Wolverhampton City Council, Clinical Commissioning Group, West Midlands Police, Royal Hospital Trust, Wolverhampton College, Black Country Foundation Trust, Schools and Wolverhampton Third Sector. The board gives strategic leadership, direction and drives change. Appendix 2 shows the governance arrangements.

### **3.0 Progress with developing the Children, Young People and Families Plan**

- 3.1 The Children, Young People and Families Plan is a ten year plan. The development of the plan was overseen by the Children's Trust Board.
- 3.2 The plan is based on the principles of; working in genuine collaboration with children and families; mutual respect of the rich culture of our City; intervening early and effectively, being proactive and not waiting until crisis point; embracing innovation, and being more creative; remembering happiness is important and striving for the highest standards.
- 3.3 It has been developed through a range of organisations working together to share information and through seeking the views of children, young people, parents and carers. This plan wants to achieve an improvement in how healthy and happy children, young people and families living in Wolverhampton are. From the information gathered, there were four clear priority areas. These are:
- Child Poverty
  - Education, Training and Employment
  - Family Strength
  - Health
- 3.4 To measure the success of the priorities, a broad suite of outcomes and performance measures has been identified. This will allow a comprehensive analysis to be undertaken which will inform and reassure the Children's Trust Board that the priorities of the Board are being met and highlight any areas of potential concern.
- 3.5 The plan will be reviewed on an annual basis. Annual priorities will be agreed following the review and these will be embedded within an annual action plan sitting under the plan together with actions highlighted due to poor performance. Children Adolescent Mental Health Services has already been identified as a priority for action. This priority was also requested by the Children and Young People Scrutiny Panel.
- 3.6 The Children Trust Board is keen to ensure stakeholders, children, young people and families are kept informed on progress. In February 2015, the Children Trust formally approved the Plan, setting out the priorities for the next ten years. The event was attended by over 200 delegates from the public, private and voluntary sector. The Board reaffirmed their commitment in keeping stakeholders involved through annual events, newsletters and annual reports.

### **4.0 Financial implications**

- 4.1 There are no direct financial implications associated with the development of the Children, Young People and Families Plan. In implementing the plan, areas may be identified that require additional resources. These will need to be met through existing budgets in relation to the Council's engagement in this work.  
[NM/24062015/S]

## **5.0 Legal implications**

5.1 There are no immediate legal implications arising from this report.  
[TS/24062015/L]

## **6.0 Equalities implications**

6.1 An Equalities analysis was completed alongside the development of the Plan. Moreover, equalities is embedded within the performance function of the Plan. All accountable organisations will have an equalities strand which must be reported on as part of the performance update. A key element of the plan is reducing inequalities, nationally, regionally and locally in all 4 priority areas.

## **7.0 Environmental implications**

7.1 There are no environmental implications.

## **8.0 Human resources implications**

8.1 There are no human resources implications.

## **9.0 Corporate landlord implications**

9.1 There are no corporate landlord implications.

## **10.0 Schedule of background papers**

10.1 None

**HEALTHY,  
HAPPY  
FAMILIES**



# **WOLVERHAMPTON CHILDREN, YOUNG PEOPLE & FAMILIES PLAN 2015-2025**



# ABOUT THIS PLAN

THE CHILDREN'S TRUST IN WOLVERHAMPTON WANTS CHILDREN, YOUNG PEOPLE AND THEIR FAMILIES TO BE HEALTHY AND HAPPY.

THE PURPOSE OF THIS PLAN IS TO SET OUT WHAT CHILDREN'S TRUST PARTNERS WILL DO SO THAT CHILDREN, YOUNG PEOPLE AND FAMILIES IN WOLVERHAMPTON CAN LIVE HEALTHY, HAPPY LIVES. WHEN THE WORDS 'WE' AND 'OUR' ARE USED IN THIS PLAN IT REFERS TO CHILDREN'S TRUST PARTNERS. THIS PLAN SETS OUT OUR PRIORITIES FOR THE NEXT 10 YEARS. THE CHILDREN'S TRUST IN WOLVERHAMPTON IS RESPONSIBLE FOR ENSURING THAT THE AIMS OF THIS PLAN ARE DELIVERED.

## About Children, Young People and Families in Wolverhampton<sup>2</sup>

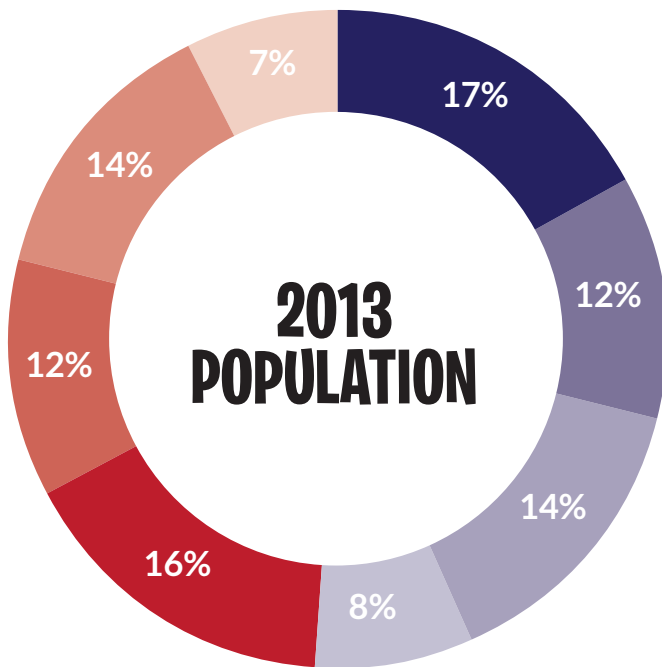
Wolverhampton has a population of 251,557. About 25% of Wolverhampton's population is children and young people (aged 0-19). 4.5% of 0-19 year olds in Wolverhampton are disabled. There are currently 63,177 children and young people (aged 0-19) living in the city and the numbers are rising. In the last 10 years, the number of children aged 0-15 in Wolverhampton has increased by 1,367 – but over a quarter of this increase was seen in just one year between 2012 and 2013. Over the life of this plan, the numbers of children and young people are likely to continue to rise and we need to make sure that services in the city can continue to meet the needs of the growing population of children, young people and their families. We predict that between 2015-2025, the 0-19 year old population in the city will have grown by over 1,000. The chart below shows the current proportion of 0-19 year olds by gender and age.

<sup>1</sup>Wolverhampton City Council, Royal Wolverhampton Hospital Trust, Wolverhampton Clinical Commissioning Group, Wolverhampton School Improvement Partnership Board, Black Country Partnership Foundation Trust, Wolverhampton Voluntary Sector Council, West Midlands Police, City of Wolverhampton College.

<sup>2</sup>Statistics used in this section are the most recent available at the time of writing and are based on the 2011 Census or Office of National Statistics Mid-year Estimates 2013.







### Males & Females 0-19

Male 0-5	10,723	17%
Male 6-10	7,615	12%
Male 11-16	9,058	14%
Male 17-19	4,997	8%
Female 0-5	10,141	16%
Female 6-10	7,355	12%
Female 11-16	8,714	14%
Female 17-19	4,574	7%

In terms of ethnicity, most 0-19 year olds in Wolverhampton are of White ethnicity (59%), with the next highest proportion being those of Asian/Asian British ethnicity at 20%. 0-19 year olds of Mixed heritage (11%) or Black/African/Caribbean/Black British (8%) are lower in proportion. 2% of 0-19 year olds in Wolverhampton are of other ethnicity (2011 census).

Over a quarter of 0-15 year olds live in lone parent households and around 44% live in households that have a married couple or a couple in a same sex civil partnership. A further 15% live in households with a co-habiting couple and 13% are living in households that are not 'one family' households.

Wolverhampton is in the 6% most deprived areas in the country and levels of deprivation in the city continue to rise. The recession has caused a significant increase in the number of people receiving key out-of-work benefits in Wolverhampton. As of April 2014, 6.3% of the city's population claim Job Seekers Allowance, which is one of the highest rates nationally. Nearly one third of children in the city live in poverty and almost 60% of all 0-15 year olds living in the city, live in a deprived area.





## How we developed this plan

This plan has been developed through a range of organisations working together to share information and through seeking the views of children, young people, parents and carers. We gathered lots of information that organisations already had about the needs of children, young people and families living in Wolverhampton to identify the key things we needed to address so that children, young people and families can live healthy, happy lives. We then asked children, young people, parents and carers what they thought we should do in relation to the key areas of need we identified. This information gathering is called needs analysis. The key information we considered can be found on [www.wolverhamptoninprofile.org.uk](http://www.wolverhamptoninprofile.org.uk).

We used the information we gathered through the needs analysis to develop the vision, priorities and outcomes for the plan.

## What does this plan want to achieve?

This plan wants to achieve an improvement in how healthy and happy children, young people and families living in Wolverhampton are. From the information we gathered, there were four clear priority areas – if we tackle these we can really make a difference in making children, young people and families' lives healthier and happier. The four priority areas are:

- Child Poverty
- Education, Training and Employment
- Family Strength
- Health

This section outlines what we found out through the needs analysis and what we are going to do about it.

# CHILD POVERTY



## What did the needs analysis tell us?

Nearly one third of children in Wolverhampton live in poverty. Wolverhampton continues to have higher levels of child poverty than our Black Country neighbours and nationally. Wolverhampton is the 20th most deprived local authority (out of 152 authorities nationally). Over 82% of Wolverhampton children in poverty live in households where no one is working. 59% of all 0-19 year olds living in Wolverhampton live in a deprived area.

Reducing Child Poverty is a key priority under *Wolverhampton's City Strategy 2011-26*. Wolverhampton also has a Child Poverty Strategy which aims to reduce child poverty levels in the city.

## What are we going to do about it?

We aim to **reduce the harm caused by child poverty**. The Wolverhampton child poverty strategy is already focussing on reducing child poverty. This plan will focus on reducing the harm to children, young people and families caused by child poverty. We will ensure our activities are targeted at improving the health, education, employment and living conditions of children, young people and families living in poverty.



# EDUCATION, TRAINING & EMPLOYMENT



## What did the needs analysis tell us?

Wolverhampton has a higher number of young people not in education, employment or training (NEETs) than the England average (6.0 compared to 5.2). The percentage of young people achieving 5 or more A\*-C GCSEs including Maths and English is above average for the rest of the country (61.0% compared to 59.2% in 2013). Wolverhampton has high Secondary school absence rates compared to the England average.

As at October 2014 68% of primary pupils and 67% of secondary pupils were attending good or outstanding schools - this is likely to place Wolverhampton amongst the lowest levels nationally. Youth unemployment in Wolverhampton is twice the national average.

The recession has caused a significant increase in the number of people receiving key out-of-work benefits in Wolverhampton. As at August 2014, Wolverhampton has the second highest youth unemployment claimant rate, at 9.0%, of all 326 English local authorities. Over 14,000 children in poverty live in households where no one is working. This is almost 83% of all children in poverty within Wolverhampton. There are around 9,800 households with dependent children in the city where no one in the household works.

## What are we going to do about it?

We aim to **increase achievement and involvement in Education, Training and Employment** through ensuring services are in place which aim to:

- Improve school readiness
- Increase early engagement with schools
- Improve attainment
- Improve school attendance
- Improve quality of education provision
- Increase participation of 16-18 year olds in Education, Training and Employment
- Increase the number of parents in paid work

# FAMILY STRENGTH

## What did the needs analysis tell us?

The numbers of Looked After Children in Wolverhampton continues to rise. Looked After Children are those who need to be cared for by the Local Authority because they can no longer stay in the family home. Looked After Children are normally cared for in foster families or residential care homes. The needs analysis highlighted four key areas in relation to reasons for the children no longer being able to stay in the family home. These are:

- Family violence and child physical abuse
- Poor home environment, overburdened parents and high levels of neglect
- Children, mainly adolescents with behaviour problems and poor family relationships
- Young children exposed to risks from parental substance misuse and criminal activity

## What are we going to do about it?

We aim to increase the number of **families that are strong**. We will ensure our activities aim to:

- Increase parenting skills and resilience
- Reduce domestic violence
- Reduce parental substance misuse
- Reduce neglect
- Support parents with their mental ill-health



# HEALTH

## What did the needs analysis tell us?

Wolverhampton has the highest rate of infant deaths in the country (death of a live born baby before the age of one year). The gap between Wolverhampton and the national average in relation to infant deaths has increased in the last 20 years. The rate of children who die before their first birthday has increased in the last two years. The percentage of children who are recorded as overweight or obese remains high within the City. In the last year of primary school (Year 6) 41.8% of children are either overweight or obese. This is compared to 33.5% which is the average for England.



## What are we going to do about it?

We aim to **improve the health of children, young people and families** by ensuring that children, young people and their families receive the right support so that:

- Fewer children are obese
- Reduce the rate of infant mortality
- More parents with mental ill-health are supported through treatment
- More parents, children and young people who misuse substances are supported through treatment

## How will progress against this plan be measured?

Progress against each of the measures will be reported 4 times a year. Every 3 months one of the priorities will be looked at in more detail. This means that each priority will be looked at in detail at least once a year. If progress against measures is not improving, we will identify the issues and make recommendations that will improve progress.

Our priority is to...	The outcome for children, young people and their families will be that...	We will monitor our progress on outcomes by measuring...	
<b>Reduce the harm caused by child poverty</b>	Children, young people and their families living in poverty have improved health	Measures for this outcome are included in the priority 'Improve the health of children, young people and families'	
	Children and young people living in poverty have increased access and achievement in education	Measures for this outcome are included in the priority 'Increase achievement and involvement in education, training and employment'	
	More young people and parents living in poverty are in employment	Measures for this outcome are included in the priority 'Increase achievement and involvement in education, training and employment'	
	Families in poverty live in better housing conditions	The number of properties with families made decent/improved in the private sector	The number of energy efficiency measures carried out to property for families with children
		The number of families supported to sustain tenancies to prevent homelessness	Delivery of related outcomes in Wolverhampton's indebtedness plan (part of the Child Poverty Strategy)
		The number of families seeking help from the Citizens Advice Bureau in relation to debt	

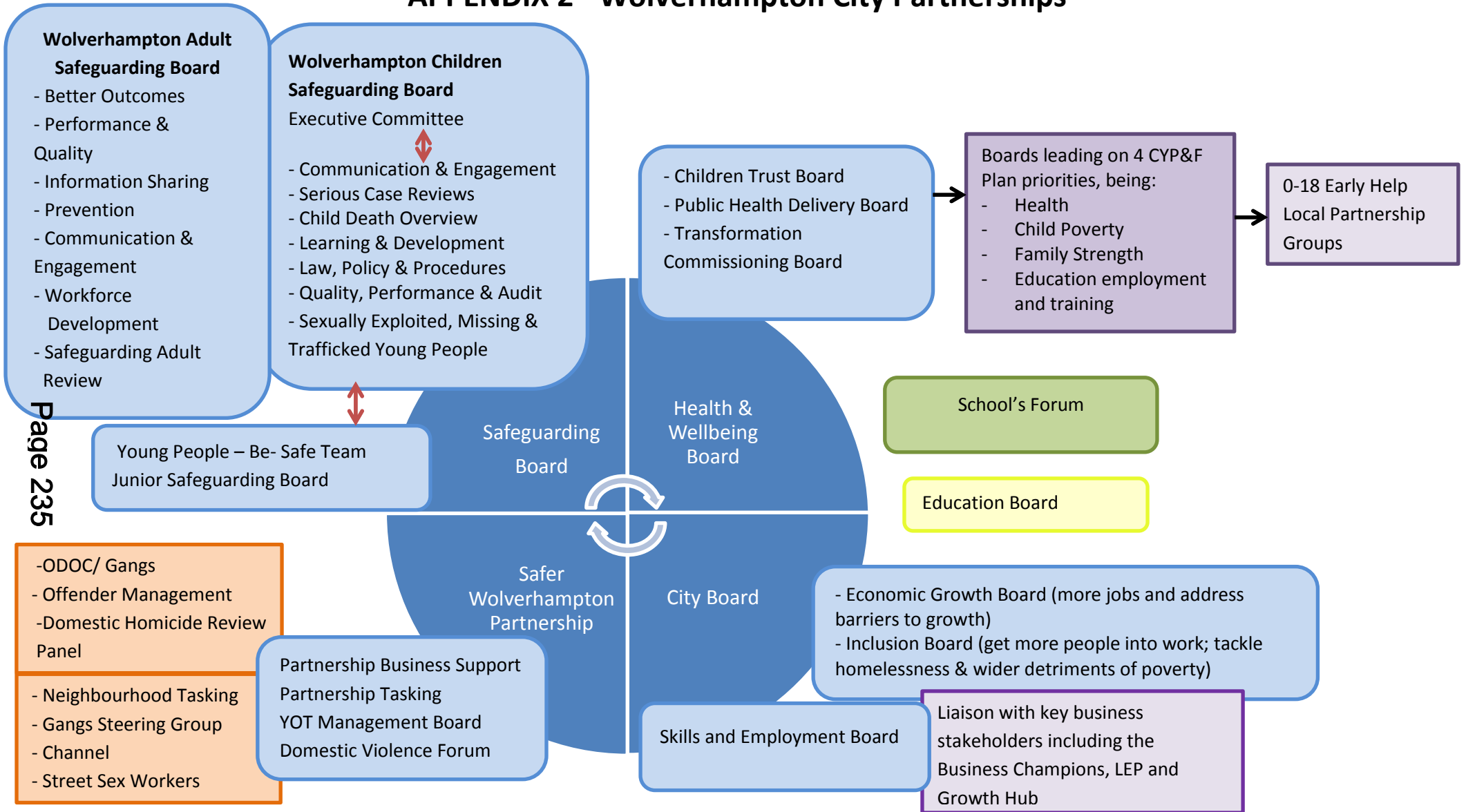
Our priority is to...	The outcome for children, young people and their families will be that...	We will monitor our progress on outcomes by measuring...
<b>Increase achievement and involvement in education, training and employment</b>	Young children are well prepared when they start school	The number of young children who develop a level of speech language and communication skills appropriate to their age and level of development
		The number of young children who meet the national average level of personal well-being, emotional development and social resilience and are able to take advantage of the learning opportunities available to them
	More young children are engaged early with schools	The number of children who have access to free nursery provision at ages 2, 3 and 4
		The number of children who are able to attend school nursery provision
	Children and Young People make good progress at school	The standards in schools and academies
	Children and Young People regularly attend school	School attendance and Absence rates
		School exclusions
		The number of pupils not in Full Time Education (PNIFTED)
		The number of hours of education provision provided.
	Children and Young People attend good quality schools	The quality of provision in schools and academies
	More 16-18 year olds are in education, employment and training	The number of young people aged 16-24 who are participating in apprenticeship schemes
		The number of young people 16-18 Not in education employment or training (NEET)
	More parents are in paid work	The number of parents in employment



Our priority is to...	The outcome for children, young people and their families will be that...	We will monitor our progress on outcomes by measuring...
<b>Make Families Stronger</b>	Families experience less domestic violence	The number of people who are reporting domestic violence to the Police for the first time
		The number of people who are reporting domestic violence to the police who have reported domestic violence to the police before
	Fewer parents, children & young people misuse substances	Measures for this outcome are included in the priority 'Improve the health of children, young people and families'
	Parents have better parenting skills and are more resilient	The number of children becoming <ul style="list-style-type: none"> <li>- children in need</li> <li>- subject of a child protection plan</li> <li>- Looked After Children</li> </ul> Information from Early Help services
		The number of parents receiving early help support with their parenting skills
	Fewer parents have mental ill-health	Measures for this outcome are included in the priority 'Improve the health of children, young people and families'
	Fewer children and young people are subject to neglect	The number of Early Help Assessments where neglect has been identified as a factor
		The number of referrals to Children's Services for reasons of abuse or neglect
		The number of children subject to Child Protection Plan for reasons of neglect

Our priority is to...	The outcome for children, young people and their families will be that...	We will monitor our progress on outcomes by measuring...
<b>Improve the health of children, young people and families</b>	Fewer children are obese	The number of obese children at school entry (4-5yrs)
		The number of obese children at school year 6 (10-11yrs)
	Reduce the rate of infant mortality	The number of babies dying in the first year of life
		The number of women smoking during pregnancy
		The uptake of women's Healthy Start Vitamins
	Fewer parents have mental ill- health	The number of adults who are receiving treatment/ successfully complete or maintain treatment for mental ill-health and are living with children
		The number of Early Help Assessments where the mental health of the parents has been identified as a factor
	Fewer parents, children & young people misuse substances	The number of adults who are in treatment/successfully complete treatment for drug or alcohol use and are living with children
		The number of children/young people who successfully complete treatment for drug/ alcohol use
		The number of Early Help Assessments where the substance misuse of the parents has been identified as a factor
		The number of Early Help Assessments where the substance misuse of children/young people has been identified as a factor

# APPENDIX 2 - Wolverhampton City Partnerships

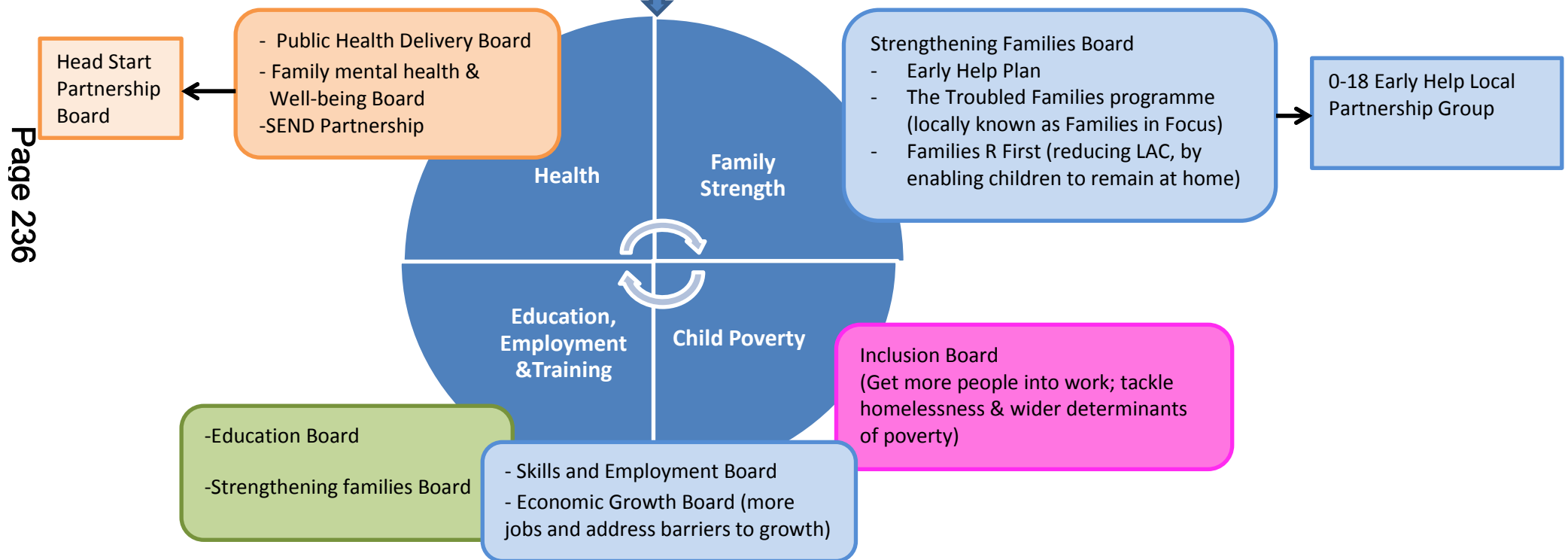


## STATUTORY HEALTH & WELLBEING BOARD

**RESPONSIBILITIES;** Joint Strategic Needs Assessment, Joint Commissioning Health & Wellbeing Strategy & Health Improvement Plan, GP Consortium accountability, Health Watch, Public Health, overview of Safeguarding, Annual Plans, Support local voice and patient choice.

## Wolverhampton Children Trust Board

**RESPONSIBILITIES;** Developing and delivering outcomes of the Children, Young People & Families Plan 2015-25. 4 strategic priorities; Health, Child Poverty, Family Strength, Education Training & Employment.



This is also linked to the following strategies: Council's Corporat Plan, City Strategy, Children Young People & Families Plan, Child Poverty Strategy, , Local Policing & Crime Plan, Early Help Plan, Sufficiency Strategy, Corporate Parenting Strategy, Violence against Women& Girls Strategy, Reducing Gang Harm Strategy, Alcohol Strategy.

# Cabinet Meeting

22 July 2015

<b>Report title</b>	Scrutiny Review of Infant Mortality	
<b>Decision designation</b>	AMBER	
<b>Cabinet member to give management response</b>	Councillor Sandra Samuels Public Health and Wellbeing	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Review Chair</b>	Cllr Claire Darke	
<b>Review Members</b>	Cllr Phil Bateman Cllr Ian Claymore Cllr Judith Rowley Cllr Wendy Thompson Cllr Burt Turner	Cllr Richard Whitehouse Cllr Patricia Patten Cllr Dr Mike Hardacre Cllr Rita Potter
<b>Lead Scrutiny Review Officer</b>	Earl Piggott-Smith Tel. Office: 01902 551251 E-mail: earl.piggott-smith@wolverhampton.gov.uk	
<b>Link Officer</b>	Ros Jervis Service Director - Public Health and Wellbeing Tel. Office: 01902 553053 E-mail: ros.jervis@wolverhampton.gov.uk	
<b>Report to be/has been considered by</b>	Strategic Executive Board Executive Team	26 May 2015 20 June 2015

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## Recommendations for action or decision:

### The Cabinet is recommended to:

1. Receive the report of the Scrutiny Review of Infant Mortality attached at **Appendix 1** and consider the following recommendations from the review:

## **The importance of co-ordinating local efforts to tackle the underlying causes of infant mortality in Wolverhampton**

1. The Service Director- Public Health and Wellbeing to be responsible for collating a coordinated response from the officers responsible for the following recommendations listed below. The Service Director to present a report to Scrutiny Board with details of progress in implementing all the accepted recommendations. The Scrutiny Board report to be presented to the Infant Mortality Working Group for information and comment:
  - a) Royal Wolverhampton NHS Trust to coordinate a response from the maternity, healthy lifestyles and health visiting services which details specific actions aimed at reducing the percentage of pregnant women setting a smoking quit date, where the results are either not known or lost to follow up. The report to include details of the take-up rate of nicotine replacement therapy and the number who have set a quit date.
  - b) Royal Wolverhampton NHS Trust to coordinate a report from maternity, healthy lifestyles and health visiting services on progress in the use and results of carbon monoxide testing of pregnant women at every contact. The report to include feedback from pregnant women recorded as smoking and subsequently referred, about their experiences of the stop smoking service.
  - c) Royal Wolverhampton NHS Trust to present a report on a review of effective interventions aimed at reducing the numbers of women smoking during and after pregnancy.
  - d) The lead officer for infant mortality at Wolverhampton Clinical Commissioning Group (CCG) to report on current commissioning arrangements and the extent to which services for pregnancy and infancy are delivering the right mix of enhanced and targeted interventions for pregnant women, particularly vulnerable women considered to be at risk.
  - e) A report on the benefits of providing a Pepi-Pod crib or similar alternative cot in Wolverhampton. A report of the potential value of using a mobile phone app for parents and parents-to-be with personalised information and content approved by doctors and midwives that spans from pregnancy right through to the first six months after birth.

The schemes, if introduced, should be initially targeted a vulnerable women and the findings published with recommendations about a possible future roll out across the City.

- f) The Service Director – Public Health and Wellbeing to work with lead officers from key partners to discuss proposals to make best use of available local intelligence in order to help with the early identification of vulnerable pregnant women and provide appropriate targeted interventions that can support them. The findings to be shared with the Wolverhampton Health and Wellbeing Board, Wolverhampton CCG Governing Body and the Infant Mortality Working Group.
  - g) To invite Directors of Public Health across the West Midlands region to share examples of best practice in respect of delivering an effective smoking cessation programme to pregnant women and to discuss further opportunities to promote the adoption of best practice across the region.
  - h) The Service Director – Public Health and Wellbeing and the Chair of the Child Death Overview Panel (CDOP) to jointly report on progress in recruiting staff to collate current and future statistics. Analysis of comparative data at a regional level to be included in future annual reports.
  - i) The Chair of the Child Death Overview Panel (CDOP) to publish the annual report for Wolverhampton prominently on the Council's website and also shared with key local agencies to promote good practice and improve the quality of local intelligence.
  - j) The Service Director- Public Health and Wellbeing to report on outcome of review of the national funding formula for 2016/17. (The formula is used to calculate the number of health visitors that an area needs to deliver safe and effective services.)
2. Wolverhampton Clinical Commissioning Group (CCG) and the Service Director - Public Health and Wellbeing to agree a programme of work that supports enhanced targeted interventions for high risk families or vulnerable mothers with new babies identified by maternity services; including advice on contraception to avoid unplanned early repeat pregnancy, and support pregnancy spacing. This should include post natal support in the first few weeks of life aimed at parent education and support to reduce the risk of infant death after discharge from the neonatal unit/post natal ward.
3. The Black Country clinical representative of West Midlands Maternity and Children's Strategic Clinical Network in discussion with representatives of SSBC Newborn and Maternity Networks to jointly present a report to the Infant Mortality Working Group regarding care pathways for anticipated extreme preterm births.

The report to include an update on work towards improving survival rates for this cohort and also progress on the outcome of discussions with West Midlands Ambulance Services about improving care pathways for intrauterine transfers of pregnant women in preterm labour. The overall aim of the policy is for pregnant women in preterm labour to be taken to the most appropriate hospital for the safe delivery and on-going care of their baby.

**A strategic and co-ordinated response to tackle the modifiable causes of infant mortality in Wolverhampton and also respond to the challenges of dealing with the effects of poverty and deprivation.**

4. The review group endorse the recommendations of the Infant Mortality Working Group Action Plan 2015 – 2018. A joint report to be presented by the lead officer for infant mortality at Wolverhampton CCG and Public Health to the Wolverhampton Health and Wellbeing Board on a six monthly basis on progress and achievements against recommendations accepted in the Infant Mortality Action Plan.

The Service Director - Public Health and Wellbeing to ensure the action plan is reviewed and updated to include emerging risks and further services changes. The findings to be shared with all key partner agencies.

5. The findings and progress of the Infant Mortality Working Group to be shared with organisations with a special interest in reducing the number of child deaths, for example, the Child Death Overview Panel (CDOP), SANDS (SANDS is a stillbirth and neonatal death charity ), BLISS (BLISS is a charity that exists to ensure that all babies born too soon, too small or too sick in the UK have the best possible chance of survival and of reaching their full potential. ) and the Lullaby Trust (The Lullaby Trust provides specialist support for bereaved families, promotes expert advice on safer baby sleep and raises awareness on sudden infant death ) for comment.

Representatives to be invited to comment on progress and invited to share learning locally and nationally on further improvements in the co-ordination of care from a neonatal setting, to home and whether there are any specific recommendations to build on good practice.

6. The Service Director – Public Health and Wellbeing to draft terms of reference and agree membership for a task and finish group to review vulnerable pregnant women's care pathway; particularly those involving drugs, alcohol, domestic abuse or long term mental health issues. A report of the findings to be reported to the Health and Wellbeing Board and Scrutiny Board.

**Changing practices and policies and apply learning based on reliable evidence as to their impact and effectiveness in reducing the rate of infant mortality**

7. Royal Wolverhampton NHS Trust to provide a detailed response to the NICE published guidance that all NHS hospitals and clinics should become completely smoke-free zones and to set out detailed proposals for implementation and a timetable for achieving this to be presented to a meeting of the Health and Wellbeing Board.



8. The lead officer for infant mortality at Wolverhampton CCG to consider the availability of genetic screening and counselling support across Wolverhampton and to raise awareness generally of the service. The findings to be presented to the Health Scrutiny Panel
9. Service Director - Public Health and Wellbeing, to work with partner agencies to create a public resource document similar to Bradford's 'Every Baby Matters' which explains the risk factors and provides practical advice and support that can help reduce the numbers of avoidable deaths of babies.

The resource should be built into any planned public awareness campaigns and include details of the impact of lifestyle behaviours, such as smoking and alcohol that increases the risks of child dying. The document should promote positive health messages and signpost families to sources of available support and useful information.

10. All newly elected Councillors to be given a briefing on the issue of infant mortality in Wolverhampton and the practical advice and information they can give when they meet people as part of their work. This should be presented as briefing of the key health messages and the main risks including sofa/bed-sharing, as well as smoking and alcohol in the lifestyle behaviours.
  11. Service Director - Public Health and Wellbeing to report on progress in resolving the issue of getting access to personal confidential health data needed to assess the effectiveness of changes introduced to reduce the infant mortality rate.
  12. The scrutiny review of infant mortality report to be sent to Wolverhampton CCG, Royal Wolverhampton NHS Trust and CDOP for information and comment. A progress report on those recommendations accepted by the Cabinet is reported to the Wolverhampton Health and Wellbeing Board in 6 months. The report recommendations to be tracked and monitored by Scrutiny Board at the same time.
2. Approve the Executive response to the review recommendations set out in Appendix 2
  3. Refer the Cabinet response to Scrutiny Board for them to monitor the implementation of the agreed recommendations.

## **1.0 Purpose**

- 1.1 To bring to the attention of Cabinet the findings and recommendations of the review (**Appendix 1**) and to agree the executive response. (**Appendix 2**).

## **2.0 Background**

- 2.1 At the annual health scrutiny annual work planning event 5.6.14 Councillors and Co-opted Members suggested “Infant Mortality” as a subject matter which could benefit from a scrutiny review. The review was chaired by Cllr Claire Darke.
- 2.2 The National Child Health Profiles published in March 2014 reported that Wolverhampton has the highest rate of infant mortality in England. The average rate of infant mortality between 2010 and 2012 is 7.7 deaths per 1,000 live births compared to the England average of 4.3 deaths per 1,000 live births.
- 2.3 For the purpose of the review the following definition of infant mortality will be used - the death of a live born baby within the first year of life. The issue of child infant mortality is a priority nationally and locally.
- 2.4 The review group considered written and documentary evidence from a range of expert witnesses, both internal and external, to better understand the issue. The review group investigated the work being done by different partner agencies to support efforts to reduce the numbers of babies dying in Wolverhampton. The review group were given a detailed intelligence briefing by Public Health.
- 2.5 The review group visited Royal Wolverhampton NHS Trust Neonatal Unit on 30 January 2015 for a tour of the site and a briefing about the factors contributing to mortality and the response of the service.

## **3.0 Discussion**

- 3.1 The report focused on a number of issues linked to understanding the causes of infant mortality and the factors contributing to Wolverhampton having the highest rate of child informality in England. The report invited witnesses to outline their understanding of the causes of child infant mortality, the work being to reduce the risks and suggestions about what more could be done to improve the situation.

## **4.0 Financial implications**

- 4.1 It is anticipated that the implementation of the review recommendations will be achievable within existing staff resources. However, implementing the review recommendations may require existing resources to be reprioritised.  
[JF/09062015/E]

## **5.0 Legal implications**

5.1 There are no legal implications linked to the recommendations from the review.  
[TC/03062015/H]

## **6.0 Equalities implications**

6.1 There are no direct equalities implications arising from the findings or recommendations in this report. However, the equalities implications of the recommendations will be considered throughout the municipal year.

## **7.0 Environmental implications**

7.1 There are no environmental implications linked to the recommendations from the review

## **8.0 Human resources implications**

8.1 There are no human resources implications arising from the recommendations of the review.

## **9.0 Corporate landlord implications**

9.1 There are no corporate landlord implications arising from the recommendations of the review.

## **10.0 Schedule of background papers**

10.1 None

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# Scrutiny Review of Infant Mortality

## Final Report

21.5.15

1. Preface	3
2. Summary of report	4
3. Introduction	5
4. Context	6
5. Summary of Findings	12
6. Conclusions	27
7. Recommendations	28
8. Definitions	32

Appendix 1: Terms of reference - summary

Appendix 2 Child infant mortality and health data

Appendix 3: Staffordshire Shropshire and Black Country Newborn Maternity and Newborn network – terms of reference

Appendix 4: Healthy child programme responsibilities

## 1. Preface

The death of a child is a tragedy for the both family and the wider community.

It is important therefore to review and to challenge appropriately the impact of work being done across Wolverhampton by all key agencies to reduce the number of avoidable child deaths. In 2014 it was reported that Wolverhampton has the highest rate of infant mortality in England. The average rate of infant mortality between 2010 and 2012 in Wolverhampton was 7.7 deaths per 1,000 live births, compared to the England average of 4.3.

The review group wanted to understand the causes of infant mortality and also to review the work being done to reduce the numbers of babies dying in the first 12 months.

The causes of infant mortality are complex and it is clear from the evidence presented that no one single agency can successfully tackle them. It is clear from witness evidence provided that a sustained reduction in the number of avoidable child deaths in the first 12 months of life will require the long term commitment of commissioners, providers of services and crucially the public.

The review group has focused its work on those environmental or modifiable factors, which arise primarily because of unhealthy diet or lifestyle choices, and can be changed, for example by not smoking during pregnancy.

The review group was very impressed by the dedication and skills of staff at the neo natal unit at The Royal Wolverhampton NHS Trust and the work being done to increase survival rates of preterm babies and provide families with support and comfort at a very difficult time.

I would like to place formally on record my appreciation and thanks to the witnesses, review members and employees for their invaluable contributions. In particular, I would like to give special thanks to Ros Jervis, Service Director- Public Health and Wellbeing, and her team for their contributions during the review. The information and insights into the challenges facing key partners has helped to provide the review group with a much better understanding of the work being done to improve the situation. The information provided by all witnesses has also greatly helped in this process and in the drafting of the findings and recommendations.

As Chair of the review I fully commend this report and recommendations.

I hope the recommendations will help improve outcomes and have a positive impact on reducing the number of avoidable deaths of babies in Wolverhampton.

Clr Claire Darke  
Chair – Scrutiny Review of Infant Mortality

## 2. Summary of report

- The issue of infant mortality is an important indicator of the health of the local population and a key priority for action locally and nationally. For the purpose of the review the following definition of infant mortality will be used - the death of a live born baby within the first year of life.
- An increase in the rate of infant mortality has major implications for efforts aimed at improving the outcomes for babies born in Wolverhampton and also for reducing the inequalities that exist between local and national measures.
- The current high rate of child infant mortality in Wolverhampton will require a long term strategy that provides information that reaches the intended target audience, particularly those groups considered to be at risk, for example, births to mothers aged 40-44 years.
- A key aspect of the review was investigating the underlying factors behind the reported figures, and getting a clear understanding of the risks and the work being done by local and regional organisations to reduce the number of infant deaths within the first 12 months of life.
- The current rate of infant deaths is a significant issue in Wolverhampton which can be addressed through tackling the modifiable factors that are associated with an increased risk of infant death. Primarily, the promotion of smoking cessation and smoke free homes will have a substantial impact on the unborn infant with benefits realised not just in the first 12 months following birth, but throughout life for the child and their family and encouraging breastfeeding.
- The review group accept that a proportion of child deaths in Wolverhampton, while regrettable, are inevitable and will not be affected by changes in policies and practices. For example, child deaths due to severe congenital abnormalities or extremely preterm babies born at or after the threshold of viability at 24 weeks gestation, where the chance of survival is low. Generally the earlier the baby is born the higher the risk of health problems and reduced chances of long term survival.
- There is agreement among witnesses about the importance of using every contact with pregnant women and their families, particularly at points when they are likely to be more receptive to, and act on positive health messages.
- The challenge for the different organisations, working to reduce the rate of infant mortality, is how to create and support a culture of continuous learning and improvement that results in a sustained reduction in the number of avoidable deaths.



- The review findings are based on written and verbal evidence from expert witnesses with knowledge of the topic that could provide answers to the questions detailed in the terms of reference. The review group has considered evidence from representatives of organisations that have a responsibility for commissioning, delivering or reviewing antenatal or post natal services provided to pregnant women.
- In preparation for the review a detailed briefing was provided by Wolverhampton Public Health of analysis of data of the numbers of deaths, the causes of infant mortality and the local risk factors. As part of the review a short questionnaire was sent to members of Infant Mortality Working Group and also to representatives of local and national bodies to get evidence needed to answer questions detailed in the terms of reference. The review group held seven meetings to consider written and verbal evidence.

### **3. Introduction**

- In 2014 it was reported that Wolverhampton has the highest rate of infant mortality in England.
- The average rate of infant mortality between 2010 and 2012 in Wolverhampton was 7.7 deaths per 1,000 live births, compared to the England average of 4.3. According to the Child Health Profile (March 2013) 3,661 live births were recorded in Wolverhampton in 2011.
- It is important therefore to review and to challenge appropriately the impact of work being done across Wolverhampton by all key agencies to reduce the number of avoidable child deaths.
- The overall aim of this review was to assess the effectiveness of current and future work aimed at addressing modifiable factors that are the main causes of infant mortality in Wolverhampton. (see Appendix 1 for a summary of terms of reference)
- The review group accept that there is no easy or quick solution to the challenge of reducing the rate of child infant mortality in Wolverhampton.
- The review group has considered evidence about infant deaths due to severe genetic abnormalities, which are included in the national figures, but are outside the scope of this review. The review group has focused its work on those environmental or modifiable factors, which arise primarily because of unhealthy diet or lifestyle choices, and can be changed, for example by not smoking during pregnancy or following safe sleeping advice.

The review group understands that levels of poverty and deprivation in Wolverhampton are important factors that contribute to the challenge faced by local partners in encouraging positive behaviour change.

- The review group wanted to understand the causes of infant mortality, the work being done to reduce the numbers of babies dying in the first 12 months by making changes to policies and practices.
- The review group welcome the willingness of witnesses to share their views and insights, based on their professional judgement, on the issue of infant mortality and suggestions of what more can be done to improve the situation. Evidence from witnesses has greatly helped to inform the findings and recommendations in this report.
- The review group acknowledge the excellent examples of partnership working and local initiatives aimed at reducing the rate of infant mortality in Wolverhampton; but support the view that more work is needed to achieve a sustained reduction in the number of babies dying within the first 12 months.
- It is clear from witness evidence that a sustained reduction in the number of avoidable deaths in the first 12 months of life will require the long term commitment of commissioners and providers of services. The success will also depend on efforts by health partners to engaging the public and raise awareness of the factors that increase the risk of infant deaths so that people make informed choices.

#### **4. Context - overview of infant mortality in Wolverhampton**

##### **Wolverhampton – the local picture**

- Wolverhampton now has the highest rate of infant mortality in England (National Child Health Profiles, March 2014). The figures for infant mortality include babies dying at The Royal Wolverhampton NHS Trust due to significant congenital abnormalities that are not compatible with life or preventable by folic acid.
- A detailed breakdown of the infant mortality data is summarised in Appendix 2.
- During the past 30 years there has been a 33.3 per cent reduction in the national infant mortality rate, but the rate of improvement has been much slower in Wolverhampton over the same period.
- Historically, Wolverhampton along with a majority of neighbouring authorities in the West Midlands has had the highest rates of infant mortality according to national figures. However, there are differences in results at the ward level between infant mortality rates which do not correspond to rates of deprivation.

For example, the results of an analysis by electoral ward show that Penn ward has rate 6.8 deaths per 1000, compared to East Park ward which has a rate of 2.8 per 1000.

- The levels of under 18 conceptions, smoking before and after delivery in Wolverhampton are above the England average. Breastfeeding rates are lower than the England average.
- The top four major modifiable local risk factors linked to the deaths of infants in Wolverhampton are:
  - exposure to environmental tobacco smoke which was recorded in 55% of cases;
  - co-sleeping environment (bed sharing/sofa sharing) which was recorded in 44% of cases;
  - alcohol use within the last 24 hours which was recorded in 35% of cases;
  - over-heating which was recorded in 32% of cases.
- The review group has considered different theories that may explain the variation in infant mortality rates in Wolverhampton at ward level and the impact of any 'protective' factors that might be at work. For example, variations in rates of infant mortality among different ethnic groups in Wolverhampton. The influence of 'protective' factors is difficult to determine as the actual numbers of babies dying are very small and figures are based on a three year rolling average of deaths, which adds to the challenge in finding a clear link.
- The widespread effects of poverty and deprivation in Wolverhampton have been highlighted by witnesses as a major barrier to reducing the rate of infant mortality and supporting the required behaviour changes. Witnesses have also highlighted the challenge in raising awareness about the risk factors during pregnancy. There is some anecdotal evidence to suggest that there is level of mistrust by local people in the advice given by professionals and lay health workers and as a result the service has to work against established family beliefs and practices. There is a much greater reliance on advice provided by older female relatives on known risks to a baby during and after pregnancy.
- The Royal Wolverhampton NHS Trust neonatal unit (NNU) is designated a level 3 [NICU] facility with capacity to cater for the sickest and smallest babies in the region. The NNU is part of the Staffordshire Shropshire and Black Country Newborn Maternity and Newborn network which is working to increase survival rates for preterm babies. (see Appendix 3 for details of the key functions of the network.)

- Dawn Lewis ,Matron Maternity, Antenatal/Postnatal Services, The Royal Wolverhampton NHS Trust explained that in response to more babies being admitted into the neo natal unit than expected changes have been introduced. In the past the service would have intervened when a mother was 12 -14 days past their due date. The practice is now that they will look to change the timing induction of labour and to intervene when the birth is more than 10 days late. This was based on audited evidence of hospital births.
- A range of interventions are used to stop smoking during pregnancy due to the strong links to low birth weight, prematurity and poorer perinatal outcomes. This includes education on foetal health status and pharmacotherapy, motivational support. The number of women referred to the stop smoking service and the take up rate is collected. There is data on the number of pregnant women setting quit date, and the number of women who have quit at four weeks. In the same data set there are numbers of people who set a quit date using nicotine replacement therapy.

There are issues in getting reliable data on outcome of pregnant women referred to the stop smoking service for support. The percentage of mothers smoking at delivery is at highest levels in East Park, Bilston North and Bilston East and lowest in Tettenhall Wightwick, Tettenhall Regis and Penn.

- The issue of how sex and relationship teaching is delivered in schools has been highlighted as a concern by the review group. The review group support the view of witnesses about the challenge of getting a clear and consistent health messages to young people that support behaviour change and promote a healthy lifestyle. However, the autonomous position of schools means that local authorities have little influence on what is included as part of PHSE course or how it is delivered. In addition, parents can choose to withdraw their children from parts of sex and relationship education if they want.
- The Service Director, Public Health and Wellbeing, leads a multi-agency working group whose members includes the Maternity lead, Clinical Lead for Women and Children and the Executive Director for Nursing and Quality. The aim of the group is review existing practices to support changes that will lead to a reduction in the infant mortality rate.

- There are a number of organisations that are responsible for the commissioning and provision of services that contribute to reducing the rate of infant mortality in Wolverhampton. A summary is given below:

NHS England	Primary care (GPs) Vaccinations and Immunisations Antenatal and neonatal screening programmes
Public Health	Overall responsibility for population health and wellbeing Commissioning of healthy lifestyles programmes across the life course Mandated provision of public health advice to Wolverhampton Clinical Commissioning Group
Wolverhampton Clinical Commissioning Group	Maternity services Health care across the life course Enhanced services to promote healthy lifestyles
The Royal Wolverhampton NHS Trust	Acute midwifery services Obstetric care Neonatal care Community midwifery services Health visiting services Healthy lifestyles programme Acute and community paediatric care

### **Infant Mortality - national and regional initiatives**

- The National Institute for Health and Care Excellence (NICE) has published a range of specific good practice guidance for the public, commissioners and service providers aimed at optimising the quality of care received and assist with improving outcomes for premature and very low birth weight babies. Examples of published guidance are listed below:
  - Pregnancy and complex social factors overview;
  - Quitting smoking in pregnancy and following childbirth;
  - Pregnancy and complex social factors;
  - Smoking cessation in secondary care: acute, maternity and mental health services.
- Data and evidence about infant mortality and stillbirth is published by the National Child and Maternal Health Intelligence Network (ChiMat) who are part of Public Health England. The network provides an analysis of the data which includes details about trends and variations, the causes and underlying risk factors and national policies. Data from ChiMat indicates that at a national level 71% of all infant deaths occur in the neonatal period i.e. the first 28 days of life.

The evidence also reported that at the national level the main risk factors are: smoking, low socioeconomic status, maternal obesity, maternal age, ethnicity, multiple births, diabetes and influenza.

- Responsibility for the delivery of the Healthy Child Programme (HCP) which covers 0- 5 services (see Appendix 4 for details of the services) will be transferred to Public Health, in October 2015. This will include the transfer for responsibility for commissioning of health visiting services. (In April 2013 local authorities were given a key role in improving the health of their local population, working in partnership with clinical commissioning groups, and others, through health and wellbeing boards in their localities.)
- National NHS priorities to reduce mortality and morbidity in perinatal care include the following:
  - Antenatal detection of Intra Uterine Growth Restriction(IUGR) (this is a condition where a baby's growth slows or ceases when it is in the uterus);
  - Reduction in postpartum haemorrhage (primary postpartum haemorrhage is loss of blood estimated to be more than 500 ml within 24 hours of delivery);
  - Reduction in caesarean rates without clinical indication pre 39 weeks gestation
  - Reduction in unexpected term (less than 39 weeks gestation) admissions to neonatal units.
- A national priority for Public Health England is ensuring every child has the best start in life. Reducing the rate of infant mortality is central to achieving this aim. Public Health England (West Midlands) has included infant mortality as one its priorities and has set up a number of working groups.
- West Midlands Strategic Clinical Networks exists to enable patients, professionals and organisations to work together, across the West Midlands, on large and lasting programmes of quality improvement in four areas of major healthcare challenge. The network aims to achieve the best outcomes for the population by bringing together the right people and expertise to help drive improvements.
- The West Midlands Maternity and Children's Strategic Clinical Network (SCN) was established on 1 April 2013. The Maternity and Children's SCN covers three specific areas – maternity, newborn and children. The aim of the group is to support the delivery of high quality healthcare for women during pregnancy, childbirth and the post natal period, babies, children, young people and their families across the West Midlands. There are currently a number of projects being undertaken within the West Midlands Maternity and Children's Strategic Clinical Network and Senate to achieve this.
- West Midlands Strategic Clinical Network for Maternity and Children produced a report on the findings of phase one maternity gap analysis. The objectives of the gap analysis were to:

- Identify what data capturing tools are currently in use across the region maternity services;
  - Identify any variation or common areas of concern in line with national priority areas; both across the West Midlands region and nationally;
  - Identify any existing or future planned initiatives and service developments to tackle the national priority areas.
- The report made a number of specific recommendations aimed at supporting improved outcomes and contributing to the overriding aim of reducing stillbirth and neonatal loss; and to improve the experience for families. There are a number of short-term pieces of work that have been agreed for improvement in Phase 2 of the maternity gap analysis.
  - A number of the recommendations relate directly to the issues highlighted during the review. For example, the need for more robust information for patients around the issues such as stillbirths/neonatal death, neonatal units and varying levels of care, recognising the signs of pre-eclampsia and monitoring of reduced fetal movement.
  - There are national priorities, performance standards, staffing levels and targets aimed at reducing the rate of stillbirth and early neonatal loss which have been published by British Association of Perinatal Medicine (BAPM). The stated aim of BAPM is to support newborn babies and their families by providing services that help all those involved in perinatal practice to improve the standards of perinatal care in the British Isles.
  - As part of universal antenatal care during the first visit to a midwife or GP a pregnant women will be given information about:
    - folic acid and vitamin D supplements;
    - nutrition, diet and food hygiene;
    - lifestyle factors that may affect a women's health or the health of the baby, such as smoking, recreational drug use and drinking alcohol;
  - In addition, information will be given on keeping healthy and discussion about whether there is a history complications or infections in a previous pregnancy or delivery, such as pre-eclampsia or premature birth, current treatment for chronic disease, such as diabetes or high blood pressure or family history of having a baby with an abnormality; such as spina bifida or an inherited disease, such as sickle cell or cystic fibrosis.

## 5. Summary of findings

### The underlying causes of infant mortality in Wolverhampton

An analysis of deaths recorded at Royal Wolverhampton NHS Trust (RWT) from 2004 – 2012 was conducted in February 2014. This review relates to Wolverhampton residents and highlighted the following key issues:

- **Smoking during pregnancy:** there is a 54% increased risk of infant death for women who smoke during pregnancy, as recorded at the time of delivery, compared to women documented as non-smokers. This indicates a strong association between smoking in pregnancy and infant death. Smoking in pregnancy has a significant impact on avoidable mortality. It causes impaired foetal growth, low birth weight and pre-term birth as well as being associated with an increased risk of miscarriage, stillbirth, neonatal death and sudden infant death. Smoking in pregnancy is high in England at 12.7 % with tenfold variation between local areas. Smoking is most prevalent in young, white, expectant mothers from deprived communities, with low educational attainment.

Health Visitors recommend to fathers and other family members that they should smoke outside the home to protect a baby from the health risks of second hand smoke. In addition, smokers are advised by health visitors not to hold a baby for at least 30 minutes to avoid exposure to the harmful substances in cigarettes. This is because when a person smokes, toxins can get into their clothes and hair and will remain there. In addition, a smoker will continue to exhale toxins such as carbon monoxide for several minutes after extinguishing their cigarette.

- **Prematurity:** prematurity is defined as birth after less than 37 completed weeks of pregnancy, which usually lasts 40 weeks. Whilst most premature births occur between 34 weeks and 37 weeks of pregnancy, a small proportion of babies are born under 34 weeks. Almost 65% of infant deaths occurred in babies born under 34 weeks of completed pregnancy, whereas premature infants were only 3% of all births. This indicates that prematurity is a high risk factor for infant death.
- **Very Low birth weight:** a birth weight under 1,500g is classified as a very low birth weight. 60% of infant deaths in Wolverhampton occurred in very low birth weight infants, whereas very low birth weight infants accounted for only 1.5% of all births. This indicates that a very low birth weight is a high risk factor for infant death.
- **Maternal age:** although the highest number of infant deaths occurred in mothers aged between 20 and 34 years, the proportion of deaths was similar to the proportion of births within these age groups. However, 7.9% of infant deaths occurred in babies born to mothers aged 40 to 44 years, whereas births to mother aged 40-44 years were only, 2.5% of all births. This indicates that later maternal age is a high risk factor for infant death.
- **Ethnicity:** the proportion of infant deaths compared to total births is broadly similar across ethnic groups with the exception of babies born to black mothers. 16.4% of infant deaths occurred in babies born to black mothers, whereas births to black



mothers were 9.8% of all births. Preliminary findings from the review suggest a link between ethnicity and prematurity, with higher proportion black mothers delivering premature babies, under 34 weeks. Overall, this indicates that black ethnicity is a higher risk factor for infant death than other ethnic groups.

- Deprivation: most of the infant deaths occurred amongst the 20% most deprived mothers within the City, a slightly higher proportion of 69.4% compared to total births to mothers in this group, 65.1%.  
This indicates that deprivation is a high risk factor for infant death. Socio-economic deprivation covers a number of issues, for example, poor housing, poor diet of women planning a pregnancy or during their pregnancy, the spacing of pregnancies, low income, language barriers, asylum seekers moved late in pregnancy, low educational attainment and unsupported single mothers.

### **Examples of modifiable or environmental risk factors**

The following are examples of modifiable risk factors that potentially contribute to infant mortality recorded as 'sudden unexplained death in infancy' (SUDI) within the first year of life in Wolverhampton:

- Mother smoking before and during in pregnancy and exposing the baby to cigarette smoke;
- Bed sharing/not following safe sleeping advice;
- Low birth weight;
- Late booking for the first official antenatal appointment;
- Low breastfeeding rates;
- Drugs and alcohol misuse;
- Maternal obesity (babies of women with a pregnancy BMI (body mass index)  $\geq 35$  have an increased risk of perinatal mortality, being overweight or obese may double the odds of stillbirth)

There is agreement among witnesses that the causes of infant mortality are complex and often linked. Furthermore, that no one organisation can deliver the sustained changes in reducing the number of infant deaths reported annually.

### **Key risks in early pregnancy**

It can be difficult to identify risks early in pregnancy, especially in first time pregnancies, as often little is known about the experience and abilities of the mother to be, and the characteristics of the child.

The following are examples of useful predictors of the risks during pregnancy highlighted in research published by NHS Scotland:

- young parenthood, which is linked to poor socio-economic and educational circumstances;

- educational problems – parents with few or no qualifications, non-attendance or learning difficulties;
- parents who are not in education, employment or training;
- families who are living in poverty;
- families who are living in unsatisfactory accommodation;
- parents with mental health problems;
- unstable partner relationships;
- intimate partner abuse;
- parents with a history of anti-social or offending behaviour;
- families with low social capital;
- ambivalence about becoming a parent;
- stress in pregnancy;
- low self-esteem or low self-reliance; and
- a history of abuse, mental illness or alcoholism in the mother's own family.

### **Reducing the risk factors**

Witnesses provided a range of examples of work currently being done by their service and in the future to tackle the underlying causes of infant mortality. The work is being done as part of a strategic and co-ordinated response to the situation. The following are examples of this work that were presented as evidence:

- **Royal Wolverhampton NHS Trust**
  - Analysis of health visiting data regarding smoke free homes;
  - Stop smoking team to attend the neonatal unit three times a week ;
  - Daily presence of health trainers in the antenatal clinic started on 1 October 2014;
  - Auditing of 40 maternity notes in the postnatal period to be arranged with Public Health Support;
  - A marketing campaign is required to promote the prevention agenda.
- **Dr Helen Sullivan, Consultant Obstetrician and Guidelines Lead, Royal Wolverhampton NHS Trust**
  - All pregnant women in Wolverhampton are seen repeatedly by their community midwife, including at least once at home;
  - All smokers are referred to the smoking cessation service and have to actively opt out if they do not want referral;
  - Breastfeeding is promoted to all women;
  - All women are given advice about a healthy diet and the vast majority given multivitamin supplements. There is a challenge with mothers either not maintaining a proper healthy diet during their pregnancy and or who find it difficult to follow a diet that provides the necessary vitamins and nutrients.
  - Where possible the women are seen in children's centres to help the women become familiar with this resource;
  - There is a structured handover of care from midwifery to health visiting when the baby is about two weeks old;

- Where women are thought to be particularly vulnerable they receive enhanced care from a specialist midwife for pregnant teenagers and a specialist midwife for vulnerable women; principally those with problems with drugs and alcohol, domestic abuse and severe and enduring mental health problems.
- Recommended that the Council supports enhanced targeted interventions for high risk families with new babies. The families can be identified by maternity services. This could take many forms for example extended support from the midwives for vulnerable women and targeted work with Children's Centres' workers.
- **Dr Tilly Pillay, Neonatal Clinical Lead, SSBCNN Consultant, Royal Wolverhampton NHS Trust**
  - Developing a 'Reducing the Risk' Programme  
Parent advice and support for all babies leaving the NNU and a select geographical target area on:
    - Smoking cessation;
    - Advice on limiting sudden infant death;
    - Resuscitation and choking training for parents;
    - Breastfeeding support;
    - Advice on healthy diet and weaning.
  - Promoting breast feeding on discharge from the hospital and the setting up of a donor breast milk scheme. Donated breast milk is used to help save the lives of poorly and premature babies whose mothers are unable to provide their babies with enough of their own breast milk.
  - Breastfeeding women, who have established breastfeeding their own baby, must enrol as a donor before baby is 4 months old, and then can continue to donate until baby is 6 months old.
  - Developing appropriate newborn network pathways within our SSBC Newborn Network to ensure that the sickest and smallest babies in Wolverhampton are treated at the right neonatal intensive-care unit (NICU) at the right time, at the right place.
  - Participating in network wide neonatal nurse staffing review to define nursing workload on the Neonatal Unit so that optimal levels of nursing staff can be recruited to meet British Association of Perinatal Medicine standards of nursing workload, as nursing workload correlates with neonatal mortality.
  - Accurate and detailed mortality reviews with SSBC Newborn Network review, with lessons learnt being shared to augment uptake of modifiable clinical aspects of care.
  - Benchmarking neonatal outcomes against international standards.

- **Dr Helen Carter, Consultant in Public Health, Public Health England, West Midlands Centre**
  - The National Infant Mortality Support Team produced a report in December 2010\ about improving infant and maternal health outcomes. Many of the contents of this report are still very applicable today.
  - The report strongly linked infant mortality to deprivation and the wider social determinants of health with a strong focus upon the impacts of poor housing. Public Health England highlighted deprivation as being associated with increased risk of infant mortality. An analysis of data identified disadvantaged mothers as being more likely to have babies of low birth weight.
  - The report reviewed evidence and concluded that the following interventions would have the biggest impact upon reducing the infant mortality:
    - Reduce child poverty;
    - Reduce the prevalence of maternal obesity;
    - Reduce smoking in pregnancy;
    - Improve housing and reduce overcrowding;
    - Safe sleeping;
    - Reduce teenage pregnancy rates;
    - Improve breastfeeding rates.
  
- **Dr Angela Moore, Consultant Paediatrician. Designated Doctor for Safeguarding Children, Royal Wolverhampton NHS Trust (RWT)**
  - Safe sleep campaign in autumn/winter 13/14.
  - The CONI programme (Care Of Next Infant after a SUDI - support for families also includes near relatives and infants where there has been an Acute Life Threatening Event but not actual death) delivered by RWT - Health Visitors and Community Paediatrics.
  - Regular clinical post neonatal mortality reviews also take place.

### **Summary of witness evidence - main headlines**

The following is a summary of the key messages from witnesses who submitted written and or verbal evidence to the review group:

- The modifiable risk factors in infant deaths in Wolverhampton were the subject of two published research papers which reviewed the causes of child infant mortality in Wolverhampton.

- The papers written by Dr Angela Moore highlighted the historical nature of the underlying causes of child infant mortality, the similarity in the causes of death, and the slow progress made in reducing the number of deaths when compared on an international basis. Dr Moore recommended that all schools in Wolverhampton should include mandatory child care in their PSHE for both boys and girls and include messages about smoking, breast feeding and prevention of SUDI (safe sleep).
- Dr Moore commented on the finding that all studies have shown increased risk of SUDI linked to sofa sharing, either parent smoking and smaller babies. The risks of SUDI increase significantly when there is a combination of modifiable factors, for example, smoking and co-sleeping. Dr Moore explained that if a parent smokes when a baby is six months or less, then they are eight times more of risk of SUDI. Dr Moore commented on the societal changes in respect of alcohol use during pregnancy.
- The risk of SUDI is higher for older mothers, but it compensated to some extent by the fact that they are likely to be financially better off and adopt a more cautious approach before and during their pregnancy.
- Poverty and deprivation were common themes contributing to poorer health outcomes and the deaths of babies. Higher rates of pre-term death were linked to people who are poor and also defects and smoking.
- The transfer of pregnant women by West Midlands Ambulance Service (WMAS) to the nearest hospital is not always appropriate. Evidence shows much better outcomes for preterm babies who are born at less than 26 weeks gestation, if they are delivered at a neonatal unit with Level 3 (NICU) capacity, rather than a lower designated unit and transferred in to a NICU. In such situations it is important for ambulances to transfer women to the most appropriate hospital with neonatal facilities that can cope with the birth and post natal support of the extremely preterm baby; which in the Black Country, would be RWT neonatal unit. There are on-going discussions within the SSBC Newborn and Maternity Networks, attempting to facilitate appropriate triage of women through creation of care pathways that will enable this.
- An audit provided evidence that 15% (90) of 600 births were to women considered to be vulnerable Evidence was presented of the challenge in persuading vulnerable women to consider contraception or the spacing of pregnancies following the birth to reduce risks linked to the death of infants and to improve outcomes.

- Community midwives ask questions about mental health and domestic abuse at the 'booking' appointment (first midwifery contact) and again at 28 weeks and at handover of care to the health visitor. Midwives notify Health Visitors at 24 weeks of pregnancy highlighting any particular issues or problems.
- Improving numbers of pregnant women for booking below 13 weeks of pregnancy. The national performance target is 12 weeks and 6 days for the first antenatal appointment.
- Evidence of the impact of debt and low income among mother's who may decide to prioritise other needs such as paying bills and give lower priority to attending clinical ante or post natal sessions with health professionals.
- Concerns expressed about the impact of the loss of funding for specialist midwives and the important resource in supporting pregnant women considered to be vulnerable or where there mental health issues.
- There is no 'single bullet' solution to the reducing the rate of infant mortality and cannot be the responsibility of anyone agency to achieve.
- Increased risk of sudden unexpected death in infancy (SUDI) associated with sofa sharing rises further if either parent smokes; the mother drinks alcohol or is obese. There is no risk from bed sharing if the mother stays awake. The safest place for a baby to sleep is in a cot in a room with parents for the first six months of life.
- Breastfeeding is protective for SUDI. Evidence presented that recently arrived migrants to Wolverhampton have a strong tradition of breastfeeding where it is considered to be the cultural norm. There is concern that this habit will change over time and more women will choose to bottle feed instead, which is more typical of the local population where breast feeding rates are low.
- 'The Baby Sleep Safe' was a successful campaign which gave advice about how to protect the baby when sleeping. There were no deaths due to co-sleeping in 2013 following the publicity campaign. An example of the campaign posted is give below:



Bed sharing increases the risk of a baby dying because of the following factors:

- Rebreathing;
  - Over-heating (head covering) ;
  - Soft surface (mattress, pillow) ;
  - Suffocation (over-laying).
- The Pedi-Pod is a type of crib which can be placed in the parent's bed to give the baby its own space and prevent over-heating/overlying. The Pedi-Pod crib was introduced in New Zealand by the Government. The crib is offered as a free gift a bed for new born babies to all mothers and encouraging the idea of separate sleeping arrangements. The programme was developed as a public health intervention aimed at more vulnerable babies. This is an example of the Pedi Pod sleep space bed.



- The review group discussed the feasibility of introducing a scheme similar to Finland where shortly before babies are born they are given a cardboard box filled with a range of useful things for the first 8-12 months. The Finnish Baby Box includes necessities to help mothers to dress and take care of their newborn. The box is provided by the state.
- The Healthy Lifestyles Service is based at RWT. The service provides support as part of the stop smoking service. The staff support women and their families to undergo quit attempts and offer home visits to pregnant women. The service provides support for the full length of the pregnancy and also relapse prevention at any time during this period. Carbon monoxide checks are done at each antenatal visit and pregnant women are also asked about their smoking status. The staff undertake carbon monoxide checks to confirm a successful quitter but if this is not possible then this will be confirmed by telephone.

The service provide advice and help to families to cook and eat healthy meals that support healthy weight gain during pregnancy and healthy weight loss post natal. The service is also able to offer support and weight management advice and help with breastfeeding problems.

- A witness from the Healthy Lifestyles Service commented that there is evidence of a lack of trust among women in the advice given by professionals and the staff have to work against beliefs and practices of older female family members about how to reduce modifiable risks.
- It is difficult to get reliable data about pregnant women setting quit smoking dates as the population profile changes during the period of assessment when Health Visitors currently identify smokers at each contact and offer cessation advice.



All health visiting staff are trained in motivational interviewing techniques to support pregnant women to stop smoking.

- Both Walsall and Dudley have successfully rolled out a quit smoking programme. The programme involves checking carbon monoxide levels using a monitor at every antenatal contact and actively working to link up events planned around National No Smoking Day and other quit smoking campaigns. (Carbon monoxide (CO) assessment is a non-invasive biochemical method for measuring CO from expired breath. It can detect exposure to CO which may come from tobacco smoke, traffic emissions or leaky gas appliances.) The service is delivered by a small team which adds to the challenge in supporting a change in behaviour.

Estimates of the number of Wolverhampton women smoking in pregnancy at time of delivery is reported to public health.

- Pregnant women who smoke and also take illegal substances may be willing to stop smoking, but less willing to stop smoking illegal substances.
- There is a set list of questions used to identify signs of post natal depression and the subsequent risk to the mother and the health of the baby.
- Evidence presented about 'preventative' factors within different ethnic groups which may explain the lower rates. For example, the rates of infant deaths for Polish mothers were lower when compared to White British mothers at the time of delivery.
- The Child Death Overview Panel (CDOP) investigates the death of every child in Wolverhampton. The key purpose of reviewing all child deaths is to learn lessons and reduce child deaths in the future. The CDOP produce an annual report which is considered by Wolverhampton Safeguarding Children Board.
- The most recent report includes a summary of Wolverhampton child death statistics covering the period 1 April 2013 to 31 March 2014. The findings of the local safeguarding children boards (LSCBs) are collated and used to complete the annual child death data collection published by Department of Education for England.
- The review group were advised by the co-ordinator of the CDOP that over the past 18 months, following the departure of the post holder responsible for collating comparative statistics, Wolverhampton's performance compared to its regional neighbours, had not been available. As a result, the previous annual report 2013/14 and the current report do not include regional statistics. The issue is unlikely to be resolved in the short term.

The respective CDOPs within the region have already raised their concerns with NHS England about the situation and its impact on their work.

- Evidence of late booking and women not knowing they are pregnant. As a result the opportunity to give important antenatal health messages and have a range of important health checks done during the early stages of their pregnancy is missed.
- ‘Early bird’ clinics were introduced two years ago as an alternative option for women who do not want to see their GP for their antenatal check-up. The clinics are available to give early health education advice via Maternity Support Workers who work alongside the community midwives. In addition, representatives of the Healthy Lifestyles Service attend the sessions as part of a ‘one stop-shop’ for pregnant women.
- Representatives of the pregnancy and beyond service are also in attendance at the clinics to offer support to women who want to give up smoking.
- The service is actively promoted to local women to encourage them to seek advice and support at early stages of their pregnancy. Where possible, women are seen in Children’s Centres to help the women become familiar with this resource. There is a structured handover of care from midwifery to health visiting when the baby is about two weeks old.
- The issue of language barriers for new migrants to Wolverhampton was highlighted. The use of interpreters is not ideal and there is concern about whether important health messages are being received and acted upon. Evidence presented about a peer support service provided by the refugee and migrant centre could be a better option for the future.
- The breastfeeding peer support network is delivered by a group of volunteers who provide part-time support and telephone advice to mothers. The scheme has an infant co-ordinator to promote the service. In addition, there are four paid support workers working part-time.
- The birth to midwife ratio is at a safe level. RWT has been reaccredited as meeting the Baby Friendly Initiative standards. The Family Nurse Partnership is an accredited programme aimed at improving outcomes for first time pregnant teenagers. The scheme has just begun and it is hoped that it will be successful.
- All women are given advice about a healthy diet and the vast majority given multivitamin supplements. Public Health is reviewing local delivery of the ‘Healthy

Start Vitamins' scheme. The means-tested scheme is a Government initiative aimed at improving nutrition and reducing rates of infant mortality.

Pregnant women or someone with a child under four years old will be eligible to get vouchers to help buy some basic foods. In addition, women and children getting 'Healthy Start' food vouchers will also get vitamin coupons to swap for free 'Healthy Start' vitamins.

- All pregnant women in Wolverhampton have a scheduled programme of antenatal appointments with their named community midwife, including at least once at home. All smokers are referred to the smoking cessation service and have to actively opt out if they do not want referred to the service. The benefits of breastfeeding are promoted to all women.
- The issue of the quality and effectiveness of sex and relationship education in schools was highlighted as an issue, particularly for girls who are reaching puberty much earlier as result rising levels of obesity.
- There is national guidance published by NICE about the importance of weight management before, during and after pregnancy and the risks to the mother and baby. The guidance provides advice to help women in achieving and maintaining recommended weight and body mass index before, during and after pregnancy.

The review group shared concerns about the variable quality of lessons at secondary schools and that parents can choose to exclude their children. Local authorities have no influence about how lessons are taught in schools and it is difficult to maintain quality of information and to check that key messages about health and wellbeing are shared in a consistent way.

- The importance of the role of fathers and other people with an interest in the health and wellbeing of the child, for example other family members and close friends was highlighted in offering support during and after.
- Following the Governments Call to Action – The Health Visiting Implementation Plan 2011 there are now 64 whole time equivalent health visitors for the Wolverhampton area. The number of health visitors allocated is based on the number of children aged 0 – 5 living in an area. The calculation of the number of health visitors does not take account of the impact of deprivation on an area.
- The average caseload size for a Wolverhampton health visitor is 368 children. Unite the Union/Community Practitioners and Health Visitors Association (CPHVA) and the Royal College of Nursing recommend that individual caseloads should ideally be 250 children per whole time equivalent (WTE) health visitor.

In areas of deprivation this should be lowered to 200. In Scandinavia, where frequent health visiting is the norm, child mortality rates are much lower than in most of the rest of the world. The Maternal and Child Health service in Denmark gives each health visitor a caseload of only 150 children.

- Health visitors do health and development checks at set stages of a baby's life and will also visit where there are concerns. Health visitors work with all parents to assess the support they need and develop appropriate programmes to help give the child the best possible start in life. Health visitors support and educate families from pregnancy through to a child's fifth birthday.
- Evidence presented of the importance of using contacts with mothers to discuss issues such as smoking, alcohol and diet. Mothers are likely to be more open to suggestions of making behaviour changes, such as the benefits of not smoking before and during the pregnancy. Health visitors provide advice and support to encourage pregnant to stop smoking. This service is also offered to other family members living in the same household who smoke.
- The issue of Public Health accessing health data was highlighted as a major issue, following the transfer of the service to the local authority and new governance rules implemented in April 2013. A statistical analysis of infant deaths needs to consider deaths over a long period to provide meaningful information as the numbers involved are small.
- An analysis of child deaths reported that in 2013, 15 of the deaths that occurred were expected. The cause of deaths was extreme prematurity or congenital abnormality. Further analysis of deaths of babies born at RWT collected annually showed a number of deaths due to significant congenital abnormalities:

2011 4/25 neonatal deaths had significant congenital abnormalities  
2012 5/31 neonatal deaths had significant congenital abnormalities  
2013 7/24 neonatal deaths had significant congenital abnormalities  
2014 2/17 neonatal deaths had significant congenital abnormalities (preliminary data only up to mid-October)

(Not all of these abnormalities will have been detected before birth but some that were may not have led to death within the first 28 days of life but within the first year of life.)

- Evidence arguing for a shift in focus to more specialist support services and universal services aimed at vulnerable women which would have a have a major impact on Wolverhampton's infant mortality rate.

- A witness expressed concern about the significant deterioration in addiction support service and withdrawal of funding for a specialist midwife post following a change of provider. The service is provided jointly by Wolverhampton Integrated Substance Misuse Service (the key partners are NACRO and Black Country Partnership Foundation Trust). The issue of the addiction referral arrangements for pregnant women was highlighted. It was reported that an estimated 30-40 women are referred to the specialist support addiction service. The Service Director - Public Health and Wellbeing responded that the newly commissioned addiction service is focusing on risk triggers and supporting people to get better outcomes.
- The Service Director - Public Health and Wellbeing explained that the issue of post natal depression is considered during any investigation into a death of a child. The review will look at the child records. The Service Director commented on a pilot initiative to look at recognising the signs of mental health issues and also the challenge that many new mothers do not always have an established support network. This lack of support for new mothers can be a real issue where it involves a difficult birth, which can add to stress levels.
- There is need to establish an enhanced family planning service for vulnerable women to avoid early, repeat pregnancy and the spacing of pregnancy. It is important that the issue of contraception is discussed following the birth.
- Pregnancy and the period following birth can provide a number of psychological, psycho-social and physiological challenges for women and their families. The onset of pregnancy can have an impact on hormone levels which can affect mental health state leading to changes in eating habits and other physical changes which can affect a person's mental state and general wellbeing.
- There are specialist services available at RWT to support the pregnant women with mental health issues. There is also provision for pregnant women to be referred to either St George's Hospital (Stafford) or Birmingham and Solihull Mental Health NHS Trust for women experiencing mental health problems during pregnancy requiring hospitalisation. Both units allow the mother where possible to stay with their baby. Community mental health services in Wolverhampton are delivered by Black Country Partnership Foundation Trust.

- For women with pre-existing mental health conditions the confirmation of pregnancy may require a change in medication. For women experiencing severe post-partum mental health conditions there is evidence of the positive benefits of electroconvulsive therapy. The numbers of mothers needing specialist hospital care is about 1-3 annually. Women with pre-existing mental health issues and also difficulties such as substance or alcohol misuse can be especially vulnerable. Community care pathways will be developed by Wolverhampton CCG to support pregnant women with this in mind.
- Current community care pathways are being reviewed. The Wolverhampton Clinical Commissioning Group will develop a written guide regarding perinatal mental health services. There are also discussions on-going about the development of an electronic tool that could be used to show the different treatment care pathways based on the circumstances and the services available to pregnant women.

## 6. Conclusions

The review has increased level of awareness and knowledge among Councillors about the work being done by key agencies to reduce levels of child infant mortality in Wolverhampton and a better understanding of the issue. The review has also provided evidence of the work being done by different local partners, individually and collectively, to reduce the rate of infant mortality in Wolverhampton.

It is clear from witness evidence presented that an important part of achieving the desired sustained reduction in the rate of infant mortality is supporting and promoting public awareness of the range of support available. In addition, this should be supported by improving existing practices and procedures and applying learning about what can be done to reduce the risks of a baby dying during the first 12 months.

A sustained reduction in infant mortality rate will require getting the right balance between the provision of enhanced universal services and specialist support services that will increase the likelihood of a successful pregnancy and address the modifiable causes of infant deaths in Wolverhampton.

There will need to be a targeted approach to meet the needs of specific groups such as mothers who smoke in pregnancy, older mothers, black mothers and mothers from the most deprived areas of the city. However, a universal approach is also required to deliver routine care and identify potential changes that may indicate an increased risk of infant mortality. The review has highlighted the opportunities for Councillors in their day to day meetings with the public to get important health messages to people when discussions arise about pregnancy and what practical steps they can take to reduce risks or simply to raise awareness about where to get advice and help if they have concerns.

The importance of making every contact by the service with a pregnant women count was highlighted.

Evidence presented of the impact of lower educational attainment among young mothers, leading to lack of aspirations and poor decision making in relation to the timing and spacing of births. The importance of giving mothers appropriate contraceptive advice following the birth was highlighted.

The review group shared the concerns of the Service Director - Public Health and Wellbeing about the amount of the budget that will follow the transfer of responsibility for delivering health visiting services to Public Health and meeting key performance targets. The new national health visiting service specifications will require an extra 300 contacts.

The review group welcomes the renewed commitment by representatives of key agencies to work together to improve practices and policies and make changes based on learning both locally and nationally, that has been used successfully to improve outcomes for babies.

## 7. Recommendations

The aim of these recommendations is to create and support a culture of continuous learning and improvement across all the organisations working to reduce the number of child deaths in Wolverhampton, by highlighting what works and what promotes good practice locally. The recommendations are intended to support improved performance and contribute to the achievement of a sustained reduction in the current rate of infant mortality in Wolverhampton.

### **The importance of co-ordinating local efforts to tackle the underlying causes of infant mortality in Wolverhampton**

1. The Service Director- Public Health and Wellbeing to be responsible for collating a coordinated response from the officers responsible for to the following recommendations listed below. The Service Director to and advising Scrutiny present a report to Scrutiny Board with details of progress in implementing all the accepted recommendations and necessary follow up action, as appropriate, where accepted recommendations have not been implemented. The Scrutiny Board report to be presented to the Infant Mortality Working Group for information and comment:
  - a) Royal Wolverhampton NHS Trust to coordinate a response from the maternity, healthy lifestyles living and health visiting services which details specific actions aimed at reducing the percentage of pregnant women setting a smoking quit date, where the results are either not known or lost to follow up. The report to include details of the take-up rate of nicotine replacement therapy and the number who have set a quit date.
  - b) Royal Wolverhampton NHS Trust to coordinate a report from maternity, healthy living lifestyles and health visiting services on progress in the use and results of carbon monoxide testing of pregnant women at every contact. The report to include feedback from pregnant women recorded as smoking and subsequently referred, about their experiences of the stop smoking service.
  - c) Royal Wolverhampton NHS Trust to present a report on a review of effective interventions aimed at reducing the numbers of women smoking during and after pregnancy.
  - d) The lead officer for infant mortality at Wolverhampton Clinical Commissioning Group (CCG) to report on current commissioning arrangements and the extent to which services for pregnancy and infancy are delivering the right mix of enhanced and targeted interventions for pregnant women, particularly vulnerable women considered to be at risk.



e) A report on the benefits of providing a Pepi-Pod crib or similar alternative cot in Wolverhampton. A report of the potential value of using a mobile phone app for parents and parents-to-be with personalised information and content approved by doctors and midwives that spans from pregnancy right through to the first six months after birth. The schemes, if introduced, should be initially targeted a vulnerable women and the findings published with recommendations about a possible future roll out across the City.

f) The Service Director – Public Health and Wellbeing to work with lead officers from key partners to for infant mortality at Wolverhampton CCG to detail proposals to discuss proposals to make best use of available local intelligence in order to help with the early identification better of identify vulnerable pregnant women mothers and provide appropriate targeted interventions that can support them. that will contribute to the overall aim of reducing the numbers of infant deaths. The findings to be shared with the Wolverhampton Health and Wellbeing Board, and Wolverhampton CCG Governing Body and the Infant Mortality Working Group.

g) To invite Directors of Public Health across the West Midlands region to share examples of best practice in respect of delivering an effective smoking cessation programme to pregnant women and to discuss further opportunities to promote the adoption of best practice across the region.

h) The Service Director – Public Health and Wellbeing and the Chair of the Child Death Overview Panel (CDOP) to jointly report on progress in recruiting staff to collate current and future statistics. Analysis of comparative data at a regional level to be included in future annual reports.

i) The Chair of the Child Death Overview Panel (CDOP) to publish the annual report for Wolverhampton to be published prominently on the Council's website and also the findings shared with key local agencies to promote good practice and improve the quality of local intelligence.

j) The Service Director- Public Health and Wellbeing to report on outcome of review of the national funding formula for 2016/17. (The formula is used to calculate the number of health visitors that an area needs to deliver safe and effective services.)

2. Wolverhampton Clinical Commissioning Group (CCG) and the Service Director - Public Health and Wellbeing to agree a programme of work that supports enhanced targeted interventions for high risk families or vulnerable mothers with new babies identified by maternity services; including advice on contraception to avoid unplanned early repeat pregnancy, and support pregnancy spacing. This should include post natal support in the first few weeks of life aimed at parent education and support to reduce the risk of infant death after discharge from the neonatal unit/post natal ward.

3. The Black Country clinical representative of West Midlands Maternity and Children's Strategic Clinical Network in discussion with representatives of SSBC Newborn and Maternity Networks to jointly present a report to the Infant Mortality Working Group regarding care pathways for anticipated extreme preterm births.

The report to include an update on work towards improving survival rates for this cohort and also progress on the outcome of discussions with West Midlands Ambulance Services about improving care pathways for intrauterine transfers of pregnant women in preterm labour. The overall aim of the policy is for pregnant women in preterm labour to be taken to the most appropriate hospital for the safe delivery and on-going care of their baby.

**A strategic and co-ordinated response to tackle the modifiable causes of infant mortality in Wolverhampton and also respond to the challenges of dealing with the effects of poverty and deprivation.**

4. The review group endorse the recommendations of the Infant Mortality Working Group Action Plan 2015 – 2018. A joint report to be presented by the lead officer for infant mortality at Wolverhampton CCG and Public Health to the Wolverhampton Health and Wellbeing Board on a six monthly basis on progress and achievements against recommendations accepted in the Infant Mortality Action Plan.

The Service Director - Public Health and Wellbeing to ensure the action plan is reviewed and updated to include emerging risks and further services changes. The findings to be shared with all key partner agencies.

5. The findings and progress of the Infant Mortality Working Group to be shared with organisations with a special interest in reducing the number of child deaths, for example, the CDOP, SANDS, BLISS and the Lullaby Trust for comment.

Representatives to be invited to comment on progress and invited to share learning locally and nationally on further improvements in the co-ordination of care from a neonatal setting, to home and whether there are any specific recommendations to build on good practice.

6. The Service Director – Public Health and Wellbeing to draft terms of reference and agree membership for a task and finish group to review vulnerable pregnant women's care pathway. Representatives of Wolverhampton Integrated Substance Misuse Service (Recovery Near You) need to participate in a review of the effectiveness of the current working arrangements for supporting women referred to the service; particularly those involving drugs, alcohol, domestic abuse or long term mental health issues. A report of the findings to be reported to the Health and Wellbeing Board and Scrutiny Board.

**Changing practices and policies and apply learning based on reliable evidence as to their impact and effectiveness in reducing the rate of infant mortality.**

7. Royal Wolverhampton NHS Trust to provide a detailed response to the NICE published guidance that all NHS hospitals and clinics should become completely smoke-free zones and to set out detailed proposals for implementation and a timetable for achieving this to be presented to a meeting of the Health and Wellbeing Board.

8. The lead officer for infant mortality at Wolverhampton CCG to consider the availability of genetic screening and counselling support across Wolverhampton and to raise awareness generally of the service. The findings to be presented to the Health Scrutiny Board.

9. Service Director - Public Health and Wellbeing, to work with partner agencies to create a public resource document similar to Bradford's 'Every Baby Matters' which explains the risk factors and provides practical advice and support that can help reduce the numbers of avoidable deaths of babies.

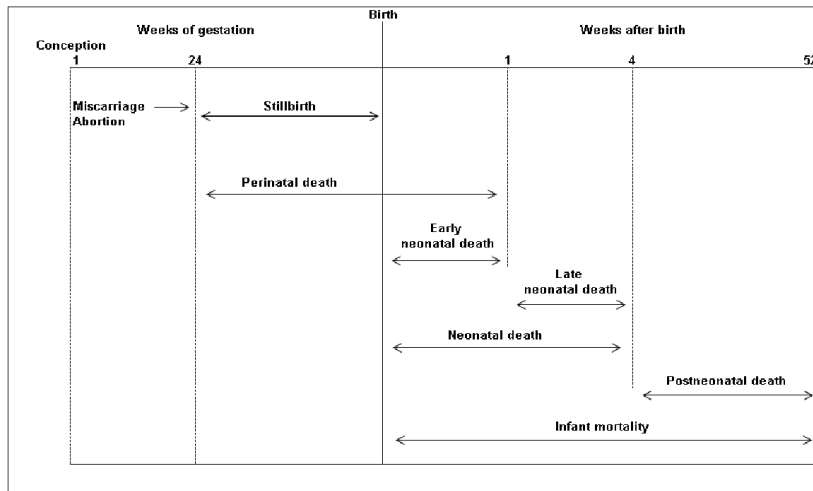
The resource should be built into any planned public awareness campaigns and include details of the impact of lifestyle behaviours, such as smoking and alcohol that increases the risks of child dying. The document should promote positive health messages and signpost families to sources of available support and useful information.

10. All newly elected Councillors to be given a briefing on the issue of infant mortality in Wolverhampton and the practical advice and information they can give when they meet people as part of their work. This should be presented as briefing of the key health messages and the main risks including sofa/bed-sharing, as well as smoking and alcohol in the lifestyle behaviours.

11. Service Director - Public Health and Wellbeing, to report on progress in resolving the issue of getting access to personal confidential health data needed to assess the effectiveness of changes introduced to reduce the infant mortality rate.

12. The scrutiny review of infant mortality report to be sent to Wolverhampton CCG, Royal Wolverhampton NHS Trust and CDOP for information and comment and they are invited to give comments on the findings and recommendations. A progress report on those recommendations accepted by the Cabinet is reported to the Wolverhampton Health and Wellbeing Board in 6 months. The report recommendations to be tracked and monitored by Scrutiny Board at the same time.

## Definitions



**Early neonatal:** death occurring up to 7 days after a live birth

**Late neonatal:** death occurring from 7 days and up to 28 days after a live birth

**Post neonatal:** death occurring after 28 days following a live birth

**Infant:** death occurring in the first year of life following a live birth (includes all three time periods above)

**Late booking** - defined as booking an appointment with a GP or midwife after 13 weeks 6 days.

**Successful Quitters** - A person is counted as a 'self-reported 4-week quitter' if when assessed 4 weeks after the designated quit date, they declare that they have not smoked, even a single puff on a cigarette, in the past two weeks. Clients who self-report as having quit at the 4-week follow up are required to have their Carbon Monoxide (CO) levels monitored as a validation of their quit attempt (unless the intervention was by telephone).

**Preterm birth** is birth that occurs before 37 weeks of pregnancy. It usually follows spontaneous preterm labour, which may be preceded by preterm pre-labour rupture of membranes. However, around 25% of women have a planned preterm birth following iatrogenic intervention (induction of labour or planned caesarean section) to avoid continuing risk to the mother or baby from complications of pregnancy.

### **Councillors on the review**

Councillor Claire Darke (Chair) (Lab)  
Councillor Phil Bateman (Lab)  
Councillor Ian Claymore (Lab)  
Councillor Dr Michael Hardacre (Lab)  
Councillor Rita Potter (Lab)  
Councillor Judith Rowley (Lab)  
Councillor Bert Turner (Lab)  
Councillor Mrs Wendy Thompson (Con)  
Councillor Pat Patten (Con)  
Councillor Richard Whitehouse (LD)

### **Witnesses - Verbal evidence**

- Ros Jervis, Service Director- Public Health and Wellbeing, Wolverhampton Council
- Glenda Augustine, Consultant in Public Health, Wolverhampton Council
- Debra Hickman, Head of Nursing and Midwifery, The Royal Wolverhampton NHS Trust
- Dr Angela Moore, Consultant Paediatrician. Designated Doctor for Safeguarding Children, The Royal Wolverhampton NHS Trust
- Sarah Brackwell, Health Visiting Service Manager, The Royal Wolverhampton NHS Trust
- Dr Tilly Pillay, Neonatal Clinical Lead, SSBCNN Consultant, The Royal Wolverhampton NHS Trust
- Dawn Lewis, Matron Maternity, Antenatal/Postnatal Services, The Royal Wolverhampton NHS Trust
- Anne Macleod, Manager, Healthy Lifestyles Department, The Royal Wolverhampton NHS Trust
- Dr Helen Carter, Consultant in Public Health, Public Health England, West Midlands Centre
- Dr Helen Sullivan, Consultant Obstetrician and Guidelines Lead, The Royal Wolverhampton NHS Trust
- Sarah Fellows, Mental Health Commissioning Manager, WCCG

### **Witnesses - Written evidence**

- Hilary Osborne, Business Manager, National Child and Maternal (ChiMat) Health Intelligence Network
- Dr Rajcholan GP, Wolverhampton CCG board member women's health and paediatrics
- Jason Gwinnett, Principal Public Health Information Analyst, Wolverhampton Council
- Sharon Walton, Interim Senior Public Health Intelligence Analyst, Knowledge and Intelligence Team (West Midlands), Public Health England
- Sue McKie, Health Improvement Principal (NHS Facing), Wolverhampton Council
- Gill Hateley, Coordinator, Child Death Overview Panel
- Clare Barratt, Development Manager, Wolverhampton CCG
- Laura Price PhD, Research and Information Officer, SANDS

## **Documentary Evidence**

- Public Health Intelligence Briefing for the Health Scrutiny Review Panel: Infant Mortality in Wolverhampton, Public Health Wolverhampton (4.9.14)
- Final draft Wolverhampton Infant Mortality Action Plan 2015-2018
- Public Health England – Child and Maternal Health Knowledge Update 19 December 2014
- West Midlands Strategic Clinical Network for Maternity and Children. Maternity Gap Analysis Final Report (November 2014)
- Bradford Every Child Matters
- Child Health Profile Wolverhampton (March 2013)

## **Appendix 1: Terms of Reference – Summary**

Key questions for the review:

1. What is the rate of infant mortality in Wolverhampton and how does this compare locally and nationally?
2. Are there any marked imbalances in infant mortality figures in Wolverhampton between localities and communities, and if so what are the causes of the imbalance?
3. What are the specific causes of infant mortality in Wolverhampton?
4. What is your understanding of the “underlying” causes of infant mortality in Wolverhampton?
5. Briefly describe the strategic approach that your organisation is taking to tackle the modifiable causes of infant mortality across Wolverhampton?
6. Briefly outline your evidence to show that you are making progress towards your organisational objectives aimed at reducing the number of infant deaths?
7. Briefly described evidence-based targeted actions being taken to reduce to reduce levels of child infant mortality. How effective have these actions been?
8. Do you have examples of best practice locally or nationally that can be shared with the review that will make a positive impact on reducing the infant mortality rate?
9. What more do you think can be done, now or in the future, to reduce the current rate of infant mortality in Wolverhampton?

### **Outcomes expected from conducting this work**

1. An increased level of awareness and knowledge among Councillors about the work being done by key agencies to reduce levels of child infant mortality in Wolverhampton.
2. Evidence that local key partners are applying good practice, individually and collectively, to improve outcomes for children and families in Wolverhampton.
3. A set of practical evidence based recommendations that support improved performance and contribute to the achievement of a long and sustained reduction in the current rate of infant mortality in Wolverhampton.
4. Public reassurance that there is proper peer challenge among the key agencies involved to evidence that there is a shared commitment to reduce levels of infant mortality and there is the appropriate level of challenge and scrutiny

## **Appendix 2: Child Infant Mortality Data.**

Historically, the rate of infant mortality in Wolverhampton has been almost double the national rate, with an average of 14 deaths per 1,000 live births between 1987 and 1989. However, when the National Child Health Profiles was published in March 2014 it was reported that Wolverhampton now has the highest rate of infant mortality in England at 7.7/1000 compared to the England average of 4.3/1000. The following figures for neighbouring authorities provide a comparison of local performance

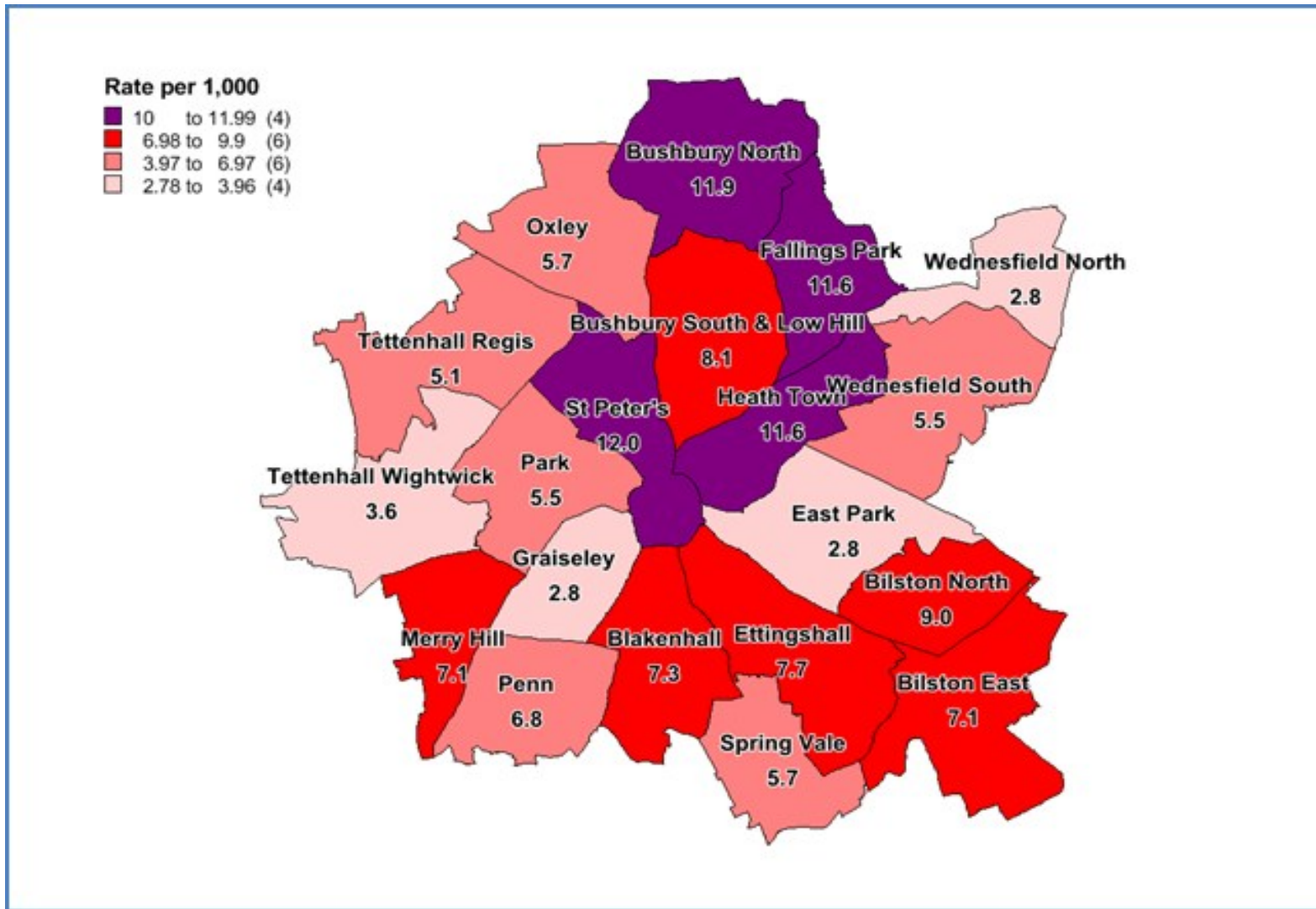
- Walsall 7.6/1000
- Birmingham 7.2/1000
- Sandwell 7.1 /1000
- Dudley 4.5./10000

Reference: Wolverhampton Child Health Profile – March 2014



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Map of infant mortality by electoral ward in Wolverhampton (2003-2012)



**Child Health Data – Child Death Overview Panel Annual Report 1.4.13 – 31.3.14 (Summary)**

Indicator	Local value	England average	Regional average
Breastfeeding initiation % 2012\13	64.5	73.9	67.9
Smoking in pregnancy % 2012\13	18.6	12.7	14.2
Low birth weight (<2500g) % 2012	7.5	7.3	8.2
Antenatal assessment by 12 weeks %	87.8	87.5	90.5
Completed MMR (measles, mumps, and rubella) (by age 2 years) %	89.5	91.2	92.0
Completed Diphtheria, Tetanus, Polio, Pertussis, hib immunisations %	95.5	96.1	96.8
<b>Data Source: ChiMat 2008-2011</b>			

The highest number of reported deaths occurred in the age group 0-28 days (Neonatal).

There is a regional variation in registering live births according to gestational age category. For instance, an infant born at 20 weeks gestation may be regarded as a miscarriage in the North East but as a live birth and then subsequently a neonatal death in the West Midlands.

A live birth occurs when an infant shows some sign of life at birth, for example, breathes or shows evidence of life such as voluntary movement, heartbeat, pulsation of the umbilical cord or definite movements of voluntary muscles.

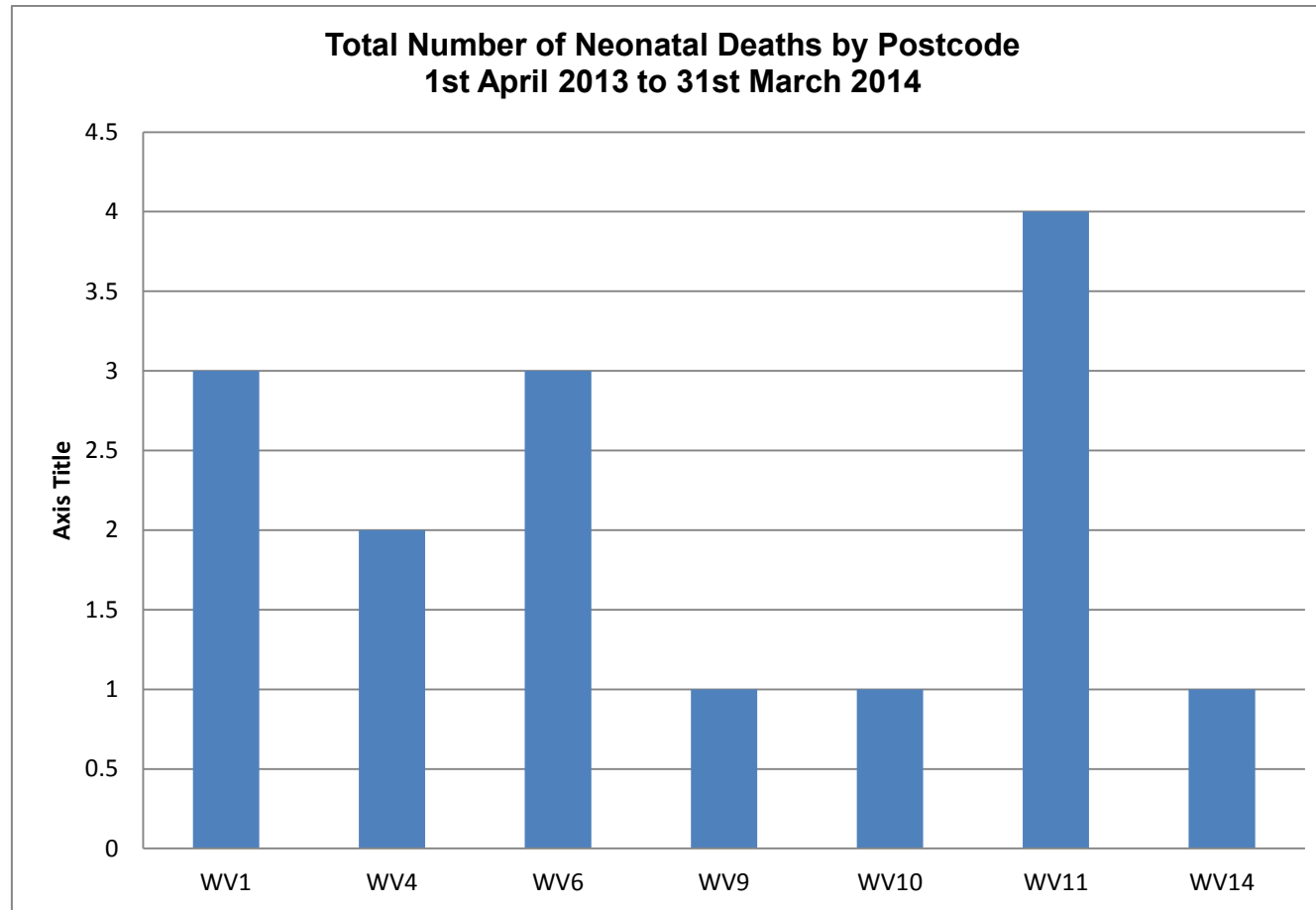
15 neonatal deaths have occurred in Wolverhampton this year (47 per cent male and 53 per cent female). With the exception of 2012\13 trend patterns indicate the number of neonatal deaths marginally decreasing year on year.

2012\13	2011\12	2010\11	2009\10	2008\09
16	14	18	21	25
Data Source: CDOP Statistics – actual number of deaths				

The main causes of death during 2013\14 are due to immaturity related conditions and congenital abnormalities including cardiac within the first 3 weeks of life with an average gestational age category of 23 weeks and the average age of mothers being 29 years.

Of the total number of neonatal deaths 15 recorded 34 per cent had ethnicity White-British; 13 per cent had any Other White Background (East European); Black African, Indian and White Black Caribbean ethnicity respectively. Seven per cent of deaths had Other Asian Background and Black Caribbean ethnicity.

The geographic distribution of neonatal deaths is varied with the highest proportion of these deaths occurring in the City Centre (WV1), Ashmore Park\Wednesfield\Fallings Park (WV11) and Whitmore Reans (WV6) – recognised areas of socio-economic deprivation within the city.



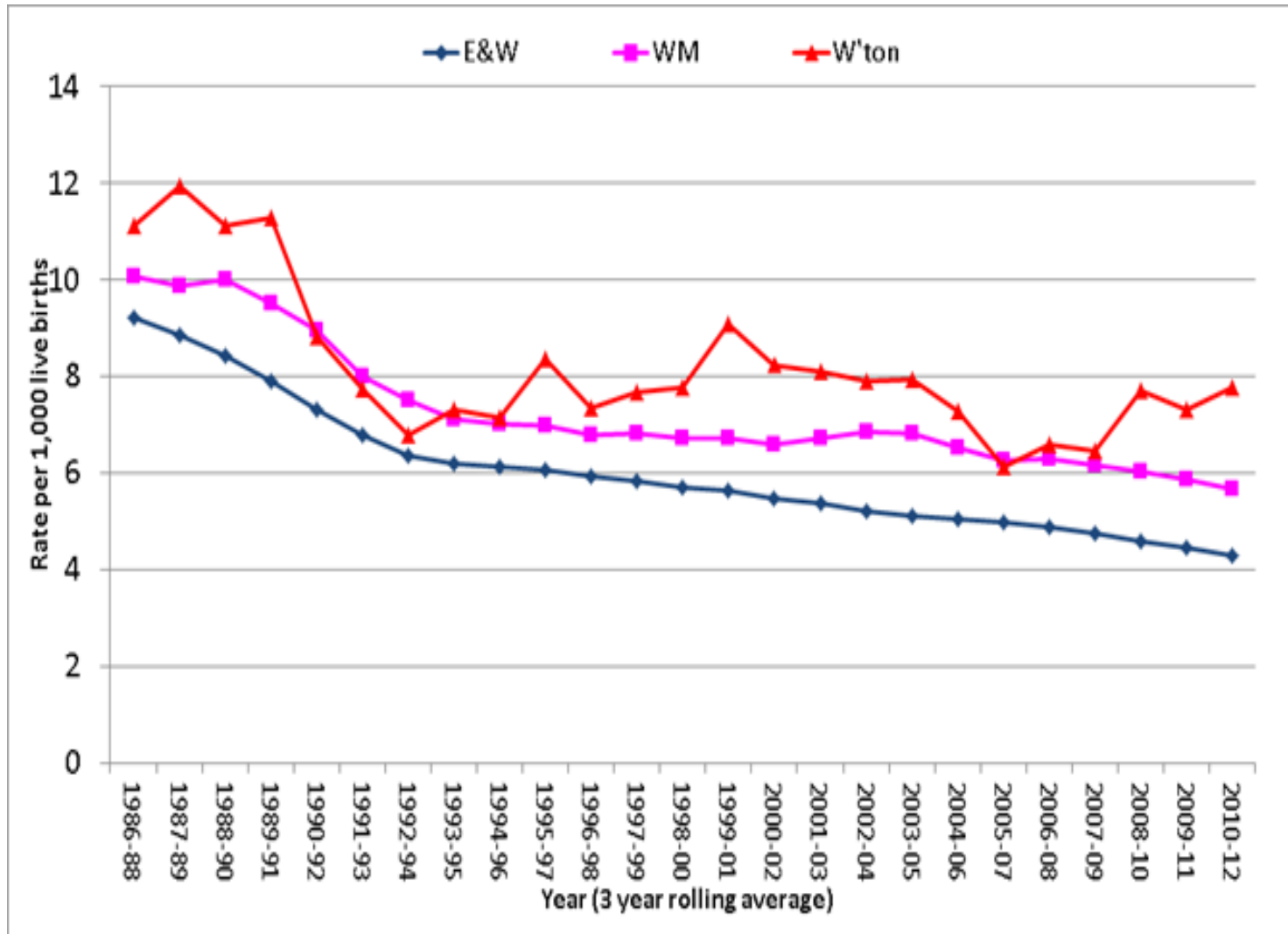
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Overall CDOP trend analysis for infant deaths 29 days to under 1 year indicate a decrease in the number of reportable deaths year on year from 2011 to 2013; but with no noticeable change in the number of reportable deaths for infants 0-28 days of age.

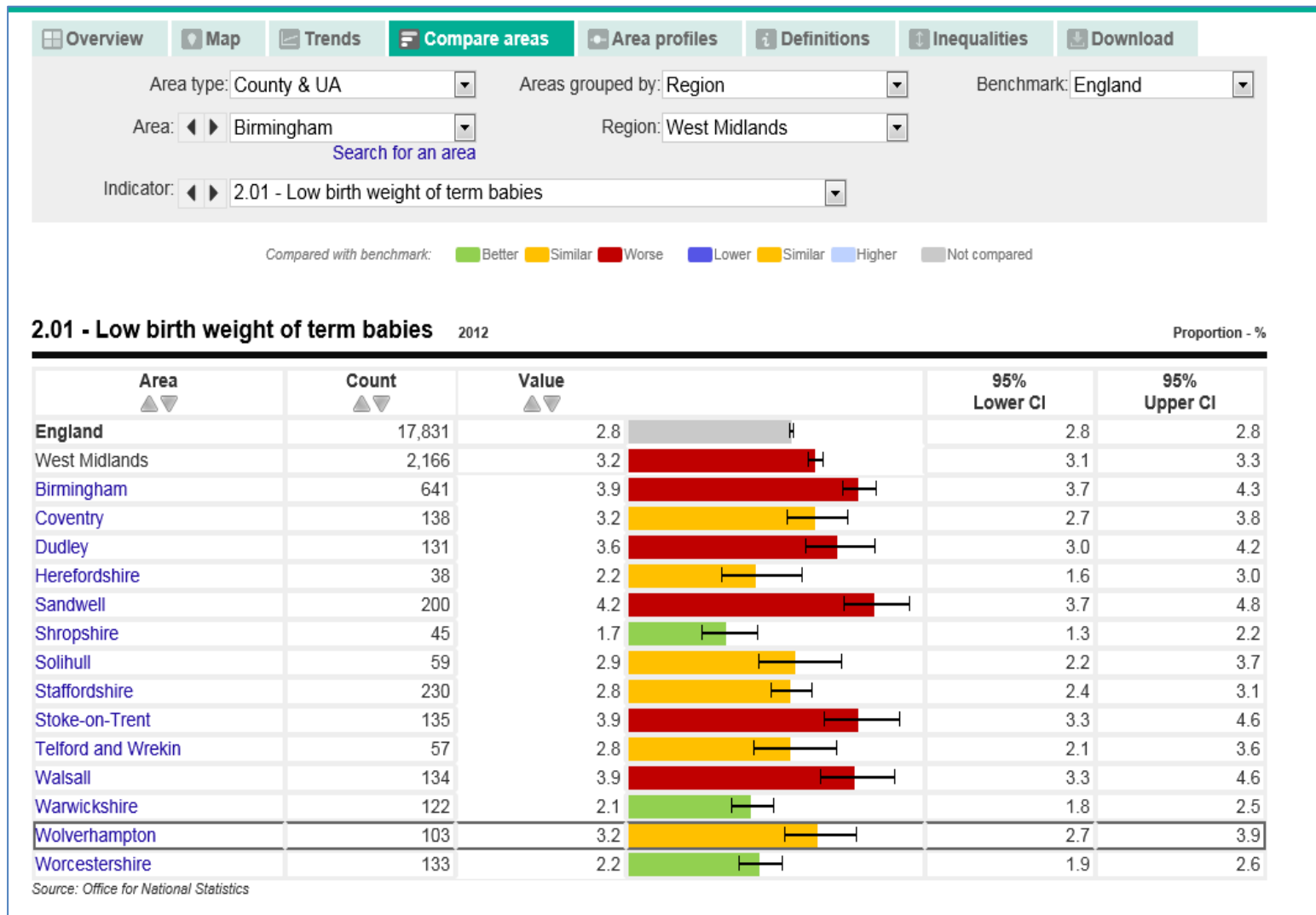
Age	2013\14	2012\13	2011\12	2010\11	2009\10	2008\09
0-28 days	15	15	14	18	21	25
29 days to <1 year	2	7	13	9	6	5
<b>Total</b>	<b>17</b>	<b>22</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>30</b>
Data Source: CDOP statistics – actual number of reportable deaths						

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### Wolverhampton infant mortality rate time trend compared to regional and national averages



## Comparison of low birth weight



### Wolverhampton Trend data for low birth Weight



Overview Map **Trends** Compare areas Area profiles Definitions Inequalities Download

Area type: County & UA Areas grouped by: Region Benchmark: England

Area: Wolverhampton Region: West Midlands

Indicator: 2.01 - Low birth weight of term babies  Show all indicators

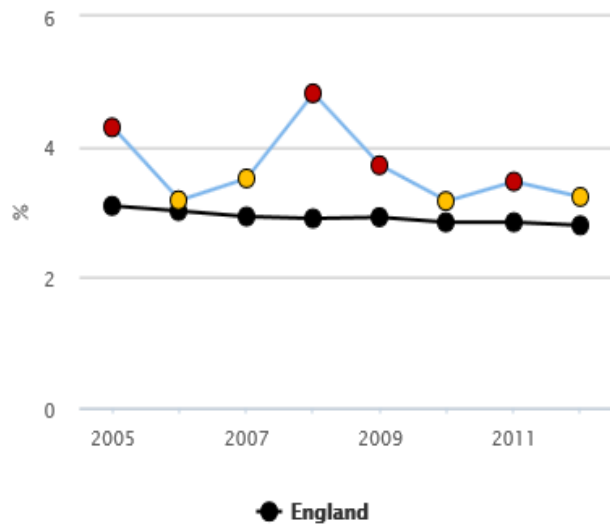
Compared with benchmark: 
 ● Better 
 ● Similar 
 ● Worse 
 ● Lower 
 ● Similar 
 ● Higher 
   
○ Not compared

Trends for: **Wolverhampton**

### 2.01 - Low birth weight of term babies

Wolverhampton

Proportion - %



Period	Sig	Count	Value	Lower CI	Upper CI	West Midlands	England
2005	●	120	4.3	3.6	5.1	3.5	3.1
2006	●	93	3.2	2.6	3.9	3.3	3.0
2007	●	106	3.5	2.9	4.2	3.4	2.9
2008	●	146	4.8	4.1	5.6	3.5	2.9
2009	●	112	3.7	3.1	4.5	3.4	2.9
2010	●	100	3.2	2.6	3.8	3.3	2.8
2011	●	115	3.5	2.9	4.1	3.3	2.8
2012	●	103	3.2	2.7	3.9	3.2	2.8

Source: Office for National Statistics

PUBLIC  
[NOT PROTECTIVELY MARKED]

### **Appendix 3: Staffordshire Shropshire and Black Country Newborn (SSBC) Maternity and Newborn network**

At the regional level the Staffordshire Shropshire and Black Country Newborn (SSBC) Maternity and Newborn network has been established.

The key functions of the network are:

- Ensure effective clinical flows through the provider system through clinical collaboration for networked provision of services.
- Take a whole system collaborative provision approach to ensuring the delivery of safe and effective services across the patient pathway, adding value for all its stakeholders.
- Improve cross-organisational multi-professional clinical engagement and patient/carer engagement to improve pathways of care.
- Enable the development of consistent provider guidance and improved service standards, ensuring a consistent patient and family experience.
- Focus on quality and effectiveness through facilitation of comparative benchmarking and auditing of services, with implementation of required improvements.
- Fulfil a key role in assuring providers and commissioners of all aspects of quality as well as coordinating provider resources to secure the best outcomes for patients across wide geographic areas.
- Support capacity planning and activity monitoring with collaborative forecasting of demand, and matching of demand and supply.

Draft Update 3 September 2013

The Royal Wolverhampton NHS Trust has a Level 3 Neo Natal Unit and is part of the SSBC Newborn Network which is working to ensure that the sickest and smallest babies in Wolverhampton are treated at the right hospital (NICU), at the right time, at the right place. Where it is suspected that a baby will be born very prematurely then the safest option is to transfer you to a neo natal unit before the birth as the baby will still be protected so that it will access to appropriate equipment and expertise.

Research evidence demonstrates that the place of birth can influence survival in the very small preterm baby. Babies delivered and managed at level 3 unit have the best survival chances.

This is known as in utero transfer. The following hospitals are part of the SSBC Newborn Network:

- University Hospital of North Staffordshire
- Staffordshire General Hospital
- Manor Hospital Walsall
- Russells Hall Hospital Dudley
- Royal Shrewsbury Hospital

#### **Appendix 4: Healthy Child Programme responsibilities**

The programme provides the basis for agreeing with each family how they will access the Healthy Child Programme over the next stage of their child's life. Any system of early identification has to be able to:

- identify the risk factors that make some children more likely to experience poorer
- outcomes in later childhood, including family and environmental factors;
- include protective factors as well as risks;
- be acceptable to both parents;
- promote engagement in services and be non-stigmatising;
- be linked to effective interventions;
- capture the changes that take place in the lives of children and families;
- include parental and child risks and protective factors; and
- identify safeguarding risks for the child.

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**The importance of co-ordinating local efforts to tackle the underlying causes of infant mortality in Wolverhampton**

**Recommendation 1**

1. The Service Director- Public Health and Wellbeing to be responsible for collating a coordinated response from the officers responsible for to the following recommendations listed below. The Service Director to and advising Scrutiny present a report to Scrutiny Board with details of progress in implementing all the accepted recommendations and necessary follow up action, as appropriate, where accepted recommendations have not been implemented. The Scrutiny Board report to be presented to the Infant Mortality Working Group for information and comment:

a) Royal Wolverhampton NHS Trust to coordinate a response from the maternity, healthy lifestyles living and health visiting services which details specific actions aimed at reducing the percentage of pregnant women setting a smoking quit date, where the results are either not known or lost to follow up. The report to include details of the take-up rate of nicotine replacement therapy and the number who have set a quit date.

b) Royal Wolverhampton NHS Trust to coordinate a report from maternity, healthy living lifestyles and health visiting services on progress in the use and results of carbon monoxide testing of pregnant women at every contact. The report to include feedback from pregnant women recorded as smoking and subsequently referred, about their experiences of the stop smoking service.

c) Royal Wolverhampton NHS Trust to present a report on a review of effective interventions aimed at reducing the numbers of women smoking during and after pregnancy.

d) The lead officer for infant mortality at Wolverhampton Clinical Commissioning Group (CCG) to report on current commissioning arrangements and the extent to which services for pregnancy and infancy are delivering the right mix of enhanced and targeted interventions for pregnant women, particularly vulnerable women considered to be at risk.

e) A report on the benefits of providing a Pepi-Pod crib or similar alternative cot in Wolverhampton. A report of the potential value of using a mobile phone app for parents and parents-to-be with personalised information and content approved by doctors and midwives that spans from pregnancy right through to the first six months after birth. The schemes, if introduced, should be initially targeted a vulnerable women and the findings published with recommendations about a possible future roll out across the City.

- f) The Service Director – Public Health and Wellbeing to work with lead officers from key partners to for infant mortality at Wolverhampton CCG to detail proposals to discuss proposals to make best use of available local intelligence in order to help with the early identification better of identify vulnerable pregnant women mothers and provide appropriate targeted interventions that can support them. that will contribute to the overall aim of reducing the numbers of infant deaths. The findings to be shared with the Wolverhampton Health and Wellbeing Board, and Wolverhampton CCG Governing Body and the Infant Mortality Working Group.
- g) To invite Directors of Public Health across the West Midlands region to share examples of best practice in respect of delivering an effective smoking cessation programme to pregnant women and to discuss further opportunities to promote the adoption of best practice across the region.
- h) The Service Director – Public Health and Wellbeing and the Chair of the Child Death Overview Panel (CDOP) to jointly report on progress in recruiting staff to collate current and future statistics. Analysis of comparative data at a regional level to be included in future annual reports.
- i) The Chair of the Child Death Overview Panel (CDOP) to publish the annual report for Wolverhampton to be published prominently on the Council’s website and also the findings shared with key local agencies to promote good practice and improve the quality of local intelligence.
- j) The Service Director- Public Health and Wellbeing to report on outcome of review of the national funding formula for 2016/17. (The formula is used to calculate the number of health visitors that an area needs to deliver safe and effective services.)

Page 296

Comment	Timescale/progress so far	Officer Responsible
<p>1a-c <b>Accepted</b></p> <p>The draft scrutiny report was presented to the Infant Mortality Working Group (IMWG) on Friday 8<sup>th</sup> May 2015. Representatives across the whole working group were</p>	<p>1b. CO monitors have been purchased for midwifery and health visiting services and training will be delivered to support delivery.</p>	<p>Ros Jervis, Service Director, Public Health and Wellbeing (SDPHW)</p>



	<p>present, including representatives in relation to recommendations 1a – 1c. Everyone is aware of the need to respond collectively to these recommendations regarding quit rates, use of carbon monoxide monitors (CO), nicotine replacement therapy and the use of stop smoking services in general by pregnant women.</p>	<p>A more detailed response by responsible organisations/services will be required at the Infant Mortality Working Group (IMWG) at the November 2015 meeting.</p>	
<p>Page 297</p>	<p><b>1d Accepted</b></p> <p>The executive nurse (EN) for the CCG alongside the Designated Doctor for Child Deaths (DDCD) will respond in detail to this recommendation.</p> <p><b>Manjeet Garcha</b> has provided a detailed response to the recommendation – attached as Appendix 1</p>	<p>A more detailed response by responsible organisations/individuals will be required at the IMWG at the November 2015 meeting.</p>	<p>Manjeet Garcha Executive Lead for Nursing and Quality- Wolverhampton CCG</p>
	<p><b>1e Accepted</b></p> <p>Public Health to undertake an evidence review in relation to available information relevant to use of:</p> <ul style="list-style-type: none"> <li>i. pepi-pod or alternatives</li> <li>ii. phone applications for personalised information</li> </ul>	<p>A more detailed response will be reported by Public Health to the IMWG at the November 2015 meeting.</p>	<p>Ros Jervis (SDPHW)</p>

	Cost effectiveness will be evaluated where possible		
Page 298	<p><b>1f Accepted</b></p> <p>Public health working alongside EN for CCG, maternity and children services will review the vulnerable women's pathway. There is also a proposed task and finish group to discuss and develop a conception to age five pathway which will also address vulnerability)</p> <p><b>Manjeet Garcha</b> has provided a detailed response to the recommendation – attached as Appendix 1</p>	<p>A more detailed response by responsible organisations/services will be required at the IMWG at the November 2015 meeting.  <b>(Please read in conjunction with recommendation 2)</b></p>	<p>Manjeet Garcha Executive Lead for Nursing and Quality- Wolverhampton CCG</p>
	<p><b>1g Accepted</b></p> <p>Public Health to work with Public Health England on a regional basis in terms of gathering and sharing good practice that supports women to stop smoking during pregnancy and to continue not to smoke after delivery.</p>	<p>A more detailed response will be reported by Public Health to the IMWG at the November 2015 meeting.</p>	<p>Ros Jervis (SDPHW)</p>

[Not Protectively Marked]

	<p><b>1h &amp; 1i Accepted</b></p> <p>Public health working alongside the Chair of the Child Death Overview Panel (Joint) to report on the review currently being undertaken which will be completed by end June 2015.</p>	<p>A more detailed response by the Chair of the Child Death Overview Panel will be required at the IMWG at the November 2015 meeting.</p> <p>CDOP agree to publish the annual report through the WSCB.</p>	<p>Chair of the Child Death Overview Panel</p>
	<p><b>1j Accepted</b></p> <p>SDPHW has submitted a response to the consultation on the national funding formula for 2016/17. A national response is awaited.</p>	<p>It is possible that a national response will be published in December 2015.</p>	<p>Ros Jervis (SDPHW)</p>

**The importance of co-ordinating local efforts to tackle the underlying causes of infant mortality in Wolverhampton**

<b>Recommendation 2</b>		
<p>Wolverhampton Clinical Commissioning Group (CCG) and the Service Director - Public Health and Wellbeing to agree a programme of work that supports enhanced targeted interventions for high risk families or vulnerable mothers with new babies identified by maternity services; including advice on contraception to avoid unplanned early repeat pregnancy, and support pregnancy spacing. This should include post natal support in the first few weeks of life aimed at parent education and support to reduce the risk of infant death after discharge from the neonatal unit/post natal ward.</p>		
<b>Comment</b>	<b>Timescale/progress so far</b>	<b>Officer Responsible</b>
<p><b>Accepted</b></p> <p>Public Health working alongside EN for CCG, Maternity and children services will review the vulnerable women's pathway. There is also a proposed task and finish group to discuss and develop a conception to age five pathway which will also address vulnerability.</p>	<p>A more detailed response by responsible organisations/services will be required at the IMWG in November 2015. <b>(This must be read in conjunction with recommendation 1f)</b></p>	<p>Ros Jervis (SDPHW)</p>

**Recommendation 3**

The Black Country clinical representative of West Midlands Maternity and Children's Strategic Clinical Network in discussion with representatives of SSBC Newborn and Maternity Networks to jointly present a report to the Infant Mortality Working Group regarding care pathways for anticipated extreme preterm births.

The report to include an update on work towards improving survival rates for this cohort and also progress on the outcome of discussions with West Midlands Ambulance Services about improving care pathways for intrauterine transfers of pregnant women in preterm labour. The overall aim of the policy is for pregnant women in preterm labour to be taken to the most appropriate hospital for the safe delivery and on-going care of their baby.

Page 30 Accepted Comment	Timescale/progress so far	Officer Responsible
<p>This recommendation will be addressed via the Black Country SCN lead update on infant mortality which will incorporate current discussions on intrauterine transfers across the network.</p>	<p>A final report will be presented to the IMWG in November 2015 with a view to a future joint presentation to the Health Scrutiny Panel.</p>	<p>Ros Jervis (SDPHW) alongside either a representative of the SCN or Tilly Pillay, Neonatal Lead, The Royal Wolverhampton NHS Trust (RWT)</p>

**Recommendation 4**

The review group endorse the recommendations of the Infant Mortality Working Group Action Plan 2015 – 2018. A joint report to be presented by the lead officer for infant mortality at Wolverhampton CCG and Public Health to the Wolverhampton Health and Wellbeing Board on a six monthly basis on progress and achievements against recommendations accepted in the Infant Mortality Action Plan.

The Service Director - Public Health and Wellbeing to ensure the action plan is reviewed and updated to include emerging risks and further services changes. The findings to be shared with all key partner agencies.

Comment	Timescale/progress so far	Officer Responsible
<p><b>Accepted</b></p> <p>Update on the IMWG action plan will be presented to the Wolverhampton Health and Wellbeing Board (WHWB).</p>	<p>Update to be completed within two weeks of the May 2015 IMWG and forwarded as an agenda item to be considered for a forthcoming HWBB meeting. Careful consideration needs to be given regarding reporting progress against infant mortality actions (mechanisms and timescales) to various interested parties.</p>	<p>Ros Jervis (SDPHW)</p>

**A strategic and co-ordinated response to tackle the modifiable causes of infant mortality in Wolverhampton and also respond to the challenges of dealing with the effects of poverty and deprivation.**

<b>Recommendation 5</b>		
<p>The findings and progress of the Infant Mortality Working Group to be shared with organisations with a special interest in reducing the number of child deaths, for example, the CDOP, SANDS, BLISS and the Lullaby Trust for comment.</p> <p>Representatives to be invited to comment on progress and invited to share learning locally and nationally on further improvements in the co-ordination of care from a neonatal setting, to home and whether there are any specific recommendations to build on good practice.</p>		
<b>Comment</b>	<b>Timescale/progress so far</b>	<b>Officer Responsible</b>
<p><b>Accepted</b></p> <p>Workshop event to be developed at the end of the calendar year and presented in 2016 to allow monitoring of progress and assessment of improvements.</p>	<p>Workshop discussed at IMWG November 2015 meeting with the proposal for the event to be delivered before March 2016.</p>	<p>Ros Jervis (SDPHW)</p>

Recommendation 6		
<p>The Service Director – Public Health and Wellbeing to draft terms of reference and agree membership for a task and finish group to review vulnerable pregnant women’s care pathway. Representatives of Wolverhampton Integrated Substance Misuse Service (Recovery Near You) need to participate in a review of the effectiveness of the current working arrangements for supporting women referred to the service; particularly those involving drugs, alcohol, domestic abuse or long term mental health issues. A report of the findings to be reported to the Health and Wellbeing Board and Scrutiny Board.</p>		
Comment	Timescale/progress so far	Officer Responsible
<p><b>Accepted</b></p> <p>A task and finish group will be established to address this complex recommendation, with representatives from CCG, Public health, LA Children services and Recovery Near You (and possibly others) This work is a fundamental component of the vulnerable women’s pathway and therefore will also link to recommendation 1f and 2.</p> <p>Helen Kilgallon ,Recovery Near You, representative of Wolverhampton Integrated Substance Misuse Service, provided a detailed response to the recommendation – attached as Appendix 2</p>	<p>Detailed report to presented at the May 2016 IMWG to include action against the linked recommendations 1f, 2 and 6. This can then be reported to either the Health Scrutiny Board or HWBB (or both).</p>	<p>Ros Jervis (SDPHW) and Manjeet Garcha Executive Lead for Nursing and Quality Wolverhampton CCG</p>



**Changing practices and policies and apply learning based on reliable evidence as to their impact and effectiveness in reducing the rate of infant mortality.**

<b>Recommendation 7</b>		
<b>Royal Wolverhampton NHS Trust to provide a detailed response to the NICE published guidance that all NHS hospitals and clinics should become completely smoke-free zones and to set out detailed proposals for implementation and a timetable for achieving this to be presented to a meeting of the Health and Wellbeing Board.</b>		
<b>Comment</b>	<b>Timescale/progress so far</b>	<b>Officer Responsible</b>
<p><b>Accepted</b></p> <p>Discussions are being held between the Medical Director and the Healthy Lifestyles Service manager regarding progressing this recommendation.</p> <p>Public Health will be presenting the Infant Mortality Action Plan (as approved by HWBB) to the Royal Wolverhampton NHS Trust Board on 1 June 2015.</p>	<p>Proposed update at the IMWG meeting in November 2015</p>	<p>Anne Mcleod, Manager Healthy Lifestyles Service, RWT</p>

<b>Recommendation 8</b>		
<b>The lead officer for infant mortality at Wolverhampton CCG to consider the availability of genetic screening and counselling support across Wolverhampton and to raise awareness generally of the service. The findings to be presented to the Health Scrutiny Board.</b>		
<b>Comment</b>	<b>Timescale/progress so far</b>	<b>Officer Responsible</b>
<p><b>Accepted</b></p> <p>Genetic screening and counselling support is commissioned from Birmingham Womens Hospital NHS Trust on a regional basis. We are not aware of any issues with regards to access or availability of these services however we acknowledge the need to ensure good awareness across the public and professionals; including the conditions that would benefit from these services, how to access services and referral mechanisms.</p>	<p>August – October 2015</p>	<p>Manjeet Garcha, Executive Lead for Nursing and Quality Wolverhampton CCG</p>

**Recommendation 9**

**Service Director - Public Health and Wellbeing, to work with partner agencies to create a public resource document similar to Bradford's 'Every Baby Matters' which explains the risk factors and provides practical advice and support that can help reduce the numbers of avoidable deaths of babies.**

**The resource should be built into any planned public awareness campaigns and include details of the impact of lifestyle behaviours, such as smoking and alcohol that increases the risks of child dying. The document should promote positive health messages and signpost families to sources of available support and useful information.**

Comment	Timescale/progress so far	Officer Responsible
<p><b>Accepted</b></p> <p>A task and finish group to be established to review developing a resource and the feasibility of delivering Making Every Contact Count training to key agencies</p>	<p>Task and finish group to be convened in July 2015</p>	<p>Ros Jervis (SDPHW)</p>

**Recommendation 10**

**All newly elected Councillors to be given a briefing on the issue of infant mortality in Wolverhampton and the practical advice and information they can give when they meet people as part of their work. This should be presented as briefing of the key health messages and the main risks including sofa/bed-sharing, as well as smoking and alcohol in the lifestyle behaviours.**

Comment	Timescale/progress so far	Officer Responsible
<p><b>Accepted</b></p>		<p>Earl Piggott-Smith, Scrutiny Officer</p>

<b>Recommendation 11</b>		
<b>Service Director - Public Health and Wellbeing, to report on progress in resolving the issue of getting access to personal confidential health data needed to assess the effectiveness of changes introduced to reduce the infant mortality rate.</b>		
<b>Comment</b>	<b>Timescale/progress so far</b>	<b>Officer Responsible</b>
<b>Accepted</b>  Information sharing agreement in progress and proposed infant mortality dashboard content agreed by IMWG	Data should be available by end of July 2015 and populated Infant Mortality dashboard presented at IMWG meeting in November 2015	Ros Jervis (SDPHW)

<b>Recommendation 12</b>		
<p>The scrutiny review of infant mortality report to be sent to Wolverhampton CCG, Royal Wolverhampton NHS Trust and CDOP for information and comment and they are invited to give comments on the findings and recommendations.</p> <p>A progress report on those recommendations accepted by the Cabinet is reported to the Wolverhampton Health and Wellbeing Board in 6 months. The report recommendations to be tracked and monitored by Scrutiny Board at the same time.</p>		
<b>Comment</b>	<b>Timescale/progress so far</b>	<b>Officer Responsible</b>
Accepted	A final report will be sent to representatives when approved	Earl Piggott-Smith

Page 309

Appendix 1

Recommendation 1d

***Manjeet Garcha Executive Lead for Nursing and Quality- Wolverhampton CCG***

Current arrangements

[Not Protectively Marked]

The Royal Wolverhampton NHS Trust is commissioner by Wolverhampton CCG to provide a full and comprehensive maternity service. The service is provided in accordance with all national and local policies in particular NICE guidelines and RCOG standards for maternity care. NHS England's Maternity Pathway payment system is in place which is split into three modules; antenatal, delivery and postnatal. For antenatal and post natal pathways there are three case-mix levels; standard, intermediate and intensive. Intermediate and intensive levels are where women require additional care and or intervention. The delivery element is split by whether or not there are complications and co-morbidities at a level that requires additional care.

#### Assurance

These pathways are underpinned by NICE guidance and should deliver the appropriate mix of enhanced and targeted interventions. In order to further understand the extent of interventions provided to women across the case-mix levels a multi-disciplinary case note audit is proposed. The aim of the audit will be to provide assurance of appropriate mix of enhanced and targeted interventions as well as provide learning, identify opportunities for training and education, for example.

#### Initial outline plan

Audit planning – May – June 2015  
Undertake audit – July – August 2015  
Review outcomes: September 2015  
Develop plan: October 2015

Recommendation 1f

***Manjeet Garcha Executive Lead for Nursing and Quality- Wolverhampton CCG***

It is acknowledged that local intelligence can come from many sources; this intelligence should be disseminated across services to ensure appropriate consideration is given to the impact on relevance of the information on care needs along with any additional education required by providers. In addition, GPs are the primary point of access for pregnant women to maternity services. There is guidance in place for GPs however; the extent to which this is adhered to is unknown. Further understanding is required of the mechanisms in place across primary care for information sharing between GP and midwife. A survey to gather intelligence followed by education/promotion is opposed.

Survey: June – July 2015

Assess Response: August 2015

Review guidance: September 2015

Appendix 2

Recommendation 6

**Helen Kilgallon**  
**Programme Manager**  
**Wolverhampton Substance Misuse Service**

In April 2013 a newly commissioned integrated substance misuse service began. This is a partnership with NACRO as prime contractor, Aquarius and BSMHFT as sub-contractors. A recovery model was adapted within the service and a number of posts that were in existence at the previous service were no longer in the new service model. One of the reasons for this was RNY wanted to ensure all staff were skilled to a high level in safeguarding, pregnancy, domestic abuse and mental health and not rely on one particular specialist post.

The DALT (drug alcohol liaison team) has been successfully operating within RWT for over 5 yrs. When RNY were awarded the contract leads from DALT and the RNY consultant lead met with maternity as a priority to adapt existing pathways and ensure this particular group of women were given a priority within the service. This pathway has been revisited a number of times to ensure all processes and procedures work smoothly and effectively. I have every confidence that the maternity pathway within RNY and RWT is effective as I know RNY staff sit at maternity meetings, and daily discussions are had with specialist nursing staff within RWT. They can often be seen at meetings at RNY and are a visible presence.

As programme manager I have weekly reports sent to me on all pregnant service users and can view their treatment, attendance and offers of support. I also chair safeguarding meetings where they are discussed. I do not feel that RNY needs to review the process we have currently as they have been working successfully for over 18 months.

I would be more than happy to be part of any processes to look at referral routes into and out of the service i.e. mental health services, and more especially primary care. I feel that this is a particular area where much more work could be done at a very early level as they have access to patients where alcohol screening could be done, offers of smoking cessation, weight management and offers of support for mental health and domestic abuse.

A summary of the community maternity pathway is outlined below

SPOC- single point of contact

KW- key worker



## Community Maternity Pathway – ‘Recovery Near You’ Wolverhampton

**Aim**

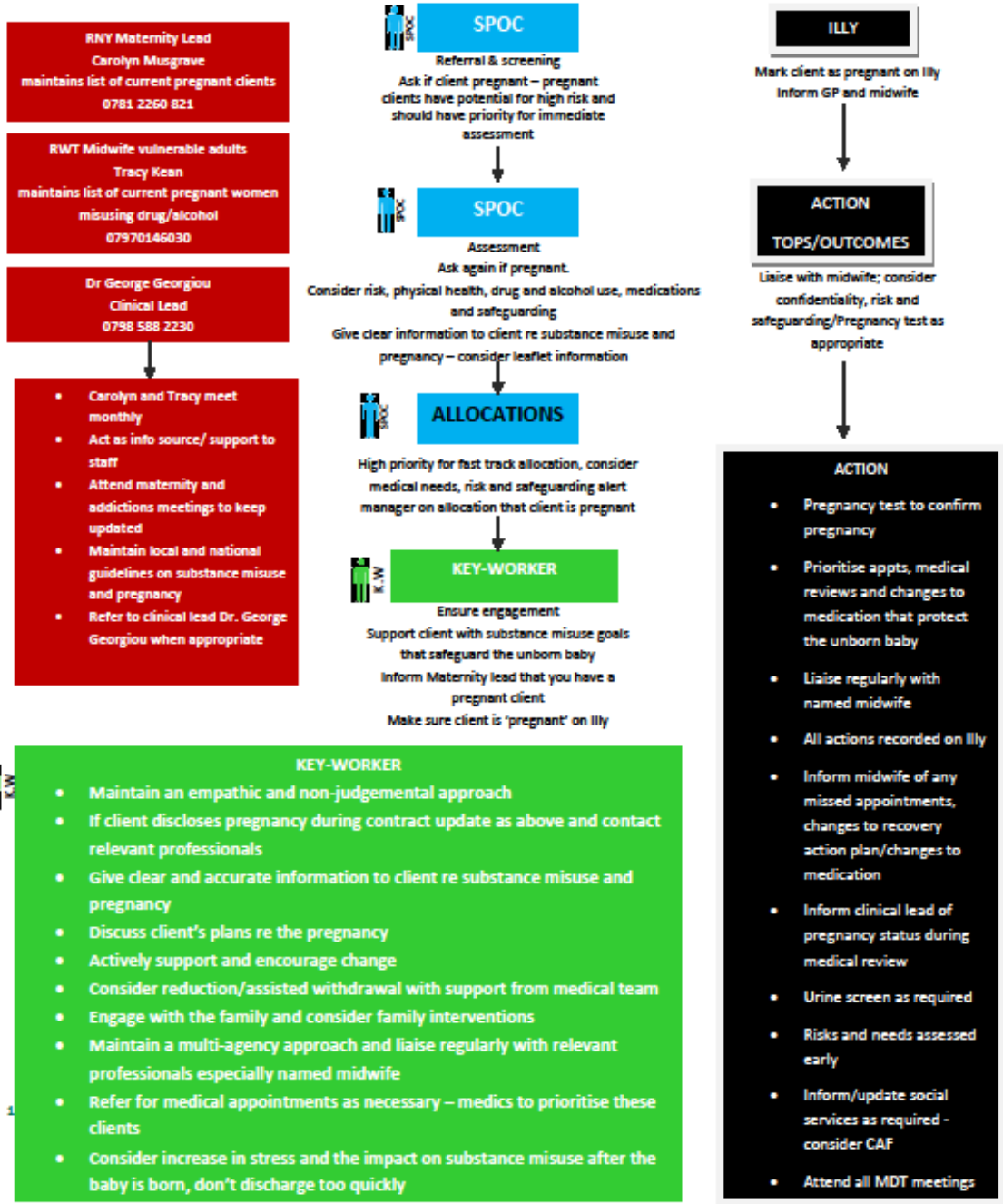
To ensure engagement with both substance misuse services and maternity services and maintain a multi-agency approach

To maximise the recovery potential for the client – consider the potential for positive change

To ensure clear and accurate information is given to clients who are pregnant

To maintain the safety of the unborn child

Our advice regarding alcohol should be to reduce quickly and safely - abstinence or 1-2 units 1-2 times week. Our advice regarding drugs should be to stabilise on OST and abstain from all illicit use



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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Primary School Organisation	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Claire Darke Education	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Dr James McElligott, Director of Education	
<b>Originating service</b>	School Planning and Resources	
<b>Accountable employee(s)</b>	Bill Hague	Service Manager, School Places and Transport
	Tel	01902 556943
	Email	bill.hague@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Children, Young People and Families Scrutiny Panel	8 July 2015

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

1. Approve the Primary School Organisation Strategy 2015-2018.
2. Approve the delegation of authority to the Cabinet Member for Education, in consultation with the Director of Education and Director of Finance, to accept suitable tenders for the capital works required as a result of the enlargement of the 2015 Primary School Expansion Programme (Holy Trinity Catholic Primary School, Lanesfield Primary School and St Bartholomew's CE Primary School).

### Recommendations for noting:

The Cabinet is asked to note:

1. The outcome of consultation on the Primary School Organisation Strategy 2015-2018.
2. The current status of the 2015 Primary School Expansion Programme.

## **1.0 Purpose**

- 1.1 This report introduces the Primary School Organisation Strategy 2015-2018 and provides an update with regard to the Council's 2015 Primary School Expansion Programme.

## **2.0 Background**

- 2.1 Local Authorities have a duty to ensure the sufficiency of school places.
- 2.2 Levels of demand for primary school places in Wolverhampton have increased markedly in recent years. In order to meet demand, the Council has recently invested in the provision of a significant number of additional primary school places in areas of high demand across the City.
- 2.3 Levels of demand are anticipated to continue to increase in the short term and projections suggest that additional school places will need to be introduced into the school estate in order to ensure that sufficient school places are available.
- 2.4 On 24 June 2014, Cabinet noted the potential need to amend the 2015 Primary School Expansion Programme as a result of external influences and the potential resultant call on resources.
- 2.5 Adopting a flexible approach is crucial in order to undertake successful school place planning in the current environment. Given the potential for both the establishment of new free school provision and the constantly changing demographics of the City, it is essential that the factors that influence both demand and supply are closely monitored.

## **3.0 Primary School Organisation Strategy 2015-2018**

- 3.1 The Primary School Organisation Strategy 2015-2018 outlines strategic policy with regard to primary school organisation and provides a framework to guide the future development of primary school provision in the city.
- 3.2 In light of the changing educational environment and the dynamic demographic position, strategic policy with regard to primary school organisation is subject to annual review.
- 3.3 The development of the Primary School Organisation Strategy 2015-2018 has been informed by contributions from senior representatives across Education and the maintenance of an issues log which highlighted potential changes to the predecessor strategy (Primary School Organisation Strategy 2014-2017).
- 3.4 Following approval from Strategic Executive Board on 28 April 2015 and in order to support the development of the strategy, key stakeholders including; Headteachers and Chairs of Governors of all Infant, Junior and Primary Schools in the City, all Ward Councillors, Trade Union Representatives, local Diocesan Authorities, local Educational Trusts, members of Wolverhampton's Schools Forum and Wolverhampton Schools' Improvement Partnership were consulted.

- 3.5 Consultation with stakeholders commenced on 11 May 2015 and concluded on 29 May 2015. Consultation documents were distributed via email, hard copy and were also made available through the weekly School Bulletin (the main communication mechanism between the Council and Headteachers across Wolverhampton). In addition, Council representatives attended meetings of Wolverhampton's Schools Forum (21 May 2015) and Wolverhampton Schools' Improvement Partnership's Directors (15 May 2015) to introduce the Strategy.
- 3.6 The Council received no formal responses during the consultation period. The strategy was well received at Schools Forum and Directors of Wolverhampton Schools' Improvement Partnership were understanding of the issues facing the school estate.
- 3.7 A copy of the Primary School Organisation Strategy 2015-2018 can be found at Appendix A.
- 3.8 The Primary School Organisation Strategy, aligned with the Council's School Improvement and Governance Strategy, seeks to secure sufficient school places where high quality education is provided that contribute to improved educational outcomes across the City. The strategies recognise the Council's role in ensuring sufficiency of provision and in influencing the quality of education provided regardless of how schools are organised or governed.
- 3.9 The Primary School Organisation Strategy 2015-2018 contains frameworks to support both the identification of schools for expansion and, in cases where there is considerable surplus capacity, the removal of provision.
- 3.10 The strategy also highlights that the Council is not in full control of all factors relating to the effective and timely supply of school places. In order to ensure that the needs of families and pupils can continue to be met effectively it may, on occasion, be necessary for the Council to adopt a more responsive approach to school place planning.

#### **4.0 2015 Primary School Expansion Programme**

- 4.1 Levels of demand for primary school places in Wolverhampton have increased significantly in recent years. In order to ensure sufficient school places continue to be available the Council developed the 2015 Primary School Expansion Programme (2015 PSEP).
- 4.2 The existing 2015 PSEP will introduce an additional 840 primary school places in ten primary schools across the City. The Programme includes both permanent expansions and the introduction of bulge classes (time limited expansions of the capacity of individual year groups within schools).
- 4.3 Council representatives have worked closely with expanding schools to develop capital investment schemes that will effectively meet the needs of pupils.

#### 4.4 The Royal School Wolverhampton

4.4.1 The Royal School Wolverhampton is currently an independent, fee paying school based in the south of the City. Following a strategic review initiated in 2012, the School's Governing Body proposed that the School ceases to be independent and fee paying and converts to free school status with effect from September 2015. As part of the conversion process, the School also proposed an expansion to enable it to cater for additional pupils.

4.4.2 On 9 March 2015, it was announced that the Secretary of State for Education had determined that The Royal School Wolverhampton's application should proceed to the pre-opening stage of the free school opening process.

4.4.3 However, the Department for Education recently advised The Royal School Wolverhampton and Wolverhampton City Council that the agreed ministerial view is that the school will be better placed to open in September 2016.

4.4.4 The Council had factored the conversion and expansion of The Royal School Wolverhampton into its strategic planning and the expected additional capacity formed a key part of the range of solutions employed to meet anticipated demand with effect from September 2015. The conversion and expansion was included in the Council's strategic plans in order to protect the existing school estate and to ensure that scarce Council resources were effectively employed.

4.4.5 In order to ensure sufficiency of provision, Council representatives have worked closely with schools across the south of the City to urgently implement contingency plans and enlarge the 2015 PSEP.

4.5 Four additional schemes have been introduced into the 2015 Primary School Expansion Programme. Schools were selected for expansion in accordance with criteria as detailed within the approved Primary School Organisation Strategy 2014-2017;

- Parental Choice – schools which are most popular with parents
- School Performance - schools judged as 'Good' or 'Outstanding' by Ofsted
- Attainment - schools whose end of key stage results consistently exceed floor standards
- School Leadership – schools with stable and proven leadership
- Location – schools located within areas of high demand
- Viability for expansion – schemes which can be most easily and efficiently implemented
- Value for money - schools that can most cost effectively be expanded.

It should be noted that given both the scale of previous expansion programmes and the need to consider the practicality of delivering school places in a timely manner, that available options to enlarge the programme were severely constrained.

4.6 The following schools have been selected for expansion:

- Holy Trinity Catholic Primary School (Bilston East Ward)
- Lanesfield Primary School (Spring Vale Ward)
- Springdale Infant School/Springdale Junior School (Merry Hill Ward)
- St Bartholomew's CE Primary School (Penn Ward).

4.7 Holy Trinity Catholic Primary School:

4.7.1 Holy Trinity Catholic Primary School is a highly popular and successful school judged Outstanding by Ofsted.

4.7.2 Holy Trinity Catholic Primary School is currently a one form entry school (30 places per year group). In order to meet demand, the school's Reception admission limit will be increased from 30 to 45 in the 2015/16 academic year. This bulge cohort will flow through the school and the Reception admission limit will revert to 30 in 2016/17.

4.7.3 Council representatives have worked closely with the school to develop a capital investment scheme which will meet school and pupil needs. In order to enable the school to accommodate additional pupils, the school will be provided with a single modular construction classroom with self-contained cloakroom and toilet provision.

4.8 Lanesfield Primary School:

4.8.1 Lanesfield Primary School is a popular and successful school judged Good by Ofsted.

4.8.2 Lanesfield Primary School is currently a 1.5 form entry school (45 places per year group). In order to meet demand, the school's Reception admission limit will be increased from 45 to 60 in the 2015/16 academic year. This bulge cohort will flow through the school and the Reception admission limit will revert to 45 in 2016/17.

4.8.3 Council representatives have worked closely with the school to develop a capital investment scheme which will meet school and pupil needs. In order to enable the school to accommodate additional pupils, the school will benefit from the addition of a new classroom to an existing teaching block.

4.9 Springdale Infant and Springdale Junior Schools:

4.9.1 Springdale Infant and Junior Schools are popular and successful schools judged Good by Ofsted.

4.9.2 Springdale Infant School and Springdale Junior School are currently two form entry schools (60 places per year group). In order to meet demand, Springdale Infant School's Reception admission limit will be increased from 60 to 75 in the 2015/16 academic year. This bulge cohort will flow through both the Infant and Junior schools and Springdale Infant School's Reception admission limit will revert to 60 in 2016/17.

4.9.3 Additional pupils will be catered for through the utilization of existing accommodation.

4.10 St Bartholomew's CE Primary:

4.10.1 St Bartholomew's CE Primary School is a highly popular and successful school judged Outstanding by Ofsted.

4.10.2 St Bartholomew's CE Primary School is currently a 1.5 form entry school (45 places per year group). In order to meet demand, the school's Reception admission limit will be increased from 45 to 60 in both the 2015/16 and 2016/17 academic years. These bulge cohorts will flow through the school and the Reception admission limit will revert to 45 in 2017/18.

4.10.3 Council representatives have worked closely with the school to develop a capital investment scheme which will meet school and pupil needs. In order to enable the school to accommodate additional pupils, the school will be provided with a double modular construction classroom block with self-contained cloakroom and toilet provision.

## **5.0 Financial implications**

5.1 The capital requirements of the enlargement of the 2015 Primary School Expansion Programme will be met through a combination of the additional Basic Need top-up grant (£1.764 million) received by the Council in 2015/16 and the remaining contingency funding identified in the existing 2015 Primary School Expansion Programme (£399,000). This unallocated funding was included within the report on Capital Outturn 2014/15 considered by Cabinet on 23 June 2015.

5.2 Increasing the admission limits of schools also has revenue budget implications for expanding schools. On the 9 October 2014, the Schools' Forum agreed to the establishment of a Growth Fund to support the needs of pupils in expanding schools. As a consequence, expanding schools are supported through the use of the Dedicated Schools Grant (DSG) and therefore do not require any additional commitment from the Council. As detailed within this report external developments beyond the Council's control have resulted in the need to expand additional schools, the potential consequences of this are an overspend of the Growth Fund in 2015/16. Any overspend will need to be met through DSG resources from 2016/17.  
[OJ/02072015/L]

## **6.0 Legal implications**

6.1 Under sections 13 and 14 of the Education Act 1996 (as amended by the Education Acts 2006 and 2011), a local education authority has a general statutory duty to ensure that there are sufficient school places available to meet the needs of the population in its area. The local authority must promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential. It must also ensure that there are sufficient school places in their area and promote



diversity and increase parental choice. To discharge this duty the local authority has to undertake a planning function to ensure that the supply of school places balances the demand for them.

- 6.2 The Education and Inspections Act 2006 requires local authorities to promote choice and diversity when carrying out their strategic duties in relation to the provision of new school places.  
[RB/06072015/B]

## **7.0 Equalities implications**

- 7.1 An initial equality analysis has been undertaken with regard to the Primary School Organisation Strategy 2015-2018 and a full equality analysis is not required. The Primary School Organisation Strategy 2015-2018 focuses on the supply of sufficient high quality school places for primary school pupils who may belong to groups with different characteristics protected by the Equality Act 2010.

## **8.0 Environmental implications**

- 8.1 This report does not have any direct environmental implications.

## **9.0 Human resources implications**

- 9.1 This report does not have any direct human resource implications.

## **10.0 Corporate landlord implications**

- 10.1 All capital works required to support the enlargement of the 2015 Primary School Expansion Programme will be commissioned appropriately through the Corporate Landlord.

## **11.0 Schedule of background papers**

- Children, Young People and Families Scrutiny Panel (8 July 2015) Primary School Organisation
- Cabinet (23 June 2015) Capital budget outturn 2014/15 including quarter one capital budget monitoring 2015/16 and financial strategy
- Cabinet (Resources) Panel (10 February 2015) 2015 Primary School Expansion Programme – Funding Strategy/Programme Enlargement
- Cabinet (12 November 2014) Final Decision Regarding the 2015 Primary School Expansion Programme
- Special Children & Young People Scrutiny Panel (4 November 2014) Final Decision on the 2015 Primary School Expansion Programme
- Council (17 September 2014) 2015 Primary School Expansion Programme – Funding Strategy
- Cabinet (Resources) Panel (9 September 2014) 2015 Primary School Expansion Programme – Funding Strategy

- Individual Executive Decision Notice (August 2014) 2015 Primary School Expansion Programme – Outcome of Initial Consultation.
- Cabinet (25 June 2014) Primary School Organisation.
- Children and Young People Scrutiny Panel (19 June 2014) Primary School Organisation.

## **PRIMARY SCHOOL ORGANISATION STRATEGY 2015 - 2018**

### **1. Introduction**

#### **Background**

This Strategy is a key feature of Wolverhampton City Council's approach to meeting its statutory duties as an advocate for parents and families, supporting vulnerable children and championing educational excellence.

Underpinning both the Council's Corporate Plan and Wolverhampton's Children, Young People and Families Plan 2015 - 2025, this document details the significant challenges that the Council faces with regard to the sufficiency and distribution of primary school places in the City and outlines a set of recommendations to guide the future development of primary school provision across Wolverhampton.

The Primary School Organisation Strategy, aligned with the Council's School Improvement and Governance Strategy, seeks to secure sufficient school places where high quality education is provided that contributes to improved educational outcomes across the City. The two Strategies recognise the Council's role in ensuring sufficiency of provision and in influencing the quality of education provided regardless of how schools are organised or governed.

The principles that have guided the development of this Strategy are:

- The right of every child to fulfil their potential
- The needs of local communities
- The value of partnership working
- The need to respond effectively to the dynamic demographic position
- The requirement to consider the sustainability of the school estate
- The need to ensure resources are used efficiently.

#### **Context**

##### **Key Statutory Duties:**

Councils are under a statutory duty to ensure that there are sufficient school places in their area, promote high educational standards, ensure fair access to educational opportunity and promote the fulfilment of every child's educational potential. They must also ensure that there are sufficient schools in their area, promote diversity and increase parental choice.

There is a legal requirement that any class containing infant aged children (five, six and seven year olds) will not exceed a maximum of 30 pupils with a single class teacher, other than when an additional pupil admitted fits the criteria for an 'excepted' pupil (as defined in the School Admissions Code).

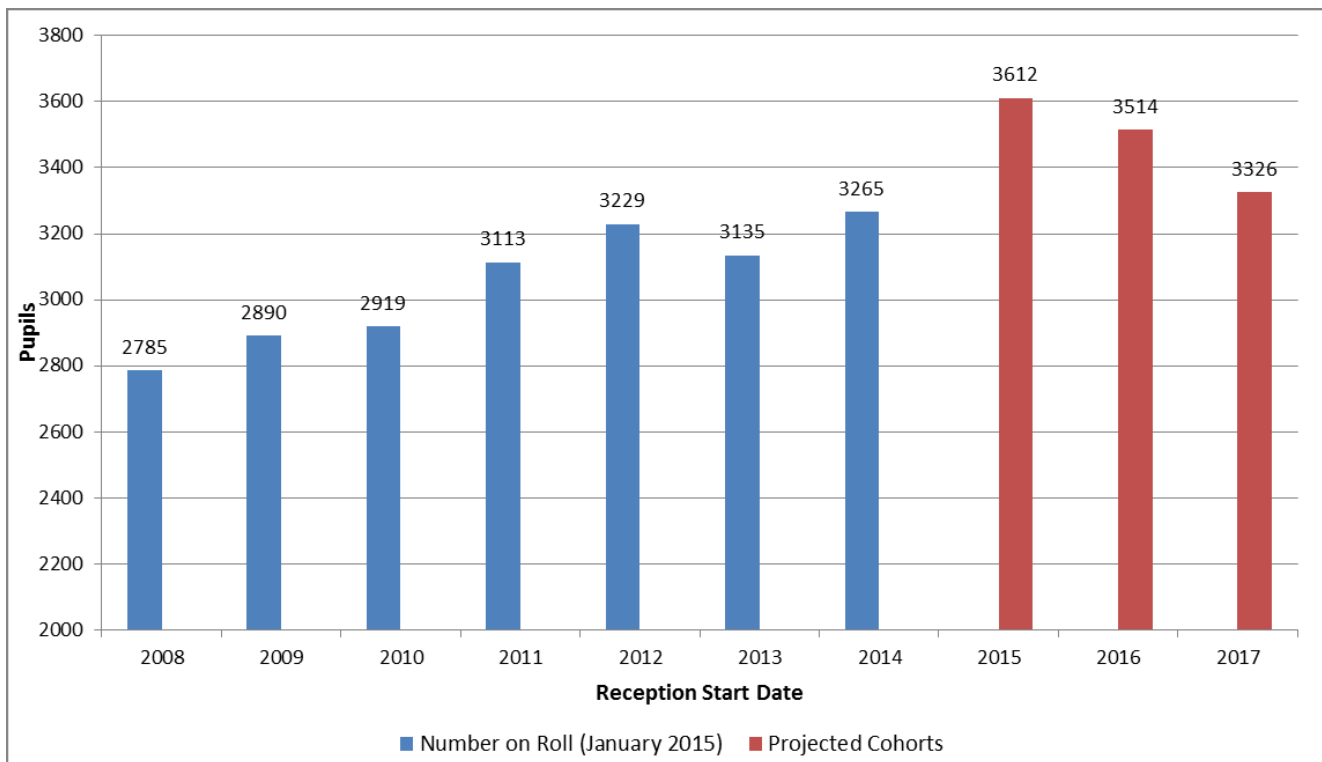
**Demand:**

The main challenge that the City faces, in relation to the organisation of primary school provision, is ensuring that sufficient high quality school places are available to meet the needs of local communities across the City.

As illustrated in Figure 1, levels of demand for primary school provision across the City have increased significantly in recent years. This upsurge has been primarily driven by an increase in the number of births to Wolverhampton residents; a 23% increase between 2002 and 2013 (Office for National Statistics).

In order to meet demand, the Council has recently invested heavily in the provision of additional primary school places in a number of areas of high demand across the City. Pupil projections suggest that the size of Reception cohorts across the City will peak in the 2015/16 academic year.

Figure 1: Numbers on Roll by National Curriculum Year and Projected Citywide Reception Cohorts



Source: School Census (January 2015), ONE Database (January 2015) and Wolverhampton City Council (2014)

As demand has increased, the number of surplus school places has reduced and levels of surplus within lower year groups are now constrained. Figure 2 below illustrates the levels of surplus in each national curriculum year group and the recent fluctuations in the size of individual cohorts.

Figure 2: Surplus and Demand by National Curriculum Year Group (January 2015)

National Curriculum Year Group (2014/15)	Number on Roll	Surplus Places Against Admission Limits (Percentage)	Overall Cohort Fluctuation Since Cohort was in Reception (January Census)	Cohort Fluctuation January 2014 to January 2015
R	3265	109 (3.3%)	N/A	N/A
1	3135	152 (4.7%)	+10	+10
2*	3229	31 (1.0%)	+138	+65
3	3113	89 (2.8%)	+83	+26
4	2919	261 (8.3%)	+44	-15
5	2890	288 (9.1%)	-17	-30
6	2785	379 (12.0%)	+17	-22

\*Please note that in order to meet levels of demand for places in Year 2 that three schools in the City have recently introduced additional capacity by agreeing to admit significantly above their admission limits.

As illustrated in Figure 2, the primary school estate is being impacted upon by the recently observed growth in the size of existing younger cohorts. Anecdotal evidence suggests that this growth is also being experienced by neighbouring local authorities and is likely to be the consequence of migration rates.

### **Autonomous School System:**

Central government policy initiatives, including the establishment of Free Schools and the conversion of schools to Academy status, have changed the landscape in which education is delivered and school organisation is undertaken.

Legislation dictates that, when considering the establishment of a new school, Free School/Academy proposals should be considered in the first instance and that Academy Trusts can apply directly to the Secretary of State to make significant changes to individual establishments.

The Council is not in full control of all factors relating to the effective and timely supply of school places and as a consequence, successful partnership working is of paramount importance in order to ensure that the needs of the city's communities can be met.

The Council recognises the value of sustaining an effective partnership with all schools regardless of their status or governance arrangements. In order to support the Council with its duty to ensure the supply of sufficient school places within an increasingly autonomous school system, the Council will seek to establish and maintain a strong working partnership with Free Schools, Academies, Trusts, the Department for Education, the Education Funding Agency and local Diocesan Authorities.

Opportunities to expand on the number of Free Schools in the City will be explored in order to meet basic need; however introducing additional Free School provision in geographically appropriate locations and in a timely manner presents a significant challenge. In order to ensure that the needs of families and pupils in Wolverhampton can continue to be met effectively it

may, on occasion, be necessary for the Council to adopt a more responsive approach to school place planning and to develop contingency plans to cater for external influences on the supply of school places.

## **2. Primary School Organisation**

This section details the key recommendations that the Council will use to guide the organisation of the primary estate:

### **School Size**

In order to ensure the efficient use of resources, whilst avoiding the loss of a more personal primary ethos, it is recommended that primary schools in the City provide a minimum of 30 places per year group (one form entry) and a maximum of 90 places per year group (three form entry).

Larger primary schools (2 form entry and above) can potentially offer: greater opportunity for specialism, a workforce that has a wider spectrum of experience and expertise, increased opportunity to offer a broad and balanced curriculum, greater flexibility to cover staff absence, increased potential to provide strategic leadership succession opportunities, the opportunity to use resources more efficiently and an increased ability to respond to change more readily. This Strategy supports the development of larger schools, where appropriate.

### **Admission Limits**

Admission limits will be managed in accordance with Infant Class Size Regulations and in order to promote the most efficient use of resources. This Strategy recommends that admission limits, which exceed a form of entry (i.e. 30 pupils), are either set as full forms of entry (multiples of 30) or half forms of entry (multiples of 15).

### **Surplus Place Position**

Surplus places are school places that have not been filled.

This Strategy recommends that a minimum level of surplus within each year group of 5% (against admission number) is available at a citywide level.

A level of surplus is essential in order to provide for parental choice, to allow for fluctuations in demand and to offer flexibility to cater for mid-year entrants. Too few surplus places can result in reduced parental choice, increased travel times, and increased class sizes. However, too great a number of surplus places can lead to the inefficient use of resources.

To ensure that pupils can access a local school and that pupils' travel times are reasonable this Strategy recommends that, where required, a primary school place is available within a maximum of two miles (walking distance) of each primary school pupils' home. An aspiration of this Strategy is to offer pupils a school place within their local community.

In order to support this aspiration the Council employs Primary Planning Areas. The City has been divided into three planning areas which enable a localised approach to be adopted when

developing solutions and reporting upon primary school organisation. This approach also recognises the differing pressures facing local communities across the City.

### **The Introduction of Additional School Places**

In order to meet rising demand for primary school places the Council will continue to consider, where feasible, the expansion of existing schools across the City. However, it should be noted that, given the scale of recent expansion programmes, there are a limited number of remaining opportunities available within the existing primary school estate.

The following factors will be considered when prioritising potential school expansion schemes:

- Parental Choice – schools which are most popular with parents
- School Performance - schools judged as ‘Good’ or ‘Outstanding’ by Ofsted
- Attainment - schools whose end of key stage results consistently exceed floor standards
- School Leadership – schools with stable and proven leadership
- Location – schools located within areas of high demand
- Viability for expansion – schemes which can be most easily and efficiently implemented
- Value for money - schools that can most cost effectively be expanded.

In order to safeguard the sustainability of the school estate, the expansion of existing schools will be investigated in the first instance, prior to considering the introduction of new provision.

In order to support the needs of pupils in expanding schools and in line with the Education Funding Agency’s recommended approach, the Council will seek the continued support from Schools’ Forum for a Growth Fund to support resultant revenue needs of schools which are required to provide extra places in order to meet basic need.

### **Bulge Classes**

In specific circumstances, where local demand is predicted to rise and then fall within a short period of time, the Council will consider the introduction of bulge classes. These are time limited expansions of the capacity of individual year groups within a school, for example, a temporary increase of a school’s admission limit by one form of entry in an individual year group to meet demand. Bulge classes would only be considered when the permanent expansion of a school to meet demand would not be sustainable.

### **The Introduction of Additional Capacity into Existing Cohorts**

Whilst it is recognised that introducing additional capacity, at points other than standard years of entry, can potentially destabilise both individual cohorts and the wider school estate, the recently observed level of growth in specific primary cohorts has resulted in a need to introduce additional capacity into existing cohorts.

As illustrated in Figure 2 (page 2), some existing primary school cohorts have recently grown significantly and levels of surplus in specific year groups have reduced considerably. As a consequence, and in order to ensure that pupils can access school provision within a

reasonable distance of their home address, the Council has recently worked closely with schools to introduce additional capacity into existing cohorts to cater for rising demand.

In order to support the needs of pupils in schools that introduce additional capacity into existing cohorts, the Council will seek approval from Schools' Forum through the aforementioned Growth Fund to support the resultant revenue needs of schools that have provided additional places in order to meet demand.

Given the restricted levels of surplus across younger primary year groups and the continuing growth of existing year groups, there is a potential requirement for further additional capacity to be introduced into existing cohorts in the future.

### **Vertical Grouping**

Vertical Grouping (or the employment of mixed age classes) is most commonly employed in primary schools with intakes of 45 or 75 and works successfully in a number of schools across the City. However, the use of this structure can increase the complexity of planning and delivering the curriculum.

When an opportunity or need arises consultation will be conducted with Headteachers and Governors to consider increasing or reducing admission limits in schools with existing 45 or 75 admission limits. This Strategy recommends that the introduction of additional 45 or 75 admission limits only be considered once other practical solutions have been exhausted.

### **Intervention**

The Council will consider proposing the adoption of structural solutions (including both federation and sponsored academy status) in order to improve standards in underperforming schools.

Federations:

Federations offer schools the opportunity to share best practice and support one another. The term federation is used to describe the creation of formal shared governance structures, which enable schools to raise standards and enhance provision by sharing resources, staff, expertise and facilities. There are a variety of federation models that allow schools to choose which model best suits their needs.

Regardless of the federation model adopted, individual schools retain their identity, continue to receive individual school budgets, have separate Ofsted inspections and report on performance individually.

Federating schools can have a number of benefits, including:

- Providing a structured way for schools to learn from each other and share best practice
- Offering opportunities for improved teaching and learning through increased specialism
- Building capacity across the federation
- Saving on planning and administration time



- Offering better support and development opportunities for School Governors
- Providing broader career opportunities across the federation
- Extending curriculum entitlement.

#### Sponsored Academies:

In certain circumstances, the Council will facilitate the sponsorship of schools to become academies or support eligible schools to convert to academy status. Such steps will only be taken to support the overall improvement of education in the City, including the raising of pupils' attainment and progress.

Where appropriate, the Council will work with other agencies to identify locally sourced sponsors to support the conversion of schools.

In order to improve the quality of education across the City the Council will continue to recommend the adoption of structural solutions (including federations and sponsored academy status) and seek to influence the implementation of effective governance arrangements that promote school improvement.

#### **Specialist Provision**

This Council recognises the value of some specialist provision being attached to primary schools. For example, sensory resource bases are the most appropriate way to meet the needs of pupils with sensory needs and this Strategy requires that any primary school reorganisation does not detrimentally impact on such provision.

It should be noted that resource base provision across the City is commissioned by the Council and that service level agreements are in place with individual providers/schools.

#### **Infant and Junior School Provision**

This Strategy recommends that the Council invites responsible bodies (e.g. Governing Bodies or Trusts) to consider the merger or amalgamation of infant and junior schools whenever the Headship of a school becomes vacant. For merger to be considered, the leadership of the establishment that is proposed for expansion must be at least 'Good'.

Bringing infant and junior schools together offers a number of advantages, including:

- Reducing the number of major transitions that pupils face
- Reducing the likelihood of lost learning at the beginning of Key Stage 2
- Increasing the opportunity for specialist teachers to work with a wider range of pupils
- Providing the opportunity for a consistent approach to the curriculum to be adopted
- Ensuring the continuity of teaching, learning and achievement
- Cost savings through economies of scale.

Please note that, in this context:

- The 'merger' of infant and junior schools is the process of joining the schools together by discontinuing one establishment and expanding and altering the age range of the other.
- The term amalgamation relates to the process of joining the schools together by discontinuing both establishments and creating a new school.

### **Removal of Maintained Provision**

In certain circumstances the Council will consider the removal of maintained provision.

This Strategy requires that the Council considers the closure of a school if the school meets two or more of the following criteria:

- The school is judged Inadequate by Ofsted
- The performance of pupils at the school is unacceptably low
- The school has a significant number of surplus places
- There are significant suitability issues in respect of the school's accommodation and/or site
- Closure could be effected without denying any pupils access to at least one alternative school with available places within a maximum of two miles (walking distance) of their home.<sup>1</sup>
- The substantive Headteacher has left or is leaving.

Prior to initiating any statutory processes to close a school, the Council will consult with the school's Headteacher and the Chair of the school's Governing Body to discuss how the criteria may apply to their school. As part of this process the Council will review and consult with schools' Governing Bodies regarding:

- The likely impact of a school's closure on other schools in the local area, taking account of numbers on roll and the capacity of schools to enhance provision for children and families
- Projected levels of future demand
- The importance of the school to the wider community
- The condition, suitability and sufficiency of school facilities.

### **Estate Management**

It is recommended that a long term approach is taken to the management of educational assets in order to ensure that fluctuations in demand can be effectively and efficiently catered for. Where appropriate, sites should be reserved as contingency to cater for anticipated increases in demand, such as that resulting from new housing developments. However, it should be recognised that adopting a longer term approach will result in short-term budgetary pressures as sites must be secured and maintained.

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<sup>1</sup> If the closing school is denominational, then alternative denominational provision should be available within a maximum of two miles of pupils' homes, where appropriate.

Where circumstances arise that present the opportunity to use existing school accommodation in different ways, this Strategy would require that priority is given to the provision of statutory school places.

### **Change Management**

Whilst any primary school reorganisation or development scheme seeks to minimise disruption to pupils and parents and avoid any longer term detriment to pupils, it is recognised that making significant changes to individual establishments can have a disruptive effect on the delivery of education.

This Strategy requires that schools are effectively supported through the change process; schools can request additional school improvement support as required.

### **Other Considerations**

This strategy requires that when considering primary school organisation:

- The Council works closely with Diocesan Authorities and other bodies representing local schools' religious denominations to ensure that an appropriate balance of denominational and community places are available.
- That, if at all possible, the need for compulsory redundancy is avoided.
- Equal opportunities are promoted and that particular groups of children are not disadvantaged.

### **Strategy Review**

The Strategy will be subject to review on an annual basis.

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# Cabinet Meeting

## 22 July 2015

<b>Report title</b>	Wolverhampton Overarching Information Sharing Protocol	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Paul Sweet Governance	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Kevin O'Keefe, Governance	
<b>Originating service</b>	Information Governance	
<b>Accountable employee(s)</b>	Anna Zollino-Biscotti	Information Governance Manager – Democracy
	Tel	01902 555166
	Email	anna.zollino-biscotti @wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Information Governance Board	26 March 2015

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### Recommendation(s) for action or decision:

Cabinet is recommended to:

Approve and endorse the revised Wolverhampton Overarching Information Sharing Protocol as part of the three-tier information sharing framework for the City.

## **1.0 Purpose**

- 1.1 It is recognised that effective information sharing is required to enable organisations to improve client services, protect the public and respond to statutory requirements. It is also recognised that having clear guidelines to follow is an important factor in ensuring that information is shared in a secure and confidential manner and in accordance with the law.
- 1.2 The Wolverhampton Overarching Information Sharing Protocol supports inter-agency information sharing within Wolverhampton and has been in use since 2011. It comprises a set of rules that partners and organisations across the City are to comply with when sharing information to ensure that legislation is not breached and confidentiality is maintained. It does not impose any new obligations, however following a review of the document, it has been updated to reflect current legislation and best practice.
- 1.3 As one of the lead agencies it is important that the Council advocates the continued use of the protocol and supporting documents as part of the City-wide information sharing framework. Failure to do this may have a detrimental effect on future information sharing practices and will impact on key integration project across the city, such as the Better Care Fund, MASH and other multi-agency health and social care integration projects.
- 1.4 The Wolverhampton Overarching Information Sharing Protocol and City-wide information sharing framework is integral to the on-going work being developed through the Information Governance Work Programme; especially within the multi-agency environment, where the key driver for the next two years is to ensure that the framework is embedded and a clear and consistent approach to information sharing is being adopted.

## **2.0 Background**

- 2.1 The Wolverhampton Overarching Information Sharing Protocol was launched in November 2011 as part of a City-wide campaign to raise awareness and improve information sharing between agencies across the City. The protocol is the pivotal Tier 1 document in the current three-tier Wolverhampton Information Sharing Framework and currently 12 agencies across the City have signed up to the protocol and framework.
- 2.2 The protocol has recently gone through its first review process since its original launch and has been updated to reflect current legislation and national guidance in relation to information sharing.
- 2.3 The Wolverhampton Overarching Information Sharing Protocol and supporting Tier two and Tier three agreement templates were endorsed by the Information Governance Board in March 2015, ready for submission to Cabinet for consideration.

### **3.0 Progress and next steps**

- 3.1 The Wolverhampton Overarching Information Sharing Protocol and supporting document templates have been reviewed by partner agencies across the City through the Wolverhampton Information Sharing Group and are in the process of being signed off through each agency's governance framework.
- 3.2 If approval of the overarching protocol and supporting documents is obtained from Cabinet, it is anticipated that a communication plan will be developed and rolled out to raise awareness of the revised document and templates. This will form part of the work that the Wolverhampton Information Sharing Group will undertake, with each agency representative taking ownership of the rollout and communication for their organisation.

### **4.0 Financial implications**

- 4.1 There are no financial implications associated with the recommendation in this report.  
[GE/14072015/M]

### **5.0 Legal implications**

- 5.1 There is no single source of law that regulates public sector information sharing, and as such the framework within which information sharing takes place is complex and overlapping. However, the Data Protection Act 1998, in most cases, is key to the use of personal information and links into most other legislation.
- 5.2 The Council has a legal duty under the Data Protection Act 1998 to appropriately manage and protect information assets. Principle 7 of the Data Protection Act 1998, states that an organisation must take the relevant technical and operational measures against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data.
- 5.3 This protocol, and the Wolverhampton Information Sharing Framework that underpins it, outlines the necessary controls and standards that each agency must adhere to, in order to comply with the Act.
- 5.4 This protocol has been developed in accordance with the ICO Data Sharing Code of Practice.  
[https://ico.org.uk/media/about-the-ico/consultations/2069/data\\_sharing\\_code\\_of\\_practice.pdf](https://ico.org.uk/media/about-the-ico/consultations/2069/data_sharing_code_of_practice.pdf)

[TS/06072015/H]

### **6.0 Equalities implications**

- 6.1 An initial equalities screening has been undertaken and no equality implications were identified, therefore a full equalities analysis is not required.

## **7.0 Environmental implications**

7.1 There are no environmental implications identified.

## **8.0 Human resources implications**

8.1 There are no human resource implications identified.

## **9.0 Corporate landlord implications**

9.1 There are no corporate landlord implications identified.

## **10.0 Schedule of background papers**

10.1 Wolverhampton Overarching Information Sharing Protocol Update. Report to the Information Governance Board on 26<sup>th</sup> March 2015.



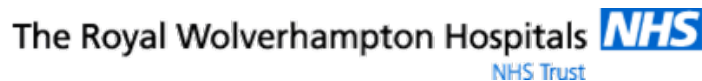
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# Wolverhampton

## Overarching Information Sharing Protocol

Version 1.9

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## Version 1.6

### Document references

<b>Version</b>	Version 1.9 Draft for final virtual sign off by WISG members
<b>Date</b>	March 2015
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### Change History

<b>Version</b>	<b>Date</b>	<b>Description of change</b>
<b>1.0</b>	June 2011	Draft
<b>1.1</b>	August 2011	Amendments to section 14. 4.1 following feedback.
<b>1.2</b>	September 2011	Amendments following feedback.
<b>1.3</b>	October 2011	Amendments to section 7.1 & 13.1 following feedback
<b>1.4</b>	October 2011	Amendments following feedback.
<b>1.5</b>	October 2011	Amendments following review by Dilys Jones Associates. Amendments also made to 14.2.
<b>1.6</b>	November 2011	WCC Legal sign off
<b>1.7</b>	December 2014	Review At WISG - Raz Bassi to incorporate feedback
<b>1.8</b>	Jan 2015	Comments added, circulated again for review. Changes to tier two and three templates.
<b>1.9</b>	March 2015	Final amendments made. Document circulated for Final Virtual sign off

### With Thanks to:

Wolverhampton City Council and its partners acknowledge the work that Kent & Medway undertook to produce this structure on which this document is based.

This high level document has been jointly further developed by public sector organisations in Wolverhampton, to facilitate the sharing of information amongst key organisations.

## Table of Contents

	<b>Page</b>
1.0 Executive Summary	4
2.0 Introduction	4
3.0 Purpose	5
4.0 Structure	6
5.0 Formal Implementation, Monitoring and Review	8
6.0 Organisations Covered by this Protocol	9
7.0 Legal Requirements and Professional Framework	10
8.0 Duties and Requirements of Parties	13
9.0 Agreement	20
10.0 Signatories	22
11.0 Appendix A 3 -Tier Information Sharing Structure	23
12.0 Appendix B Legal Considerations	24
13.0 Appendix C Relevant Legislation	26
14.0 Appendix D Consent Guidance Notes	37
15.0 Appendix E Handling Breaches	44
16.0 Appendix F Tier Two template - Information Community agreement	
17.0 Appendix G Tier three template - Purpose Specific Information Sharing Agreement Template	46

# 1 Executive summary

- This document is an overarching information sharing protocol for inter-agency information sharing within Wolverhampton. It does not impose any new obligations, but reflects current regulations and legislation.
- This protocol sets out the agreed standards that staff in public, voluntary and independent partner organisations must adhere to. It is intended to complement any existing professional Codes of Practice that apply to any relevant professionals working within partner agencies.

# 2 Introduction

- It is recognised that effective information sharing is required in order to enable organisations to improve client services, protect the public and respond to statutory requirements. Organisations also recognise the importance of having clear guidelines to follow and ensuring that this information is shared in a secure and confidential manner and in accordance with the law, including the Common Law of Confidentiality, the Data Protection Act 1998, the Human Rights Act 1998 and other related legislation and guidance. This overarching Information Sharing protocol (and appendices) comprises of a set of rules that the organisations identified in section 10 agree to comply with when sharing any personal information with another partner agency. It sets out the standards that staff must follow when sharing personal data to ensure that legislation is not breached and that confidentiality is maintained.
- The sharing of anonymised or purely statistical information is outside of the remit of this protocol, as the majority of legislation and rules concern only the sharing of personal information. However, the Purpose Specific Information Sharing Agreement (PSISA) template created under this protocol can be used to form a basis for the sharing of anonymised or statistical information.
- Signatories to this overarching protocol must be the highest level official within the partner organisation (e.g. Wolverhampton Council's Chief Executive). This high level commitment is recognition that information sharing is a key strategic objective of the partnerships within Wolverhampton.
- This Overarching Information Protocol (Tier 1) is the highest level in the protocol structure and applies to all sharing of personal information. Please refer to Section 4 – Structure, for an outline of the protocol structure.

## **3 Purpose**

### **3.1. Overarching Objectives**

To provide a robust policy framework for the legal, secure and confidential sharing of personal information between partner agencies within Wolverhampton, in order to enable them to meet both their statutory obligations and the needs and expectations of the people who they serve.

### **3.2. Strategic Objectives**

- To deliver integrated public sector services in line with government initiatives and requirements,
- To facilitate the management and planning of effective and efficient services; and
- To enable parties to this Protocol to review, account for and improve on what they do through shared working and information sharing.

### **3.3. General Objectives**

- Clarifies the legal background on information sharing
- Outlines the principles that are needed to underpin the process
- Provides practical guidance on how to share information in a series of supporting procedures
- Provides a framework within which organisations can develop Information Sharing Agreements between specific services or information communities.
- Includes arrangements for reviewing the use of this Protocol and for responding to breaches of this Protocol, any Information Community Agreements or Purpose Specific Information Sharing Agreements (PSISA).

## 4 Structure

### 4.1. Protocol Tier Structure

#### **Tier 1 – Wolverhampton Overarching Information Sharing Protocol.**

This document is a high-level policy document common to all organisations delivering health, social and community services, across Wolverhampton. It describes a common set of **principles** and defines the general parameters within which the signatory organisations will share information with each other. This document establishes ownership and transparent agreement to the spirit of information sharing in the best interests of service users and their families and carers, and it commits those who sign it to sharing information lawfully, ethically and effectively at all levels of their organisation. This Tier One document provides the context for the underlying tiers in the model.

*The Overarching Policy is to be signed by Chief Executives (or equivalent) and by their Caldicott Guardians (or Designated Officers).*

#### **Tier 2 – Information Community Agreements**

These documents are high-level agreements common to organisations delivering health, social and community services. They satisfy the Tier Two level of the Three-Tier Model for Information Sharing and focuses on the collective **purposes** underlying the sharing of information within the 'Information Community'. Tier Two documents describe common contexts and shared objectives between agencies delivering services of a similar scope. They reference the relevant underpinning legislation and the associated duties and powers that enable legally justifiable exchanges of information within the same Information Community. They also provide context for a supporting set of individual information sharing agreements (Tier 3) that determine at a detailed level, how personal information can be shared amongst organisations with the same information community.

*Information Community Agreements are to be signed by Service Directors or the equivalent functional leads.*

#### **Tier 3 – Purpose Specific Information Sharing Agreements (PSISA)**

These documents are the lowest level or third element of the Three-Tier model. These documents are aimed at an organisation's "operational management/practitioner" level and will define the relevant **processes** which support the information sharing between two or more agencies for a specified purpose. These documents will detail:

- What information is to be shared
- Why it is being shared (for what specific purposes)
- Who it is being shared with (between which agencies)
- When it is being shared (the times, the frequency etc)

- How it is being shared (format)

*Purpose Specific Information Sharing Agreements (PSISA) are to be signed by Heads of relevant services who have the devolved local and/or operational responsibility for delivery.*

#### **4.2. 3-Tier Model for Information Sharing Diagram**

To view the proposed 3-tier model, please refer to [Appendix A- 3-Tier Information Sharing Structure.](#)

## 5 Formal Implementation, Monitoring and Review

### 5.1. Approval

This Protocol will be formally signed off by the Chief Executive (or equivalent) for each of the partner agencies.

### 5.2. Adoption

- Formal adoption will follow as soon as 2 or more partners have signed this document. Agencies who sign the document will make their own arrangements for the publication of it on their individual internal and external websites, and for the internal operational implementation of this overarching document.
- Following implementation, this Protocol will be reviewed after 6 months. Thereafter it will be reviewed every year or sooner as legislation and guidance dictates. The reviews will be undertaken by Wolverhampton City Council (local Information Governance Officers) in consultation with the Caldicott Guardians and Data Protection/Information Governance Officers of the Partner agencies.
- This document then forms the basis for information exchanges between those agencies who have signed up. All partner agencies wanting to share personal data under this information sharing framework must sign this agreement.

### 5.3. Monitoring & Review

- Each of the partner agencies will have in place processes to audit and provide assurance in respect of compliance with all aspects of this Protocol and individual Purpose Specific ISAs that they have signed up to.
- Breaches of this protocol and subsequent Information Community Agreements or Purpose Specific ISAs will be managed according to the Procedures set out in [Appendix E -Handling Breaches.](#)



## **6 Organisations Covered by this Protocol.**

Section 10 contains a list of the organisations who have signed up to this Overarching Information Sharing Protocol.

## 7 Legal Requirements and professional Framework

### 7.1. Understanding the legal framework for information sharing

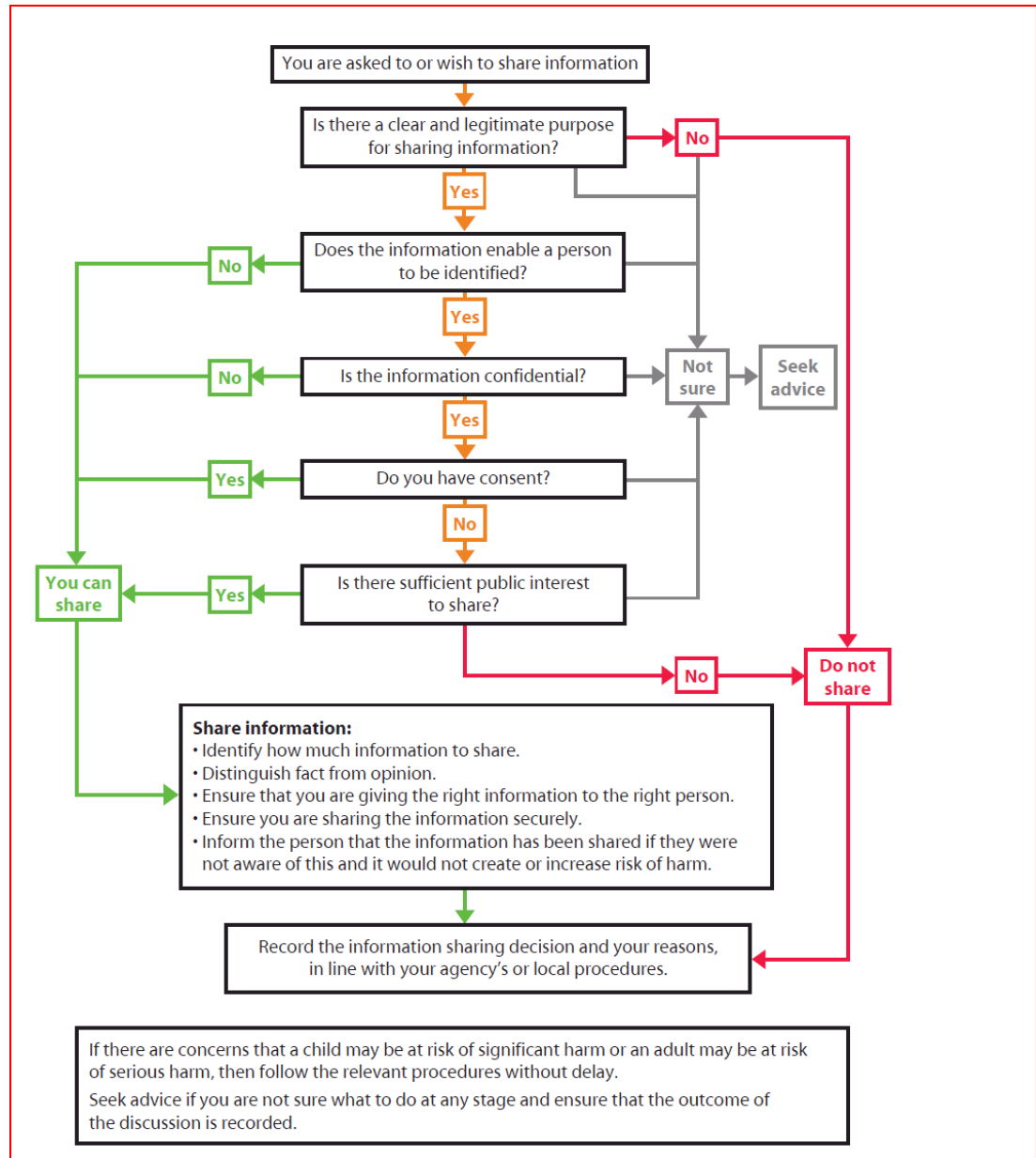
- The legal framework within which public sector data sharing takes place is complex and overlapping and there is no single source of law that regulates public sector information sharing.
- It is essential that practitioners sharing information are clearly aware of the legal framework within which they are operating.
- The purpose therefore of detailing the law within this protocol, is to highlight the legal framework that affects all types of personal information sharing, rather than to serve as a definitive legal reference point.
- This protocol has been developed in accordance with the ICO Data Sharing Code of Practice.  
[http://www.ico.gov.uk/for\\_organisations/data\\_protection/topic\\_guides/data\\_sharing.aspx](http://www.ico.gov.uk/for_organisations/data_protection/topic_guides/data_sharing.aspx)

### 7.2. How to approach questions around information sharing

- In order to approach questions around information sharing the protocol contains useful checklists and guidance notes (see appendices).
- [Appendix B - Legal Considerations](#) raises some of the questions in a more user-friendly way.
- In summary approaches to information sharing comes down to:
  - Establishing whether there is power to carry out the function to which the information sharing relates.
  - Checking whether there are express statutory restrictions on the data sharing activity proposed, or any restrictions which may be implied by the existence of statutory, common law or other provisions.
  - Deciding whether the sharing of the data would interfere with rights under Article 8 of the European Convention on Human Rights in a way which would be disproportionate to the achievement of a legitimate aim.
  - Decide whether the sharing of the data would breach any obligations of confidence.
  - Decide whether the data sharing could take place in accordance with the Data Protection Act 1998, with particular reference to the 8 Data Protection Principles.

- Following the Information Sharing Guidance for Managers and practitioners provided by HM Government; as detailed below in the Information Sharing Flowchart<sup>1</sup>:

**Key questions for Information Sharing.**



<sup>1</sup> Information Sharing : Guidance for Practitioners and managers (HM Government 2006)

### **7.3. Freedom of Information Act (FOIA) 2000 requests**

A number of the partner organisations are “public authorities” for the purposes of the Freedom of Information Act 2000 (FOI). This means that they could receive requests for information relating to the information sharing activities under this protocol or resultant purpose specific Information Sharing Agreement (e.g. statistics on the amount of data sharing being undertaken or the general nature of the data sharing). The public authority that receives the FOI request must make the other public authority aware of the nature of the request and their intended response.

## 8 Duties and Requirements of Parties

### 8.1 General undertakings by each agency

- A number of safeguards are necessary in order to ensure a balance between maintaining confidentiality and sharing information appropriately.
- The sharing of information by organisations under this Protocol (and subsequent Information Community Agreements and Purpose Specific Information Sharing Agreement (PSISA)) will be based on the following principles:

#### 8.1.1 **Commitment to sharing information**

Partner organisations recognise that multi-agency working sometimes requires a commitment to sharing personal information about service users in compliance with guidance and legislation.

#### 8.1.2 **Statutory duties**

- Partner organisations are fully committed to ensuring that they share information in accordance with their statutory duties including the requirements of the Data Protection Act 1998, the Human Rights Act 1998 and The Common Law Duty of Confidentiality (see 8.1.4 below).
- Partner organisations recognise the sensitivity of information about a person's racial or ethnic origin, political opinions, religious or other similar beliefs, trade union membership, physical and mental health, sexuality, the commission or alleged commission of any offence and any proceedings for any offence committed or alleged to have been committed by him, the disposal of such proceedings or the sentence of any court in such proceedings and will adhere to the requirements of Schedule 3 of the Data Protection Act 1998 in respect of such information.

#### 8.1.3 **Caldicott requirements**

All organisations recognise the requirements that Caldicott imposes on NHS organisations and Social Services Departments. They will ensure that requests for information from these organisations are dealt with in a manner compatible with these requirements:

#### **1. Justify the purpose(s)**

Every proposed use or transfer of personal confidential data within or from an organisation should be clearly defined, scrutinised and documented, with continuing uses regularly reviewed, by an appropriate guardian.

#### **2. Don't use personal confidential data unless it is absolutely necessary**

Personal confidential data items should not be included unless it is essential for the specified purpose(s) of that flow. The need for patients to be identified should be considered at each stage of satisfying the purpose(s).

### **3. Use the minimum necessary personal confidential data**

Where use of personal confidential data is considered to be essential, the inclusion of each individual item of data should be considered and justified so that the minimum amount of personal confidential data is transferred or accessible as is necessary for a given function to be carried out.

### **4. Access to personal confidential data should be on a strict need-to-know basis**

Only those individuals who need access to personal confidential data should have access to it, and they should only have access to the data items that they need to see. This may mean introducing access controls or splitting data flows where one data flow is used for several purposes.

### **5. Everyone with access to personal confidential data should be aware of their responsibilities**

Action should be taken to ensure that those handling personal confidential data — both clinical and non-clinical staff — are made fully aware of their responsibilities and obligations to respect patient confidentiality.

### **6. Comply with the law**

Every use of personal confidential data must be lawful. Someone in each organisation handling personal confidential data should be responsible for ensuring that the organisation complies with legal requirements.

### **7. The duty to share information can be as important as the duty to protect patient confidentiality.**

Health and social care professionals should have the confidence to share information in the best interests of their patients within the framework set out by these principles. They should be supported by the policies of their employers, regulators and professional bodies.

#### **8.1.4 Duty of confidentiality**

- Partner organisations recognise the importance of the legal duty of confidentiality, and will not disclose information to which this duty applies without the consent of the person concerned, unless there are lawful grounds and an overriding justification for so doing. In requesting release and disclosure of information from partner organisations, all staff will respect this responsibility.
- Agencies who are party to this Overarching Protocol will exercise caution when contemplating the disclosure of personal information relating to a deceased person. Although the Data Protection Act only applies to personal information of a living person, a duty of confidentiality may still apply after the person has died.
- All agencies who are party to this Protocol will have in place appropriate measures to investigate and deal with the inappropriate or unauthorised access to, or use of, personal information whether intentional or inadvertent.

- In the event of personal information that has been shared under this Overarching Protocol (and subsequent agreements) having or may have been compromised, whether accidental or intentional, the organisation making the discovery will without delay:
  - Inform the information provider (agency) of the details.
  - Take steps to investigate the cause.
  - If appropriate, take disciplinary action against the person(s) responsible.
  - Take appropriate steps to avoid a repetition.
  - Take appropriate steps where possible to mitigate any impact.
  
- On being notified that an individual's personal information has / have been compromised, the original provider will assess the potential implications for the individual whose information has been compromised and if necessary:
  - Notify the individual concerned,
  - Advise the individual of their rights,
  - Provide the individual with appropriate support.
  
- See [Appendix E - Handling Breaches](#) for more information.

#### 8.1.5 **Consent**

- Where required, and unless legal exemptions are applicable, all agencies who are party to the Overarching Protocol will endeavour to seek informed consent from the individual concerned to share their personal information in accordance with an agreed Purpose Specific ISA.
- Consent will normally be obtained at the earliest opportunity and should be sufficient to cover the needs for a particular 'piece of work' or situation. It is essential to avoid the need to repeatedly seek consent over minor issues.
- In seeking consent to disclose personal information, the individual concerned will be made fully aware of the nature of the information that it may be necessary to share, who the information may be shared with, the purposes for which the information will be used and any other relevant details including their right to withhold or withdraw consent.

For further guidance on consent, see [Appendix D - Consent: Guidance notes](#).

#### 8.1.6 **Sharing without consent**

- Organisations will put procedures in place to ensure that decisions to share personal information without consent have been fully considered and comply with the requirements of the relevant law. Such decisions will be appropriately recorded for audit purposes. All relevant staff will be provided with training in these procedures.
- For further guidance see [Appendix D Consent: Guidance notes](#).

#### 8.1.7 **“Need to know”**

Where it is necessary and permissible for information to be shared, this will be done on a “need-to-know” basis only. i.e. the minimum information, consistent with the purpose for sharing, will be given.

#### 8.1.8 **Information kept confidential from the service user**

Where professionals request that information supplied by them be kept confidential from the service user, the outcome of this request and the reasons for taking the decision will be recorded. Such decisions will only be taken on lawful grounds.

#### 8.1.9 **Specific purpose**

- Partners will not abuse information that is disclosed to them under the specific purpose(s) set out in the relevant Purpose Specific ISA. Information shared with a member of another organisation for a specific purpose will not be regarded by that organisation as intelligence for their general use.
- Agencies wishing to use information for any purpose other than that for which it was originally provided, or who wish to disclose that information to any person other than those authorised to receive that information, must attempt to:
  - Inform the organisation that provided the information of their intention to use that information for a different purpose, and
  - Obtain explicit consent from the individual(s) concerned before processing such information (unless this is not practical – e.g. crime prevention purposes).
- Agencies who wish to use information that has been provided to them under a Purpose Specific ISA for research or statistical purposes must ensure that policies and procedures are in place to guarantee that such personal information is anonymised and in line with ethical standards.



### 8.1.10 Fact / opinion

Agencies who are party to this Overarching Protocol will ensure that their staff, who are authorised to make disclosure of personal information, will clearly state whether the information that is being supplied is either fact or opinion, or a combination of the two.

### 8.1.11 Use of anonymised information where possible

Personal information will only be disclosed where the purpose for which it has been agreed to share clearly requires that this is essential and appropriate. For all other purposes, information about individual cases that is to be shared will be anonymised. See diagram below for proposed uses for identifiable and di-identified information.

Class of data according to ICO code	Status of data	Description*	Legal basis required for processing?	Need to inform Public?	Conditions for onward disclosure
Anonymised	De-identified data for publication	Personal confidential data which has been anonymised with a low residual risk of re-identification. This means third parties can only re-identify the persons with unreasonable effort.	Not applicable	Desirable	No conditions for disclosure. Data may be published.
	De-identified data for limited disclosure or limited access	Personal confidential data that has been anonymised but with a residual high risk of re-identification.  This means that the data does not identify persons on its own, but there is a significant risk that third parties could re-identify the persons with reasonable effort. A defining characteristic is a data set containing a single identifier such as NHS number or postcode**.	Legal basis requires safeguards that maintain anonymity. This means: <ul style="list-style-type: none"> <li>• a contract that prevents re-identification; and</li> <li>• assured data stewardship arrangements***.</li> </ul> Linkage of this data from more than one organisation for any purpose other than direct care must only be done in the Health and Social Care Information Centre OR an accredited safe haven.	Recommended	Either as de-identified data for publication OR to an environment covered by the same contractual arrangements as the disclosing party and confirmed data stewardship arrangements.
Identifiable	Personal confidential data	Personal confidential data that has not been through anonymisation and that may or may not have been redacted. Examples include: <ul style="list-style-type: none"> <li>• any data set with greater than one direct identifier** OR</li> <li>• pseudonymised data with access to key for reversibility OR</li> <li>• pseudonymised data and holding one or more of source data sets in identified form.</li> </ul>	Legal basis for processing is required that meets the common law duty of confidentiality, Human Rights Act 1998 and Data Protection Act 1998. This means: <ul style="list-style-type: none"> <li>• consent OR</li> <li>• statute OR</li> <li>• exceptionally on public interest grounds.</li> </ul> Linkage of this data from more than one organisation for any purpose other than direct care must only be done in an accredited safe haven.	Required unless exempt	With consent for direct care OR under statute OR anonymised AND with appropriate contract or agreement***.

#### 8.1.12 **Access to information**

- Individuals will be fully informed about the information that is recorded about them, who may see their information, for what purposes and their right to object to the relevant person within that organisation. Under the Data Protection Act they will normally be able to gain access to information held about them and to correct any factual errors that may have been made.
- If an agency has statutory grounds for restricting a person's access to information about themselves, they will normally be told that such information is held and the grounds on which it is has not been provided (unless this would prejudice an investigation or place an individual at risk).
- Information that has been provided by another agency under an agreed Purpose Specific Information Sharing Agreement (PSISA) may be disclosed to the individual without the need for obtaining the provider's consent to disclose, with the following exceptions when consent must be obtained prior to disclosure:
  - The provider has specifically stated that the information supplied must be kept confidential from the service user.
  - The information contains medical details.
  - The information is legally privileged.
  - The information is likely to prejudice the carrying out of social care duties.
- In the situation of two or more organisations having a joint (single) record on an individual, that individual may make their access to record request to any of the organisations. The organisation receiving the request will be responsible for processing the request for the whole record and not just the part that they may have contributed, subject to the conditions for disclosure mentioned above.
- Where an opinion about an individual is recorded and the individual feels the opinion is based on incorrect factual information, they will be given the opportunity to correct the factual error and record their disagreement with the recorded opinion.

#### 8.1.13 **Complaints procedures**

- Partner Organisations shall put in place procedures to address complaints relating to the disclosure of information. Partners must also ensure that service users are provided with information about these Complaint procedures.
- In the event of a complaint relating to the disclosure or the use of an individual's personal information that has been supplied/obtained under an agreed Purpose Specific Information Sharing Agreement (PSISA), all agencies who are party to the Purpose Specific Information Sharing Agreement (PSISA) will provide co-operation and assistance in order to resolve the complaint.

#### 8.1.14 **Ensuring minimum standards for all Purpose Specific Information Sharing Agreements**

- In order to maintain a consistent approach, all agencies who are party to this Protocol will ensure that any Purpose Specific Information Sharing Agreement (PSISA) will follow the framework set out in [Appendix F](#).
- Where information sharing protocols exist between agencies prior to signing up to the Overarching Protocol, such protocols will remain valid. However, such protocols should be reviewed and if necessary brought into line with the Wolverhampton 3-Tier Information Sharing Structure at the earliest opportunity in order to maintain a consistent approach.

#### 8.1.15 **Disciplinary action**

Partner organisations will ensure that contracts of employment and/or relevant policies and procedures include reference to the issue of disciplinary action should staff disclose personal information on a basis which cannot be justified as reasonable in the particular circumstances (taking into account the purpose of the disclosure and any relevant statutes).

#### 8.1.16 **Recording information disclosed under these protocols**

Agencies who are party to the Overarching Protocol will:

- Ensure that all personal information that has been disclosed to them under an agreed Purpose Specific Information Sharing Agreement (PSISA) will be recorded accurately on that individual's manual or electronic record in accordance with their policies and procedures.
- Put in place procedures to record not only the details of the information, but who gave and who received that information.

#### 8.1.17 **Storage, transfer and destruction of personal information**

Agencies who are party to the Overarching Protocol will put in place policies and procedures governing:

- The secure storage of all personal information retained within their manual and/or electronic systems.
- The secure transfer of personal information both internally and externally. Such policies and procedures must cover:
  - Internal and external postal arrangements.
  - Verbally, face-to-face and telephone.

- Facsimiles (safe haven).
  - Electronic mail (secure network or encryption).
  - Electronic network transfer.
- The access by their employees, and others, to personal information held within their manual and/or electronic systems and to ensure that access to such information is controlled and restricted to those who have a legitimate need to have access.
  - The retention and destruction of records containing personal information retained within their manual and/or electronic systems.

#### 8.1.18 **Ensuring that staff under this protocol comply with their obligations**

Agencies who are party to the Overarching Protocol will ensure:

- That all staff are aware of, and comply with, their responsibilities and obligations with regard to the confidentiality of personal information about people who are in contact with their agency.
- That all staff are aware of, and comply with, the commitment of the organisations/agency to only share information legally and within the terms of an agreed Information Community Agreement or Purpose Specific Information Sharing Agreement (PSISA).
- That all staff are aware of, and comply with the commitment that information will be shared on a need-to-know basis only.
- That staff will be made aware that disclosure of personal information which cannot be justified, whether recklessly or intentionally will be subject to disciplinary action.

#### 8.1.19 **Ensuring staff are trained to enable them to share information legally.**

- All parties to the Overarching Protocol will ensure that employees who need to share personal information under an Information Community Agreement or Purpose Specific Information Sharing Agreement (PSISA) are given appropriate training by their agency to enable them to share information legally, comply with any professional codes of practice and comply with any local policies and procedures.
- Staff who are not directly involved with sharing personal information should not be excluded from such training as it is possible that they may come across such information during the course of their duties. It may therefore be appropriate that such employees receive awareness training.

#### 8.1.20 **Ensuring organisations signed up to this protocol can provide relevant assurances for data handling**

All organisations must have at least one of the following in place:

- ISO/IEC 27001:2005 an information security management
- Cyber essentials as per national guidance

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/395716/10\\_steps\\_ten\\_critical\\_areas.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/395716/10_steps_ten_critical_areas.pdf)

- Minimum toolkit level 2 on the Information Governance Toolkit

## 9 Agreement

### 9.1 Purposes for which information will be shared

#### 9.1.1 Overview

- Information will only be disclosed where the relevant agreed purpose for sharing clearly requires this. However, each agency must have regard to its legal power in deciding whether they can share information for that particular purpose. The following range of purposes are agreed as justifiable for the transfer of personal information between the Partner Agencies as defined within the remit of this protocol:
  - Provision of appropriate care services
  - Assuring and improving the quality of care and treatment;
  - Improving the health of people in the local community
  - Monitoring, reporting and protecting public health;
  - Protecting children, young people and adults
  - Prevention of crime or disorder and the promotion of community safety
  - Supporting communities (geographical or otherwise)
  - Supporting people in need
  - Investigating complaints or potential legal claims
  - Compliance with court orders
  - Managing and planning services
  - Commissioning and contracting services
  - Developing inter-agency strategies
  - Performance management and audit
  - Research
  - Other statutory requirements

Please note that the above list provides an example of justifiable purposes for sharing information, however, the Data Protection Act 1998, Common Law Duty of Confidentiality and rights to privacy under the Human Rights Act 1998, still need to be considered.

#### 9.1.2 Relevant information

Consideration must be given to the extent of any personal information that is proposed to be disclosed, taking into account the circumstances of the proposed disclosure. It may not be necessary to disclose all information held regarding a service user and only such information as is relevant for the purpose for which it is disclosed should be passed under the sharing arrangement to the recipient(s).

### 9.2 Agreement

#### 9.2.1 Indemnity

- Disclosure of personal information without consent must be justifiable on statutory grounds, or meet the criterion for claiming an exemption under the Data Protection Act. Without such justification, both the agency and the member of staff expose themselves to the risk of prosecution and liability to a compensation order under the Data Protection Act or damages for a breach of the Human Rights Act.







- Where a disclosing agency provides information to a requesting agency both parties shall assume that both the request and the disclosure are compliant with the requirements of the Data Protection Act 1998.
- If subsequently it is found that either the request for, or the disclosure of, information is in contravention of the requirements of the Data Protection Act 1998, the agency who originally breached the requirements of the Data Protection Act 1998, either in requesting or disclosing information, shall indemnify the other agency against any liability, cost or expense thereby reasonably incurred. However, this indemnity shall not apply:
  - Where the agency originally found to be in breach of the Data Protection Act 1998 did not know and, acting reasonably had no reason to know, that it had acted in breach of the Data Protection Act 1998 either in requesting or disclosing information
  - Unless either agency notifies the other agency as soon as reasonably practical of any action, claim or demand against itself to which it considers this indemnity may apply, permits the other agency to deal with the action, claim or demand by settlement or otherwise, and renders all reasonable assistance in doing so.

#### 9.2.2 **The undersigned parties agree to:**



- Promote good practice in the sharing of personal information by ensuring compliance with the principles, purposes and processes of this Protocol.
- Take necessary action to identify and mitigate any breaches of the Protocol and to have established policies and practices for dealing with complaints about the sharing of information.
- Ensure that no restrictions are placed on sharing personal information other than those that are specified in this Protocol.
- Ensure that clients are informed of their rights in respect of personal information, including right of access and the complaints procedure.
- Develop systems of implementation, dissemination, guidance, training and monitoring to ensure that the Protocol is known, understood and followed by all professionals who need to share personal information.
- Establish processes to review the use of the Protocol, in order to ensure that practice is in accordance with the requirements of the Protocol, and to take corrective action as needed.
- Develop information processing systems that ensure collected data is complete, accurate, kept up-to-date and relevant.
- Ensure that collected data is stored and transmitted securely.

## 10 Signatories

This protocol will be signed by chief officers of the respective agency organisations on behalf of their organisations:

Organisation	Name of Signatory	Designation/Role	Date Signed
Wolverhampton City Council	Simon Warren 	Chief Executive	17 <sup>th</sup> November 2011
Staffordshire and West Midlands Probation Trust	Neil Appleby 	Head of Probation Services Wolverhampton	16 <sup>th</sup> November 2011
Black Country Partnership NHS Foundation Trust	Paul Stefanoski 	Deputy Chief Executive, Director of Resources	17 <sup>th</sup> November 2011
Black Country Primary Care Trust Cluster	Stephen Cartwright 	Medical Director Primary Care Trust Black Country Cluster	21 <sup>st</sup> November 2011
The Royal Wolverhampton Hospital NHS Trust	David Loughten CBE 	Chief Executive	5 <sup>th</sup> December 2011
West Midlands Police	Neil Evans 	Chief Superintendent LPU Commander Wolverhampton	17 <sup>th</sup> November 2011
Wolverhampton Homes	Lesley Roberts 	Chief Executive	5 <sup>th</sup> March 2012

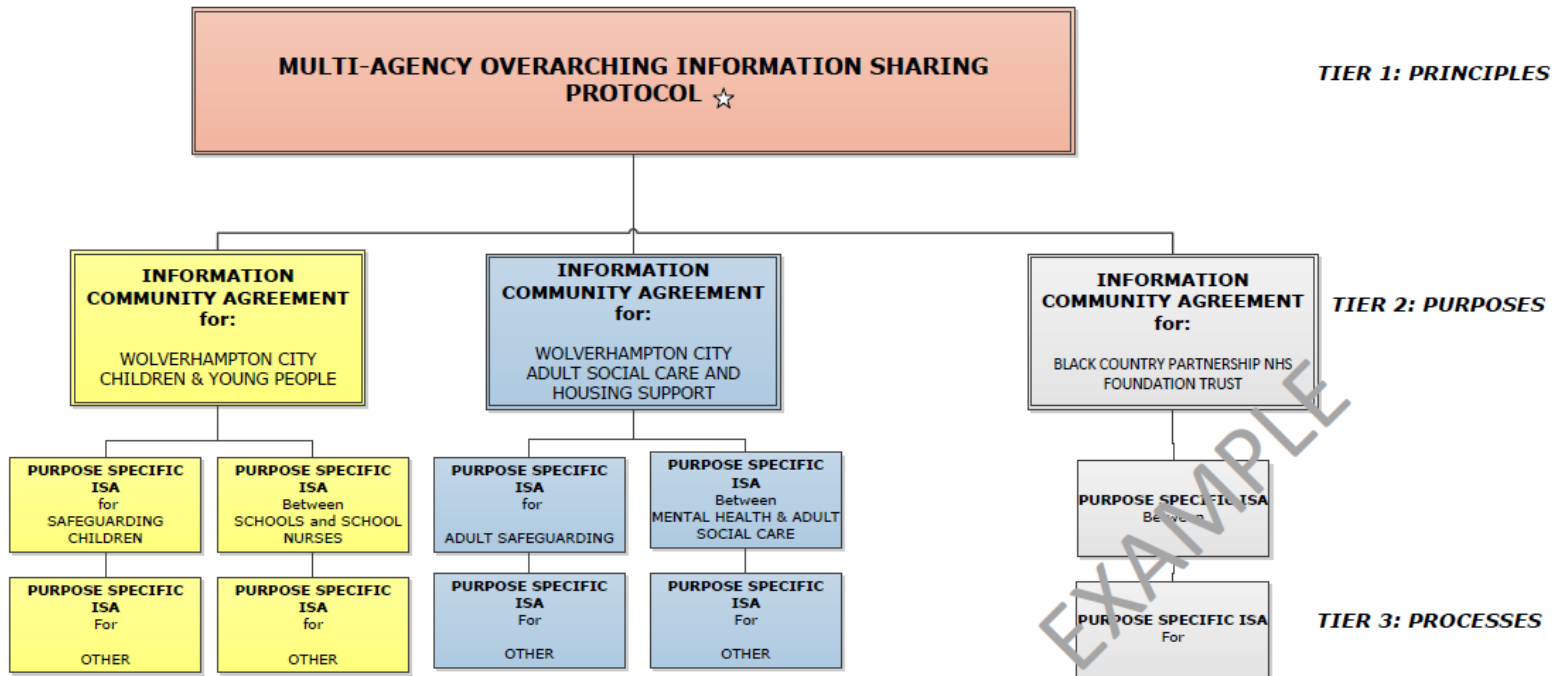


Bushbury Hill Estate Management Board	Karen Williams 	Chief Officer	28 <sup>th</sup> March 2012
North Midlands (Neighbourhoods) Midland Heart Wolverhampton Office	Joanne Kelsall JOANNE KELSALL	Operations Manager Midland Heart	25 <sup>th</sup> April 2012
Bromford Housing Group's	Phillipa Jones 	Executive Director and Company Secretary	9 <sup>th</sup> May 2012
Nehemiah Housing Group	Llewellyn Graham 	Chief Executive	18 <sup>th</sup> May 2012
Sanctuary Housing Association	Craig Moule 	Company Secretary	1 <sup>st</sup> June 2012

**10.1** Signed copies of this document shall be retained by Wolverhampton Council's Data Protection/IG Officers.

# 11 APPENDIX A – 3-Tier Information Sharing Structure

## THREE-TIER MODEL for INFORMATION SHARING



☆ Main agencies represented in multi-agency approach include Wolverhampton City Council, Royal Wolverhampton NHS Trust, Black Country Partnership Foundation Trust, West Midlands Police, Probation Services, Schools, Wolverhampton Homes, & Wolverhampton Voluntary Sector Council, Wolverhampton CCG.

## 12 Appendix B - Legal Considerations

### 12.1 Purpose

This is meant as a guide to assist in determining how to establish the legal basis for data sharing:

#### 12.1.1 Vires issues

- Is the existing information that is to be shared subject to any statutory prohibitions whether express or implied?
- Even if there are no relevant statutory restrictions, do the bodies sharing the data have the vires to do so? This will involve careful consideration of the extent of express statutory, implied statutory and common law powers (see [Appendix C – Relevant legislation](#) for further detail on statutory powers).
- If there is no existing legal power for the proposed data collection and sharing, then, can the individual's consent to the disclosure be obtained?

#### 12.1.2 Human Rights Act issues

- Is Article 8 of the European Convention on Human Rights (ECHR) engaged i.e. will the proposed data collection and sharing interfere with the right to respect for private and family life, home and correspondence? If the data collection and sharing is to take place with the consent of the data subjects involved, Article 8 will not be engaged.
- If article 8 of the ECHR is engaged, is therefore the interference:
  - in accordance with the law
  - in pursuit of a legitimate aim;
  - a proportionate response to the problem
  - necessary in a democratic society?

#### 12.1.3 Common law duty of confidence issues

- Is the information confidential:
  - Does it have the necessary quality of confidence?;
  - Was the information in question communicated in circumstances giving rise to an obligation of confidence?;
  - Has there been unauthorised use of that material?
- Consider also whether the information has been obtained subject to statutory obligations of confidence. If the data collection and sharing is to take place with the consent of the data subjects involved, the information will not be confidential.

- If the information is confidential is there an overriding public interest that justifies its disclosure? The law on this aspect overlaps with that relating to Article 8 of the ECHR.

#### 12.1.4 **Data Protection Act issues**

Please refer to [Appendix C – Relevant Legislation](#) when reading the following points:

- Does the DPA apply i.e. is the information personal data held on computer or as part of a “relevant filing system” or an “accessible record”?
- If the DPA applies, can the requirement of fairness in the First Data Protection Principle be satisfied?
- Can one of the conditions in DPA Schedule 2 be satisfied?
  - Paragraph 5 relating to public functions are of particular relevance to public sector data sharing;
  - Paragraph 6, relating to the balance between the interests of the data subject and the legitimate interests of the body that share and/or that receives the data.
- If the data are sensitive personal data can one of the conditions in Schedule 3 also be satisfied?
  - Paragraph, 7 which is in similar terms to paragraph 5 of Schedule 2, may be applicable.
- Can the requirement of compatibility that is in the Second Data Protection Principle be complied with?
- Do any of the exemptions that are set out in the Data Protection Act apply?

Seek advice from your organisation’s Data Protection Officer/Legal Advisor if unsure.

## 13 APPENDIX C - Relevant Legislation

**13.1** List (non exhaustive) of legislation and other guidance that is of relevance to information sharing:

- The Data Protection Act 1998
- The Freedom of Information Act 2000
- The Human Rights Act 1998
- The Mental Health Act 1983
- The Children Act 1989 (sections 17, 27, 47 and Schedule 2)
- The Children Act 2004 (sections 10, 11 and 12)
- The Care Act 2014
- The NHS & Community Care Act 1990
- The Access to Health Records Act 1990
- The Carers (Recognition & Service) Act 1995
- The Crime & Disorder Act 1998
- The Health Act 1999 (section 31)
- The Health and Social Care Act 2001 (Section 60)
- The Local Government Act 2000 (section 2)
- The Local Government Act 1972 (section 111)
- The Education Act 1996 (sections 10 and 13), The Education Act 2002 (section 175)
- The Learning and Skills Act 2000 (sections 114 and 115)
- The Crime and Disorder Act 1998 (section 115)
- The NHS confidentiality code of practice
- The Civil Contingencies Act (2004) Part 1 and supporting regulations.
- The Access to Health Records Act 1990
- The Mental Capacity Act 2005
- The Equalities Act 2010

Some of the legislation is defined in greater detail below. For further advice on this legislation and other relevant professional guidance contact your organisations designated officer.

**13.2** Introduction

- Legislation, under which most public sector agencies operate, defines the role, responsibility and power of the agency to enable it to carry out a particular function.
- In many instances legislation tends to use broad or vague statements when it comes to the matter of sharing personal information, for example: the agency is required 'to communicate, or will co-operate with' without actually specifying exactly how this may be done. This is because legislation that specifically deals with use of personal information (collection; use; storage; destruction; protection etc.) already exists namely, the Data Protection Act 1998.

- The Data Protection Act 1998, in most cases, is the key to the use of personal information and links into most other legislation. The Act sets out to govern the collection, use, storage, destruction and protection of a living person's identifiable information (Personal Data). In general, recorded information held by public authorities about identifiable living individuals will be covered by the Data Protection Act 1998. It is important to take account of whether the information is held in paper records or in automated form (such as on computer or on a CCTV system): some of the provisions of the Data Protection Act 1998 do not apply to certain paper records held by public authorities. Broadly speaking, the eight data protection principles set out in Schedule 1 to the Data Protection Act 1998, and discussed further below, will apply to paper records held in a "relevant filing system" or an "accessible record", but not to other paper records.
- The Data Protection Act 1998 does not set out to prevent the sharing of personal information. To the contrary, providing that the necessary conditions of the Act can be met, sharing is perfectly legal. It is important to share information, when appropriate to do so, as to withhold it. Each information sharing episode needs to be assessed on its own merits.

### 13.2.1 **Administrative Law**

- The principles of administrative law regulate the activities of public bodies; these principles are mainly enforced by way of claims for judicial review in the courts. The courts do not generally review the merits of public law decisions but consider the legality, rationality or procedural propriety of decisions made by public bodies. The rules relating to illegality are most relevant to data sharing: a public body may not act in excess of its powers. If it does act in excess of its powers, then the act is said to be ultra vires. Acts within a public body's powers are said to be intra vires. Under the Human Rights Act 1998, an act of a public authority may be unlawful on the basis that it is contrary to the ECHR. Where questions involving the Convention are involved, the Court will need to consider the merits of the decision more closely than would be the case where the traditional administrative law principles are involved.
- Local authorities derive their powers entirely from statute and cannot act outside those limited statutory powers. Most of these statutory powers relate to specific local authority functions. In addition to these specific powers, section 111 of the Local Government Act 1972 provides that local authorities are empowered to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions. Section 2 of the Local Government Act 2000 confers a wide (but not unlimited) power on local authorities to promote the well-being of their area.
- There is no general statutory power to disclose data, and there is no general power to obtain, hold or process data. As a result, it is necessary to consider the legislation that relates to the policy or service that the data sharing supports. From this, it will be possible to determine whether there are express powers to share data, or whether these can be implied. Express powers to share data are relatively rare and tend to be confined to specific activities and be exercisable only by named bodies. Implied powers will be more commonly invoked. Alternatively it may be possible to rely on section 111 of the 1972 Act or section 2 of the 2000 Act as a basis for data sharing.

- The starting point in relation to implied powers or in relation to section 111 of the 1972 Act must be the power to carry out the fundamental activity to which data sharing is ancillary. If there is no power to carry out that fundamental activity then there can be no basis for implying a power to share data or for relying on section 111 of the 1972 Act.
- A statutory power must be exercised for the purpose for which it is created. If it is not, the exercise of the power will be ultra vires.

### 13.2.2 **Administrative powers**

- Express statutory powers: Express statutory powers can be permissive or mandatory.
  - Express permissive statutory powers (or gateways) to share data include section 115 of the Crime and Disorder Act 1998 (which allows persons to share information with relevant authorities where disclosure is necessary or expedient for the purposes of the Act) and regulation 27 of the Road Vehicles (Registration and Licensing) Regulations 2002 (which, among other things, permits the Secretary of State to make particulars in the vehicle registration register available for use by a local authority for any purpose connected with the investigation of an offence or of a decriminalised parking contravention). Examples of mandatory statutory gateways include: section 17 of the Criminal Appeal Act 1995, which makes it obligatory for a public body to provide information, when requested, to the Criminal Cases Review Commission in connection with the exercise of its functions; and section 6 of the Audit Commission Act 1998, which imposes a legal obligation on the Council to provide relevant information to the Audit Commission.
- Local authorities are only able to do what is expressly or by implication authorised by statute. The following statutory powers are relevant, in addition to the specific powers mentioned above:
  - Section 111 of the Local Government Act 1972, which provides that a local authority has power to do anything, which is calculated to facilitate, or is conducive or incidental to, the discharge of any statutory functions.
  - Section 2 of the Local Government Act 2000, which provides that a local authority has power to do anything likely to achieve the promotion or improvement of the economic, social or environmental well-being of the area.

### 13.2.3 **Data Protection Act 1998**

- The key principles of the Data Protection Act are:
  1. Personal Data must be processed (e.g. collected, held, disclosed) fairly and lawfully and that processing must satisfy one of the conditions in schedule 2 of the Act. The processing of sensitive data is further protected in that processing must also satisfy at least one of the conditions in schedule 3 of the Act.

2. Personal Data shall be obtained and processed for only one or more specific and lawful purpose(s).
3. Personal Data shall be adequate, relevant and not excessive in relation to the specified purpose(s).
4. Personal Data shall be accurate and kept up to date.
5. Personal Data shall not be held for longer than is necessary.
6. Processing of Personal Data must be in accordance with the rights of the individual.
7. Appropriate technical and organisational measures should protect Personal Data.
8. Personal data should not be transferred outside the European Union unless adequate protection is provided by the recipient.

With few exceptions the Data protection Act 1998 requires anyone processing personal information to notify (register) with the Information Commissioner.

- The registration details include the type of information held, the purpose of use and who the information may be disclosed to. It is therefore essential that anyone considering sharing personal information establishes that their registration covers who they may disclose information to, or what information they may collect (when receiving shared information). If their registration does not cover these matters adequately, amendments must be registered with the Information Commissioner.
- The first and second principles of the Data Protection Act are crucial when considering information sharing. In essence, these require that personal information should be obtained and processed fairly and lawfully and that personal information should only be used for a purpose(s) compatible with the original purpose.
- Schedules 2 and 3 of the Act set out conditions that must be met before personal information can be processed fairly and lawfully – For personal information to be processed lawfully, one of the conditions in Schedule 2 must be met. For sensitive personal information, one of the conditions in Schedule 3 must also be met.
- Sensitive information, as defined by the Act, includes information concerning a person's physical or mental health; sexual life; ethnicity or racial origin; political opinion; trade union membership; criminal record or details of alleged offences etc.
- In order for there to be no misunderstanding, on anyone's part, it is always advisable for the 'collector' of the information to ensure that the person is made fully aware of why the information is needed, what will be done with it, who will have access to it, their rights and if appropriate seek to inform consent of the individual concerned before sharing that information. This will usually be done via the use of Privacy Notices.
- There are circumstances where information can be shared even if informed consent has not been given. These include the following:



- Section 29 of the Act permits disclosure for the purposes of prevention or detection of crime, or apprehension or prosecution of offenders, and where those purposes would be likely to be prejudiced by non-disclosure.
- Disclosure is also permitted where information has to be made public, or where disclosure is required by law.
- For the purposes of the common law duty of confidentiality, if there is no informed consent, this is the point where the need for confidentiality would have to be balanced against countervailing public interests – again preventing crime is accepted as one of those interests. See the more detailed discussion of confidentiality, below.
- For the purposes of the Human Rights Act 1998, Article 8 – Right to respect for private and family life, would need to be considered. See the more detailed discussion of Article 8, below.
- The Data Protection Act gives individuals various rights in respect of their own personal data held by others, namely the right to:
  - Access to their own information (subject access request).
  - Take action to rectify, block, erase or destroy inaccurate data.
  - Prevent processing likely to cause unwarranted substantial damage or distress.
  - Prevent processing for the purposes of direct marketing.
  - To be informed about automated decision taking processes.
  - Take action for compensation if the individual suffers damage.
  - Apply to the Information Commissioner or the court to have their rights under the Act enforced.
- Section 7 of the Act, gives an individual the right to access the information held about themselves, irrespective of when the information was recorded or how it is stored (manual or electronic).
- Disclosure of information held on an individual's record that identifies or has been provided by a third party is subject to certain restrictions (e.g. section 7(4) and the exemption provided by section 30 of the DPA).
- The Act provides the holder of the information a limited number of exemptions to decline/refuse access to an individual's record which are set out under Part IV of the Act.
- The Data Protection Act 1998 does not apply to personal information relating to the deceased person.

The Data Protection Act 1998 supersedes the Access to Health Records Act 1990 apart from section 3.1.(f) which continues to provide a right of access to the health

records of deceased person made by their personal representatives and others having a claim on the deceased's estate.

In all other circumstances, disclosure of records relating to the deceased person should satisfy common law duty of confidence.

It is also worth noting that third party information that is held within a record of a deceased person is still covered by the Data Protection Act 1998, where the third party is still alive.

- **Schedule 2** of the Data Protection Act 1998 specifies conditions relevant for the processing of any personal data, namely:
  1. The data subject has given his/her consent to the processing, or
  2. The processing is necessary for the performance of a contract to which the data subject is a party, or for the taking of steps at the request of the data subject with a view to entering into a contract, or
  3. The processing is necessary for compliance with any legal obligation to which the data controller is subject, other than an obligation imposed by contract, or
  4. The processing is necessary to protect the vital interests of the data subject.
  5. The processing is necessary-for the administration of justice for the exercise of any functions conferred on any person by or under any enactment for the exercise of any functions of the Crown, a Minister of the Crown or a government department for the exercise of any other functions of a public nature exercised in the public interest by any person, or
  6. The processing is necessary for the purpose of legitimate interests pursued by the data controller or by the third party or parties to whom the data are disclosed, except where the processing is unwarranted in any particular case by reason of prejudice to the rights and freedoms or legitimate interests of the data subject. The Secretary of State may by order specify particular circumstances in which this condition is, or is not, to be taken to be satisfied.
- **Schedule 3** of the Data Protection Act 1998 specifies additional conditions relevant for the processing of sensitive personal data. In addition to meeting a condition set out in schedule 2, at least one other condition must be met in schedule 3, namely:
  1. The data subject who the sensitive information is about has given his/her explicit consent, or
  2. The processing is necessary to comply with employment law, or
  3. The processing is necessary to protect the vital interests of the:
    - a. the individual, (where consent cannot be given or reasonably obtained), or
    - b. another person, (where the individual's consent has unreasonably been withheld), or

4. In the course of legitimate activities of specified non-profit organisations, and does not involve disclosing personal data to a third party unless the individual has consented. Extra limitations apply to this condition, or
5. The individual has deliberately made the information public, or
6. Processing is necessary in relation to legal proceedings; for obtaining legal advice; or otherwise for establishing, exercising or defending legal rights, or
7. Processing is necessary for administering justice, or for exercising statutory or government functions, or
8. Processing is necessary for medical purposes, and is undertaken by a health professional or someone who is subject to an equal duty of confidentiality, or
9. To monitor equality of opportunity, and is carried out with appropriate safeguards for the rights of the individual.

Further conditions relating to the processing of sensitive personal information are detailed in Data Protection (Processing of Sensitive Personal Data) Order 2000.

#### 13.2.4 **Human Rights Act 1998 and European Convention on Human Rights**

- The Human Rights Act 1998 (the HRA) gives effect to the principal rights guaranteed by the European Convention on Human Rights (the Convention). In general, it is unlawful under the HRA for a public authority to act inconsistently with any of the Convention rights.
- Article 8.1. of the European Convention on Human Rights (given effect via the Human Rights Act 1998), provides that “everyone has the right to respect for his private and family life, his home and his correspondence.”
- This is however, a qualified right i.e. there are specified grounds upon which it may be legitimate for authorities to infringe or limit those rights.
- Article 8.2 of the European Convention on Human Rights provides “there shall be no interference by a public authority with the exercise of this right except as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety, or the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.”
- In the event of a claim arising from the Act that an organisation has acted in a way which is incompatible with the Convention rights, a key factor will be whether the organisation can show, in relation to its decision(s) to have taken a particular course of action:
  - that it has taken these rights into account;
  - that it considered whether any breach might result, directly or indirectly, from the action, or lack of action;

- if there was the possibility of a breach, whether the particular rights which might be breached were absolute rights or qualified rights;
  - (if qualified rights) whether the organisation has proceeded in the way mentioned below. “Evidence of the undertaking of a 'proportionality test', weighing the balance of the individual rights to respect for their privacy, versus other statutory responsibilities e.g. protection of others from harm, will be a significant factor for an organisation needing to account for its actions in response to claims arising from the Act”.

### 13.2.5 **Crime and Disorder Act 1998**

- The Crime and Disorder Act 1998 introduces measures to reduce crime and disorder, including the introduction of local crime partnerships around local authority boundaries to formulate and implement strategies for reducing crime and disorder in the local area.
- Section 115 of the Act provides a power (not a statutory duty) to exchange information between partners where disclosure is necessary to support the local Community Safety Strategy or other provisions in the Crime and Disorder Act. This power does not over ride other legal obligations such as compliance with the Data Protection Act (1998), the Human Rights Act (1998) or the common law duty of confidentiality.
- Section 115 of the Act provides that any person has the power to lawfully disclose information to the police, local authorities, probation service, fire brigades or health authorities (or persons acting on their behalf) where they do not otherwise have the power, but only where it is necessary and expedient, for the purposes of the Act.
- Whilst all agencies have the power to disclose, section 115 does not impose a requirement on them to exchange information, and responsibility for the disclosure remains with the agency that holds the information. It should be noted, however, that this does not exempt the provider from the requirements of the second Data Protection principle.

### 13.2.6 **Common Law Duty of Confidentiality**

- All staff working in both the public and private sectors should be aware that they are subject to a Common Law Duty of Confidentiality, and must abide by this.
- A duty of confidence arises when one person (the “confidant”) is provided with information by another (the “confider”) in the expectation that the information will only be used or disclosed in accordance with the wishes of the confider. If there is a breach of confidence, the confider or any other party affected (for instance a person whose details were included in the information provided) may have the right to take action through the courts.
- Whilst it is not entirely clear under law whether or not a common law duty of confidence extends to the deceased, the Department of Health and relevant professional bodies accept that there is an ethical duty to respect the confidentiality of the dead.

### 13.2.7 Exemptions to the duty of confidentiality

- The duty of confidence is not absolute and the courts have recognised three broad circumstances under which confidential information may be disclosed. These are as follows:
  - Disclosures with consent. If the person to whom the obligation of confidentiality is owed (whether an individual or an organisation) consents to the disclosure this will not lead to an actionable breach of confidence.
  - Disclosures which are required or allowed by law. “Law” in this context includes statute, rules of law, court orders etc.
  - Disclosures where there is an overriding public interest (e.g. to protect others from harm).
  - The courts have generally taken the view that the grounds for breaching confidentiality must be strong ones.
  - The duty of confidence only applies to person identifiable information and not to aggregated data derived from such information or to information that has otherwise been effectively anonymised i.e. it is not possible for anyone to link the information to a specific individual.
  - Unless there is a sufficiently robust public interest justification for using identifiable information that has been provided in confidence then the consent of the individual concerned should be gained before disclosure of their information. Schedules 2 and 3 of the Data Protection Act 1998 apply whether or not the information was provided in confidence.

### 13.2.8 Caldicott Principles

- Although not a statutory requirement, NHS and Social Care organisations are committed to the Caldicott principles which encapsulate the above mentioned statutes when considering whether confidential information should be shared. These are:

#### **1. Justify the purpose(s)**

Every proposed use or transfer of personal confidential data within or from an organisation should be clearly defined, scrutinised and documented, with continuing uses regularly reviewed, by an appropriate guardian.

#### **2. Don't use personal confidential data unless it is absolutely necessary**

Personal confidential data items should not be included unless it is essential for the specified purpose(s) of that flow. The need for patients to be identified should be considered at each stage of satisfying the purpose(s).

#### **3. Use the minimum necessary personal confidential data**

Where use of personal confidential data is considered to be essential, the inclusion of each individual item of data should be considered and justified so that the minimum amount of personal confidential data is transferred or accessible as is necessary for a given function to be carried out.

#### **4. Access to personal confidential data should be on a strict need-to-know basis**

Only those individuals who need access to personal confidential data should have access to it, and they should only have access to the data items that they need to see. This may mean introducing access controls or splitting data flows where one data flow is used for several purposes.

#### **5. Everyone with access to personal confidential data should be aware of their responsibilities**

Action should be taken to ensure that those handling personal confidential data — both clinical and non-clinical staff — are made fully aware of their responsibilities and obligations to respect patient confidentiality.

#### **6. Comply with the law**

Every use of personal confidential data must be lawful. Someone in each organisation handling personal confidential data should be responsible for ensuring that the organisation complies with legal requirements.

#### **7. The duty to share information can be as important as the duty to protect patient confidentiality.**

Health and social care professionals should have the confidence to share information in the best interests of their patients within the framework set out by these principles. They should be supported by the policies of their employers, regulators and professional bodies.

#### **13.2.9 Access to Health Records Act 1990**

Within the governance structures and processes of healthcare organisations, Practitioners have been given professional accountability to protect specific 1st and 3rd party statements. This may include clinical assessments, diagnostics and results as well as sections of sensitive care plans and progress notes.

#### **13.2.10 The Children Act 2004**

- The Children Act 2004 created the legislative framework for developing more effective and accessible services focused around the needs of children, young people and families by ensuring co-operation, clearer accountability and safeguarding of children. The key event, which led to these proposals for fundamental change, was the death of Victoria Climbié. This demonstrated that there were major flaws within the systems and structures for safeguarding and ensuring the welfare of children and young people.

Main provisions of the Act:

- A duty on agencies to co-operate to improve the well being of children and young people
  - A duty to safeguard and promote the welfare of children
  - A power to set up a new database with information about children
- Summary of the Children Act 2004

The following is a brief account of the key parts of the Act that specifically relate to the Change for Children programme in England.

Children's Services in England – Part 2

1. Section 10 establishes a duty on Local Authorities to make arrangements to promote co-operation between agencies in order to improve children's well-being, defined by reference to the five outcomes and a duty on key partners to take part in those arrangements. It also provides a new power to allow pooling of resources in support of these arrangements.
2. Section 11 creates a duty for the key agencies who work with children to put in place arrangements to make sure that they take account of the need to safeguard and promote the welfare of children when doing their jobs.
3. Section 12 allows further secondary legislation and statutory guidance to be made with respect to setting up indexes that contain basic information about children and young people to help professionals in working together to provide early support to children, young people and their families. Case details are specifically ruled out of inclusion in the indexes.

13.2.11 Civil Contingency Act 2004 – Part 1

This deals with information sharing between responder bodies, as identified in the Act, as a distinct duty under the Act and as a means of achieving other duties under the Act, and is summarised below:

- Information sharing is a crucial element of civil protection work, underpinning all forms of co-operation.
- The initial presumption is that information should be shared, but that some information should be controlled if its release would be counter productive or damaging in some other way.
- There are various types of information. Information may be suitable for some audiences, but not for others. Also, the circulation of information can be limited to certain classes of organisation or individual.
- In most instances, information will pass freely between responders, as part of a more general process of dialogue and co-operation.

- However, a formal system exists to request information in circumstances where that is necessary.
- Information may also be accessible from open sources, and responders should endeavour to use this route as well.
- Not all information can be shared. Responders may claim exceptions in certain circumstances (and, as a result, not supply information as requested).
- Exceptions relate to sensitive information only. Where the exceptions apply, a responder must not disclose the information. (Readers of this document are advised to read Chapter 3 of the Guidance Notes to the Civil Contingency Act 2004)



## 14 APPENDIX D - Consent: Guidance notes

### 14.1 Consent

- 14.1.1 Consent issues can be complex and a lack of clarity can sometimes mean the information can be incorrectly shared. Consent can be “explicit” or implicit”. Obtaining explicit consent for information sharing is best practice therefore; it is recommended that where possible the consent sought should be explicit, obtained at the start of any involvement and appropriately recorded.
- 14.1.2 In order to facilitate the sharing of personal information (without specific statutory grounds) careful consideration should be given to obtaining explicit consent whenever possible, regardless of the person’s age.
- 14.1.3 For consent to be valid it must be:
- Fully informed – the individual is aware of what information will be shared, with whom and for what purpose.
  - Specific – a general consent to share information with “partner organisations” would not be valid. Specific means that individuals are aware of what particular information we will share, who with and for what purpose.
  - A positive indication by the data subject – the provision of opt outs on forms would therefore not obtain the consent of an individual.
  - Freely given – the individual is not acting under duress from any party.
- 14.1.4 The person giving the consent must also have the capacity to understand what they are consenting to.
- 14.1.5 Consent may be given verbally or in writing. In order to avoid any confusion or misunderstanding at a later date, verbal consent should be witnessed and the details of the witness recorded.
- 14.1.6 To give valid informed consent, the person needs to understand why their information needs to be shared, what type of information may be involved and who that information may be shared with.
- 14.1.7 The person should also be advised of their rights with regard to their information, namely:
- The right to withhold their consent.
  - The right to place restrictions on the use of their information.
  - The right to withdraw their consent at any time.
  - The right to have access to their records.

- 14.1.8 As well as discussing consent with the person, it is seen as good practice that the person should also be given such information in another required format e.g. different language, Braille.
- 14.1.9 In general, once a person has given consent, that consent may remain valid for an indefinite duration unless the person subsequently withdraws that consent.
- 14.1.10 If a person makes a voluntary and informed decision to refuse consent for their personal information to be shared, this decision must be respected unless there are sound legal grounds for disclosing without consent (see 13.9 below).
- 14.1.11 A person, having given their consent, is entitled at any time to subsequently withdraw that consent. Like refusal, their wishes must be respected unless there are sound legal grounds for not doing so.
- 14.1.12 If a person refuses or withdraws consent, the consequences should be explained to them, but care must be exercised not to place the person under any undue pressure.
- 14.1.13 In the Purpose Specific Information Sharing Agreement (PSISA), detail must be provided on when and how often individuals are reminded of the fair processing notice (and in effect given the chance to withdraw the consent that they have previously provided).
- 14.1.14 New consent will be required where there are to be significant changes to:
- the personal data that will be shared,
  - the purposes for which it will be shared, or
  - the partners involved in the sharing (i.e. the proposed data sharing is not covered by the original fair processing notice which states which agencies information will be shared with).

## 14.2 Capacity to consent

- 14.2.1 For a person to have capacity to consent, he/she must be able to comprehend and retain the information material to the decision and must be able to weigh this information in the decision making process.

All people aged 16 and over, are presumed in law, to have capacity to give or withhold their consent to sharing of confidential information unless, there is evidence to the contrary. Having mental capacity means that a person is able to make their own decisions. The Mental Capacity Act says that a person is unable to make a particular decision if they cannot do one or more of the following four things:

- Understand the information given to them
- Retain that information long enough to be able to make the decision
- Weigh up the information available to make the decision

- Communicate their decision – this could be by talking, using sign language or even simple muscle movements such as blinking an eye or squeezing a hand.

The Mental Capacity Act 2005 Code of Practice provides information on points to consider when assessing a person's capacity to make a decision and should be referred to for more detailed guidance.

<http://www3.imperial.ac.uk/pls/portallive/docs/1/51771696.PDF>

### 14.3 Young Persons

14.3.1 Section 8 of the Family Law Reform Act entitles young people aged 16 or 17, having capacity, to give informed consent.

14.3.2 The courts have held that young people (below the age of 16) who have sufficient understanding and intelligence to enable them to understand fully what is involved will also have capacity to consent.

14.3.3 It should be seen as good practice to involve the parent(s) of the young person in the consent process, unless this is against the wishes of the young person.

### 14.4 Parental Responsibility

14.4.1 The Children Act 1989 sets out persons who may have parental responsibility, these include:

- The child's parents if married to each other at the time of conception or birth;
- In the case of children born after 1 December 2003, where the father's details are registered on the birth certificate the father will also have parental responsibility.
- The child's mother, but not the father if they were not so married and not named on the child's birth certificate (as above), unless the father has acquired parental responsibility via a court order or a parental responsibility agreement or the couple subsequently marry;
- The child's legally appointed guardian;
- A person in whose favour the court has made a residence order in respect of the child;
- A local authority designated in a care order in respect of the child:
- A local authority or other authorised person who holds an emergency protection order in respect of the child. (Note: Foster parents or guardians do not automatically have parental responsibility)

14.5 Whilst, under current law, no-one can provide consent on behalf of an adult in order to satisfy the Common law requirement, it is generally accepted by the courts that decisions

about treatment, the provision of care, and the disclosure of information, should be made by those responsible for providing care and that they should be in the best interests of the individual concerned.

#### **14.6 Obtaining Consent**

14.6.1 For consent to be valid a number of criteria must be satisfied (see 13.1.3 above). In order for consent to be obtained lawfully it is essential that all persons who may be expected to obtain consent for the sharing of personal information receive appropriate training and that under normal circumstances only those employees who have received training and been approved by management should seek consent.

#### **14.7 Disclosure of Personal Information**

14.7.1 The passing of personal information without either statutory power or the consent of the person concerned, places both the agency and the individual member of staff at risk of litigation.

14.7.2 It is therefore essential that all agencies who are party to the Overarching Protocol have in place policies and procedures governing who may disclose personal information and that such policies/procedures are communicated to all of their employees.

#### **14.8 Disclosure with consent**

14.8.1 Only staff who have been authorised to do so should disclose personal information about an individual service user.

14.8.2 Prior to disclosing personal information about an individual, the authorised member of staff should check the individual's file/record in order to ascertain:

- that consent to disclose has been given, and
- the consent is applicable for the current situation, and
- any restrictions that have been applied.

- 14.8.3 On the first instance of disclosure with respect to the particular situation, the person making the disclosure should notify the recipient if consent has been given for the disclosure and any specific limitations the individual has placed on their consent.
- 14.8.4 Disclosure of personal information will be strictly on a need to know basis and in accordance with any Information Community Agreement and/or Purpose Specific Information Sharing Agreement (PSISA).
- 14.8.5 All information disclosed should be accurate and factual. Where opinion is given, this should be made clear to the recipient.
- 14.8.6 On disclosing personal information to another agency, a record of that disclosure should be made on the individual's file/record, this should include:
- When the disclosure was made
  - Who made the disclosure
  - Who the disclosure was made to
  - How the disclosure was made
  - What was disclosed
- 14.8.7 The recipient of information should record:
- The details of the information received
  - Who provided it
  - Any restrictions placed on the information that has been given

## **14.9 Disclosure without consent**

- 14.9.1 Disclosure of personal information without consent must be justifiable on statutory grounds, or a meet the criterion for claiming an exemption under the Data Protection Act. Without such justification, both the agency and the member of staff expose themselves to the risk of prosecution and liability to a compensation order under the Data Protection Act or damages for a breach of the Human Rights Act.
- 14.9.2 There are exceptional circumstances in which a service user's right may be overridden, for example:
- Where there is evidence or reasonable cause to believe that a child, young person or adult is suffering or risk of suffering, significant harm, or
  - if there is evidence of serious public harm or risk of harm to others, or
  - if there is evidence of a serious health risk to an individual, or

- if the non-disclosure would significantly prejudice the prevention, detection or prosecution of a crime.
  - if instructed to do so by a court
- 14.9.3 All agencies should designate a person who has the knowledge and authority to take responsibility for making decisions on disclosure without consent. This person should hold sufficient seniority within the agency with influence on policies and procedures. Within the health and social care agencies it is expected that this person will be the Caldicott Guardian.
- 14.9.4 If information is disclosed without consent, then full details will be recorded about the information disclosed, the reasons why the decision to disclose was taken, the person who authorised the disclosure and the person(s) to whom it was disclosed.
- 14.9.5 A record of the disclosure will be made in the service user's case file and the service user must be informed if they have the capacity to understand, or if they do not have the capacity then any person acting on their behalf must be informed. If information is disclosed without consent, there may be some exceptional circumstances (particularly in the context of police investigations or child protection work) where it may not be appropriate to inform the service user of the disclosure of information. This situation could arise where the safety of a child (or possibly sometimes of an adult) would be jeopardized by informing the service user of such disclosure. In many such situations it will not be a case of never informing the service user, but rather delaying informing them until further enquiries have been made. Any decision not to inform, or to delay informing, should be recorded on the service user's case file, clearly stating the reasons for the decision, and the person making that decision.
- 14.9.6 In deciding whether or not disclosure of information given in confidence is justified it is necessary to weigh the harm that would result from breach of confidence against the harm that might result if you fail to disclose the information.
- 14.9.7 All agencies who are party to this Overarching Protocol should set in place policies and procedures that deal specifically with the sharing of information under emergency situations e.g. major disaster.
- 14.9.8 If disclosure is made without consent, the person making the disclosure must:
- Advise the recipient accordingly.
  - Record the full details of the disclosure that has been made, including the reason why the decision to disclose was taken (statute or exemption);
  - Who made the disclosure and to whom it was disclosed to.
- 14.9.9 The recipient of information that has been disclosed without consent should record:
- The details of the information received.

- Who provided it.
- Any restrictions placed on the information that has been given e.g. 'not to be disclosed to the service user'.
- That the information was provided without consent, and the reason(s) why (if known).

#### **14.10 Recording Consent**

14.10.1 All agencies should have in place a means by which an individual, or their guardian/representative, can record their explicit consent to personal information being disclosed and any limitations, if any, they wish to place on that disclosure.

14.10.2 The consent form should indicate the following:

- Details of the agency and person obtaining consent.
- Details to identify the person whose personal details may/will be shared.
- The purpose for the sharing of the personal information.
- The organisation(s)/agency(ies) with whom the personal information may/will be shared.
- The type of personal information that will be shared.
- Details of any sensitive information that will be shared.
- Any time limit on the use of the consent.
- Any limits on disclosure of personal information, as specified by the individual.
- Details of the supporting information given to the individual.
- Details of the person (guardian/representative) giving consent if appropriate.

14.10.3 The individual or their guardian/representative, having signed the consent, should be given a copy for their retention.

14.10.4 The consent form should be securely retained on the individual's file/record and that relevant information is recorded on any electronic systems used in order to ensure that other members of staff are made aware of the consent and any limitations.

## 15 APPENDIX E - Handling Breaches

The process for reporting breaches of this Protocol (Tier 1), any Information Community Agreement (Tier 2) and other Purpose Specific Information Sharing Agreement (PSISA) (Tier 3) is outlined below.

**15.1** All breaches are to be logged, investigated, and the outcome noted. The logs will be examined as part of the review process.

15.1.1 The following types of incidents will be logged:

- Refusal to disclose information
- Conditions being placed on disclosure
- Delays in responding to requests
- Disclosure of information to members of staff who do not have a legitimate reason for access
- Non-delivery of agreed reports
- Inappropriate or inadequate use of procedures e.g. insufficient information provided
- Disregard for procedures
- The use of data/information for purposes other than those agreed in the protocol
- Inadequate security arrangements.

**15.2** Breaches noted by members of staff:

15.2.1 A member of staff working on behalf of any organisation party to this protocol who becomes aware that the procedures and agreements set out in the protocol (or subsequent agreements) are not being adhered to, whether within their own or a partner organisation, should first raise the issue with the line manager responsible for the day-to-day management of the protocol.

15.2.2 The manager should record the issue and check whether the concern is justified. If the manager concludes that the protocol is being breached, he or she should first try to resolve it informally. If the matter can be resolved in this way, the outcome should be noted and forwarded to the designated person for that Information Community Agreement or Purpose Specific Information Sharing Agreement (PSISA) who should file the details in a 'breaches log'.

**15.3** Breaches alleged by a member of the public:

15.3.1 Any complaint received by, or on behalf of, a member of the public concerning allegations of inappropriate disclosure of information will be dealt with in the normal way by the internal complaints procedures of the organisation who received



the complaint: Any disciplinary action will be an internal matter for the organisation concerned.

- 15.3.2 In order to monitor adherence to and use of the protocol, procedures should be established within each organisation by which complaints relating to the inappropriate disclosure of information is passed by the officer designated to deal with breaches of the Purpose Specific Information Sharing Agreement (PSISA). The designated officer should report any complaints of this nature to the equivalent officer in each agency.
- 15.3.3 All alleged breaches of the protocol, whether proven or not, should be analysed as part of the formal review of this protocol and subsequent Information Community Agreements or Purpose Specific Information Sharing Agreement (PSISA)s.
- 15.3.4 The ICO has produced guidance on data security breach management. In the event of a data breach occurring, each will be managed on a case by case basis, in accordance with this guidance. This guidance will also be followed where a decision is required regarding notification of the data breach to the ICO.

## **16 APPENDIX F – Template Tier Two – Information Community agreement**

To follow – April 2015

## **17 APPENDIX G - Purpose Specific Information Sharing Agreement (PSISA): Template**

Note:

THIS TEMPLATE IS IN DRAFT FORMAT AND ILLUSTRATES THE TYPE OF INFORMATION THAT NEEDS TO BE CONSIDERED WITHIN A TIER 3 DOCUMENT. AT THIS DRAFT STAGE, TITLES AND LAYOUT MAY BE SUBJECT TO CHANGE.

# PURPOSE SPECIFIC INFORMATION SHARING AGREEMENT (PSISA)

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The Agreement

TITLE:

## Document History

This document has been distributed to:

Version	Date	Author	Released to	Comments/Changes made

## Links to other Information Community Agreements or Purpose Specific Information Sharing Agreement (PSISA)s:

Agreement Title	Date & Version	Lead Agency	Contact details

## Template

Please refer to the accompanying guidance notes when completing this form.

1 What category of data under the Data Protection Act is being shared?	YES/NO
Data to be shared is classified as Personal Data	
Data to be shared is classified as Sensitive personal Data	
Data to be shared will be anonymised	
Data to be shared will be psuedonymised	

2 Who will I be sharing information about?

3 For what purpose is the information being shared?	
Is the information being shared for Primary Purposes	YES/NO
Is the information being shared for secondary purposes	YES/NO

**4 What information will be shared?**

(A) Description of data/information:	(B) Field:	(C) Extracted from which system/Derived from:	(D) Agency Name:

**(E) Frequency of data sharing**

One off: Y/N

Routine: Y/N

**(F) Other relevant information:**

**5 Who might I be sharing with?**

Agency & Lead Contact details:	Provider	Recipient

<b>6 Can I legally share this information?</b>	
<b>(A) Legislation</b>	<b>(B) Duties</b>
<b>(C) Data Protection Act 1998</b>	<p>Under <b>Schedule 2</b> of the DPA, either of the following conditions can be met:</p> <p>1.</p> <p>Under <b>Schedule 3</b>, the following conditions can be met:</p> <p>1.</p> <p>It is also important to ensure that other Data Protection principles are complied with, for example the information being shared is relevant to the purposes of this agreement and is not excessive; information being shared is accurate and up to date; information is kept for no longer than necessary; information shared is kept secure.</p>

<b>7 Do I need to obtain consent?</b>	
(A) Are you relying an on implied statutory power to share?	Y/N
(B) Are you relying on consent?	Y/N

<b>8 What am I telling Service Users about this information sharing &amp; how are they notified?</b>	
(A) Is the information being shared for a different purpose other than that set out in each agency's fair processing notice on how we use information?	<b>Yes</b> – go to A1 <b>No</b> – go to B
(A1) Provide the link to each Agency's privacy notice	
(B) How will individuals be notified of the data sharing under this agreement?	

**9 How and when might I share information?**

(A) Role/ person sending/receiving data	(B) Organisation	(c) Method of Secure Transfer	(D) Frequency of Transfer

**10 How will shared information be recorded and held?**

(A) Organisation	(B) Location/Technical arrangements	(C) Duration	(D) Destruction

**11 Who else can access this information?**

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<b>12 Handling Breaches</b>	
(A) Name and contact details of person who is to be informed of breach	
Agency	Name and contact details
(B) Timescales	

<b>13 Other measures or considerations</b>

<b>14 Review of this agreement</b>	
Name/Role of Reviewers:	
Date of Initial Review	
Date of Consequent Reviews:	

Annex 1

**Purpose Specific Information Sharing Agreement (PSISA)**

In respect of

*(Insert Title)*

**DECLARATION OF ACCEPTANCE & PARTICIPATION**

Signed by, for and on behalf of: Page 1 of

Organisation	
Name	
Position	
Contact Details: Phone: Email:	
Signature:	
Date:	

Name of agency contact for sharing information under this Purpose Specific Information Sharing Agreement (PSISA)	
Position	
Contact Details: Phone: Email:	
DPA Registration Number & Date of Renewal:	

*Each agency who signs up to this agreement is to complete this form. Please print off as required.*

Annex 2

**Purpose Specific Information Sharing Agreement (PSISA)**

*(Insert Purpose Specific Information Sharing Agreement (PSISA) Title)*

**Master List of Signatory Organisations & their Designated Person's**

Page 1 of

Agency	Designated Person & Position	Contact Details (telephone & Email Address)	Date when agency signed up to this PSISA

Please insert, complete and print additional sheets as required.

# Purpose Specific Information Sharing Agreement (PSISA) – Guidance Notes

## General

See Wolverhampton Overarching Information Sharing Protocol – **Section 4 - Structure** for an overall description of the Information Sharing three tier approach and the different elements.

In order to share appropriate information between partners there must be a lawful, defined and justifiable purpose(s) which supports the effective delivery of a policy or service that respects people’s expectations about the privacy and confidentiality of their personal information but also considers the consequences of a failure to act. This in turn must be supported by robust business processes.

The questions in this document are designed to ‘walk’ Managers/Practitioners/Designated Person’s and other specialist support (e.g. Legal, Technical, Data Protection, etc) through a process that should help fulfil this objective.

## Scope

- This Purpose Specific Information Sharing Agreement (PSISA) is the third element of the information sharing framework. It is aimed at an organisations “operational management/practitioner” level and it will define the relevant business processes which support information sharing between two or more agencies for a specified purpose.
  - Those Managers/Practitioners/Designated Persons negotiating this Purpose Specific Information Sharing Agreement (PSISA) will have to complete Sections 2 to 14 inclusive.
  - This Purpose Specific Information Sharing Agreement (PSISA) is supplementary to Wolverhampton Overarching Information Protocol (Tier 1), which must be consulted when drawing up this agreement, along with any Information Community Agreements that are in place and relevant to this Purpose Specific Information Sharing Agreement (PSISA).
- Partner organisations may belong to a variety of differing Purpose Specific Information Sharing Agreement (PSISA)s and Information Community Agreements.

Partners may use the information disclosed to them under a Purpose Specific Information Sharing Agreement (PSISA) only for the specified purpose(s) set out in that Purpose Specific Information Sharing Agreement (PSISA) document. They may not regard shared information as intelligence for the general use of their organisation unless they have defined and agreed this purpose within the Purpose Specific Information Sharing Agreement (PSISA) and have informed their respective service users of this use.

- Wherever this Purpose Specific Information Sharing Agreement (PSISA) impacts, or has a dependency, on another Purpose Specific Information Sharing Agreement (PSISA) then details of these must be entered into the Table at Section 2 of this document.

## **Parties to this Purpose Specific Information Sharing Agreement (PSISA)**

- The parties to the Purpose Specific Information Sharing Agreement (PSISA) are those that have signed the Declaration of Acceptance and Participation (DAP) at the end of this document (See this Document Annex 1). This list, along with the details of each organisation's 'Designated Person(s)' as shown on the 'DAP' and at Annex 2, will be updated and reissued on a regular basis.
- Any party to this Purpose Specific Information Sharing Agreement (PSISA) who is not already a party to Overarching Protocol, agrees to comply with the terms of the Overarching Protocol insofar as it is relevant to the information sharing under this Purpose Specific Information Sharing Agreement (PSISA).
- By signing this document all of the parties agree to accept and implement this Purpose Specific Information Sharing Agreement (PSISA) and to adopt the statements and procedures contained within it.
- Any purported breaches of, or other complaints about, this agreement will be dealt with in accordance with the processes described at [Appendix E - Handling Breaches](#) of the Overarching Protocol.

## User Guide

### 1 What category of data under the Data Protection Act is being shared?

Please select the category of data being shared.

- Personal Data – information that would identify a living individual such as name, date of birth, address etc.
- Sensitive Personal Data – personal data which consists of the following information:
  - The racial or ethnic origin of an individual
  - Political opinions
  - Religious beliefs or beliefs of a similar nature
  - Membership of a trade union
  - Physical or mental condition of an individual
  - Sexual life of an individual
  - The commission or alleged commission of an offence or
  - Any proceedings for any other offence committed or alleged to have been committed by the individual, the disposal of such proceedings or the sentence of any court in such proceedings.
- Anonymised Data – data which has had identifiers removed so that an individual cannot be identified.
- Pseudonymised Data – data which has had identifiers removed and replaced with a pseudonym.

The data being shared under this agreement is likely to be either personal or personal sensitive data, unless the information to be passed is entirely anonymised or statistical. Where if it is anonymised or statistical, you should give careful consideration to the possibility that an individual could nevertheless be identified from it – e.g. if it provides statistics on the ethnicity of crime victims in a limited geographical area it might inadvertently identify someone from an uncommon ethnic group in that locale. Pseudonymised information may be a consideration in these circumstances.

### 2 Who will I be sharing information about?

Please detail the types of service users whose information is being shared.

### 3 For what purpose is the information being shared?

Provide detail on the specific purpose for which personal information will be shared and the benefit that is to be achieved by sharing the information.

Please indicate whether the information sharing is for PRIMARY or SECONDARY PURPOSES.

**Primary Purposes** – this is information that is being shared for direct healthcare and medical purposes. This would directly contribute to the treatment, diagnosis or the care of the individual. This also includes relevant supporting administrative processes and audit/assurance of the quality of healthcare service provided.

**Secondary Purposes** – this is information being shared for non-direct healthcare and medical purposes - such as service improvement, performance management, reporting or commissioning.

#### 4 What information will be shared?

- (A) List the items of information to be disclosed - for example Name, DOB, Address, Postcode,
- (B) List the data field name/criteria each item will be derived from.
- (C) List the system(s) from which each data field/record is extracted from/derived from
- (D) List the Agency from where the information is being sent from.
- (E) Detail the frequency of when the information is being sent. Is the information being shared as a one-off data sharing initiative - if so detail when the information is being sent. Is the information being shared on a routine basis – if so detail the frequency. If on the other hand you propose an agreement to make a series of individual disclosures in response to specific requests – sharing offender details at case conferences for instance -it may be necessary to be more general.
- (F) Are there any data quality issues, such as the accuracy, validity, timeliness and relevance of the data, if there are, then these should be considered here.

#### 5 Who might I be sharing with?

Identify the relevant agencies/ organisations/practitioners and whether they are a provider or recipient of personal information or both.

#### 6 Can I legally share this information?

Does your organisation have the vires (power) to share? Which particular legislative function is the data sharing taking place?

- (A) List the legislation/statutory duty that the information can be shared under.
- (B) List the relevant section and statutory duties that enable the sharing to take place.
- (C) Under the Data Protection Act 1998, what conditions in schedule 2 and/or schedule 3 of the Act can be met? If personal data is being shared then only 1 condition from schedule 2 needs to be met. Where sensitive personal information is being shared – then 1 condition from both schedule 2 and 3 need to be met.

<b>Conditions for processing personal data under the DPA 1998.</b>	
<b><i>Schedule 2 - Personal Data</i></b>	<b><i>Schedule 3- sensitive personal data</i></b>
The individual who the personal data is about has consented to the processing.	The individual whom the sensitive personal data is about has given explicit consent to the processing.
For the performance of a contract to which the 'individual' is a party, or the individual has	The processing is necessary so that you can comply with employment law.

asked for something to be done so they can enter into a contract	
The processing is necessary because of a legal obligation that applies to the agency (except an obligation imposed by contract)	<p>The processing is necessary to protect the vital interests of:</p> <ul style="list-style-type: none"> <li>- the individual (in a case where the individual's consent cannot be given or reasonably obtained), or</li> <li>- another person (in a case where the individual's consent has been unreasonably withheld).</li> </ul>
The processing is necessary in order to protect the vital interests of the data subject. This applies in cases of life or death, such as where an individual's medical history is disclosed to A&E treating the data subject following a serious road accident.	The processing is carried out by a not-for-profit organisation and does not involve disclosing personal data to a third party, unless the individual consents. Extra limitations apply to this condition.
The processing is necessary for exercising statutory, governmental, or other public function	The individual has deliberately made the information public
The processing is in accordance with "legitimate interests" condition	The processing is necessary in relation to legal proceedings; for obtaining legal advice; or otherwise for establishing, exercising or defending legal rights.
	The processing is necessary for administering justice, or for exercising statutory or governmental functions.
	The processing is necessary for medical purposes, and is undertaken by a health professional or by someone who is subject to an equivalent duty of confidentiality
	The processing is necessary for monitoring equality of opportunity, and is carried out with appropriate safeguards for the rights of individuals.

See [Appendix B and C](#) of the *Wolverhampton Overarching Information Sharing Protocol* for further guidance.

## 7 Do I need to obtain consent?



- (A) Are you relying on an expressed or implied statutory power to sharing? Refer to section 6 - is there a statutory power or legal duty that enables you to share information without consent? What conditions for processing are being met for the data you are sharing?
- (B) Are you normally going to rely on consent? If so describe how consent will be obtained, recorded and how long it will be valid for.

If consent is normally required to share information for this purpose; provide detail on any specific circumstances where this consent is not required.

Advice on consent is available from [Appendix D](#) in the Wolverhampton Overarching information sharing protocol

## **8 What am I telling Service Users about this information sharing & how are they being notified?**

- (A) Identify whether the sharing of information under this agreement is covered by each relevant agency's "fair processing notice"/Privacy Notice (See Appendix D – 13.1.6 and 13.1.7 of the Wolverhampton Overarching Information Sharing Protocol).
- (B) If the sharing of data is not covered under this agreement complete section B and describe how you are informing individuals of the data sharing under this agreement.

Also outline how and when this notification is provided to individuals. If applicable, outline the circumstances where the Service User will not be told about the information sharing. If the consent is due to last for a lengthy period of time, detail at what points/how often an individual will be reminded of the fair processing information and given a subsequent chance to "opt out" having previously given consent.

## **9 How and when might I share information?**

- (A) Detail the role/name of persons sending or receiving data
- (B) Detail the name of the organisation sending or receiving the information
- (C) Detail the method of transfer – e.g. secure email, Secure FTP etc.
- (D) Detail the frequency of the transfer

## **10 How will shared information be recorded and held?**

- (A) Name of organisation
- (B) How/Where will the information be stored by the receiving partner? Describe the physical and technical security arrangements each agency has in place?
- (C) Detail how long the information is being kept for. Do any operational retention periods apply? Can it be securely deleted once processed or do you need to keep it for a certain period of time after the transfer? The nature of the information to be shared will have a bearing on how long it should be held. Refer to your organisations record retention schedule for further guidance or discuss with the organisation(s) that is going to be providing the information.
- (D) Personal information must be securely disposed of in line with the requirement under the 7th Data Protection Principle. Describe how each agency will ensure that the personal data is

securely removed from their systems and any printed copies securely destroyed at the end of the work for which it was intended, or on termination of the contract. For example - In complying with this clause, electronic copies of the personal data shall be securely destroyed by either physical destruction of the storage media or secure deletion using appropriate electronic shredding software that meets HM Government standards. Any hard copy will be destroyed by cross-cut shredding and secure re-cycling of the resulting paper waste.

## 11 Who else can access this information?

Access should be limited to a need to know basis, specify if any internal or external parties have access to the information. For internal staff specify any vetting arrangements in place.

## 12 Handling Breaches

- (A) Detail the specific point of contact details for reporting any data breaches or near misses under this agreement. Where possible detail a 2<sup>nd</sup> point of contact for Business Continuity purposes.
- (B) Detail the agreed timeframes that data breaches are to be reported. As soon as possible or no longer than 24 hours after the incident was identified.

Refer to Appendix E – Handling Breaches of the Wolverhampton Overarching Information Sharing Agreement for further information around handling breaches.

## 13 Other measures or considerations

Add in any other measures and considerations that you may need to document within this agreement. **Example text could be:**

- Information provided by the partner will be held securely, will not be transferred to a third party, and will be used only by appropriate staff for the purposes identified.
- Electronic copies of information will only ever be held on encrypted devices or servers, will not be e-mailed outside the receiving organisation, and if transferred onto portable devices (which must be encrypted), will be disposed of securely and permanently.
- The partner organisation will not keep the personal data on any laptop or other removable drive or device unless that device is protected by being fully encrypted, and the use of the device or laptop is necessary for the provision of the services under this agreement. Where this is necessary, the partner organisation will keep an audit trail of which laptops/drives/devices the personal data are held on.
- Paper copies of information, and printouts of electronic information, will be held securely, transferred either by safe haven fax or couriered in sealed containers and shredded upon disposal.
- Personal identifiable data will only be provided where there is a need to have that level of detail, and it is within the scope of consent on use of information given by the individual.

- The partner organisation shall employ appropriate operational and technological processes and procedures to keep the Personal Data safe from unauthorised use or access, loss, destruction, theft or disclosure. The organisational, operational and technological processes and procedures adopted are required to comply with either the NHS Information Governance Toolkit to level 2, or the requirements of ISO/IEC 27001:2005 (ISO/IEC 17799:2005) as appropriate to the services being provided.
- The partner organisation shall ensure that only such of its employees who may be required by it to assist it in meeting its obligations under the Agreement shall have access to the Personal Data.
- The partner organisation shall ensure that all employees used by it to provide the services as defined in the Agreement have undergone training in the law of data protection, their duty of confidentiality under contract, and in the care and handling of Personal Data;
- The partner organisation agrees to assist the Data Owner promptly with all subject information requests which may be received from the data subjects of the Personal Data;
- The partner organisation shall not use the Personal Data for any purposes other than those formally agreed with the Data Owner.
- The partner organisation shall not disclose the Personal Data to a third party in any circumstances other than at the specific written approval of the Data Owner.
- The partner organisation is NOT permitted to sub-contract any of the processing, nor transfer the personal data to any third party, without explicit written agreement from the Data Owner.
- The partner organisation will NOT transfer the Personal Data to any other country without explicit written agreement from the Data Owner.
- The partner organisation will ensure that the personal data is securely removed from their systems and any printed copies securely destroyed at the end of the work for which it was intended, or on termination of the contract. In complying with this clause, electronic copies of the personal data shall be securely destroyed by either physical destruction of the storage media or secure deletion using appropriate electronic shredding software that meets HM Government standards. Any hard copy will be destroyed by cross-cut shredding and secure re-cycling of the resulting paper waste.
- The partner organisation will indemnify the Data Owner against any costs, expense, including legal expenses, damages, loss, liabilities, demands, claims, actions or proceedings which the Data owner may incur as a result of any breach of this Agreement by the partner organisation.
- This protocol is an integral part of any data sharing Agreement between the signatories to the protocol and shall be governed by and interpreted in accordance with the laws of the United Kingdom.

## **14 Review of this agreement**

When will this agreement be reviewed to assess its validity in future? (it is recommended that each agreement is review every 12 months). Who will undertake the review?

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