



Cabinet

Date:	Thursday, 8 December 2011
Time:	6.15 pm
Venue:	Committee Room 1 - Wallasey Town Hall

Contact Officer: Mark Delap
Tel: 0151 691 8500
e-mail: markdelap@wirral.gov.uk
Website: <http://www.wirral.gov.uk>

SUPPLEMENTARY AGENDA 1

3. **CORPORATE PLAN 2012/2013 - UPDATE (Pages 1 - 30)**
9. **PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT (Pages 31 - 38)**

As the Provisional Local Government Finance Settlement has not yet been received from the Department for Communities and Local Government (DCLG), the Deputy Chief Executive/Director of Finance will present the latest Budget Projections 2012-2015.

10. **CHANCELLOR OF THE EXCHEQUER - AUTUMN STATEMENT (Pages 39 - 44)**

This page is intentionally left blank

WIRRAL COUNCIL

CABINET

8TH DECEMBER 2011

SUBJECT:	CORPORATE PLAN 2012-13
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF EXECUTIVE
RESPONSIBLE PORTFOLIO HOLDER:	CLLR STEVE FOULKES
KEY DECISION:	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report presents the Council's draft Corporate Plan for 2012-13 at Appendix 1.
- 1.2 The draft Corporate Plan reflects the needs of Wirral and priorities for local people. It also puts in place a clear commitment and actions to ensure that the Council's corporate governance failings are addressed through engaging the entire organisation in the challenge and opportunities this presents.
- 1.3 The Corporate Plan provides a clear framework for budget and departmental planning for 2012-13. The plan will directly inform the Council's budget for 2012-13 and departments will prepare individual business plans, which will set out in more detail how the actions in the Corporate Plan will be delivered.

2.0 RECOMMENDATION

- 2.1 It is recommended that Cabinet approves the draft Corporate Plan to be referred for adoption by full Council on the 12th December 2011 for implementation from the 1st April 2012.

3.0 REASON FOR RECOMMENDATION

- 3.1 On 17th March 2011, the Council agreed a three year Corporate Plan for 2011-14, with a focus on the activity that would be delivered during the current year (2011-12). In line with best practice, and to ensure that the changing needs and priorities of local people are addressed alongside the corporate governance challenges and opportunities faced by the Council, the Corporate Plan has been fully reviewed and refreshed to ensure that it is fit for purpose for 2012-13.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 The draft Corporate Plan at Appendix 1 describes the challenges for the Council and how we will address these.

4.2 The draft Corporate Plan demonstrates how the Council will respond to a number of key drivers. These are:

- The findings of the independent report considered by Cabinet on the 22nd September 2011 entitled 'Wirral Metropolitan Borough Council's Corporate Governance Arrangements: Refresh and Renew' and the subsequent development of a robust work programme and identification of key lines of enquiry to address these findings;
- The recent consultation undertaken across Wirral to inform the development of Neighbourhood Plans for each of the Council's eleven Area Forum areas;
- The development of a child and family poverty strategy for Wirral;
- The Council's revitalised Investment Strategy;
- The effective integration of the Public Health function and new leadership role for local authorities in health and wellbeing

4.3 Subject to approval by Cabinet and Council, the Corporate Plan at Appendix 1 will provide a clear framework for the Council's budget and departmental delivery plans for the period April 2012-13. The timetable for the production of departmental plans and the agreement of the Council's budget is set out in the appendix to the Comprehensive Work Programme report considered by Corporate Governance Committee on the 26th October 2011. Action is now being undertaken in line with this timetable to ensure that departmental plans and the Council's budget are in place by January 2012 and February 2012 respectively. The You Choose Consultation took place between 19 August 2011 and 30 November 2011 and is one element of the ongoing consultation process for setting the 2012/13 Budget. An overview of the process and a summary of the responses are the subject of a separate report on this agenda.

4.4 Prior to the commencement of the 2012-13 financial year, Cabinet is requested to note that the work being undertaken to review and improve the Council's arrangements for policy, corporate and business planning and performance management will impact on the way the Corporate Plan is monitored in 2012-13, for example in respect of the frequency and content of reports to Cabinet and/or Scrutiny Committees, and the way in which corporate and business planning will be delivered in future years. This work, and related recommendations, will be considered by Cabinet as appropriate and in line with the governance arrangements established in respect of the Corporate Governance Committee.

5.0 RELEVANT RISKS

5.1 The corporate risk register will be revised in line with the draft Corporate Plan for 2012-13 to ensure that any risks to delivering the Council's goals are understood and mitigating actions put in place as appropriate.

6.0 OTHER OPTIONS CONSIDERED

6.1 Not applicable

7.0 CONSULTATION

- 7.1 As indicated in 4.2, consultation with local people about their priorities for services has been undertaken through the recent consultation on Neighbourhood Plans. This process engaged individuals and organisations in all areas of Wirral.
- 7.2 The draft child and family poverty strategy which has informed the Corporate Plan is based on consultation with local stakeholders about the needs of children and families in Wirral.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 The draft Corporate Plan sets out actions in relation to working with voluntary, community and faith sector organisations to improve outcomes for local people.

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

- 9.1 The Corporate Plan informs the Medium Term Financial Strategy and the Annual Budget which seek to allocate available resources to deliver the priorities as set out in the Plan. By 10 March each year the Council has to agree a Budget, and set Council Tax levels, for the following financial year.

10.0 LEGAL IMPLICATIONS

- 10.1 Legal implications relating to the actions set out in the draft Corporate Plan will be addressed by departments as appropriate.

11.0 EQUALITIES IMPLICATIONS

- 11.1 An Equality Impact Assessment is attached as Appendix 2.
- 11.2 In developing individual business plans, departments will also be expected to address equalities implications as appropriate, including through undertaking Equality Impact Assessments in line with corporate requirements.

12.0 CARBON REDUCTION IMPLICATIONS

- 12.1 Carbon reduction is a specific goal in the draft Corporate Plan. Any carbon reduction implications relating to other goals and actions will be addressed by departments as appropriate.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 13.1 Planning and community safety implications relating to the actions set out in the draft Corporate Plan will be addressed by departments as appropriate.

**REPORT AUTHOR: Jim Wilkie
Chief Executive**

APPENDICES

Appendix 1: Draft Corporate Plan 2012-2013

Appendix 2: Equality Impact Assessment

REFERENCE MATERIAL

Previous Council and Cabinet reports as detailed in the subject history below

SUBJECT HISTORY (last 3 years)

Meeting	Date
Corporate Plan 2011-2014	Cabinet – 17th March 2011 Council – 18th April 2011
Independent Review	Cabinet – 22nd September 2011
Child Poverty Strategy and Action Plan – Progress Report	Cabinet – 13th October 2011
Neighbourhood Plans and Area Forum Funding	Cabinet – 24th November 2011

FOREWORD FROM THE LEADER OF THE COUNCIL

This Corporate Plan is about a journey we are all taking together – Councillors, Officers, Council Staff and the people of Wirral. Travelling with us are our partners from public, private and voluntary sector organisations.

Our destination is a Wirral that is healthy and prosperous with a sense of well being that permeates all levels of our society.

It sounds simple but conditions for the journey are not good at the moment. We are in the middle of a Global and European financial crisis. Money is in very short supply and resources for the Council will be very limited for the foreseeable future. Individuals are feeling the pinch too, with pay increases restricted, jobs in short supply and prospects for the future very uncertain.

You might think this was the time to get our heads down, retreat into ourselves and try to weather the storm quietly. Think again.

The ground breaking Education Act which provided free secondary education for all was passed in 1944 at a time of great financial hardship for the Nation. Four years later, in a period of post war austerity, the National Health Service was created, providing free health care for all. Great changes are not just about money. They are about dreams and aspirations and a fierce collective determination to make things work, whatever obstacles may be thrown in the way.

We've come a long way since that post war period, but we haven't come far enough. Over 60 years later, if you live in one of Wirral's poorest areas the statistics show that you are likely to die (ten years) earlier than your counterpart in one of Wirral's wealthiest areas. That has to change. That mortality gap should not be tolerated in a civilised society.

We have a unique opportunity to make that change. The Public Health role is moving from the Health Service to Local Authorities which will allow us to work very closely together, using all our joint facilities and infrastructure, to tackle some of the most challenging problems which mean that gap stubbornly resists any attempt to narrow it.

All the evidence shows that poverty is one of the key factors in physical and mental ill health. Poor quality housing, poor job prospects, unemployment, low levels of education, low aspirations, failing family relationships, poor parenting, poor nutrition, fuel poverty, anti social behaviour, all play their part in creating the conditions which take away any sense of well being and allow ill health to flourish.

As a Council we have traditionally reacted to problems when they became apparent. But we've all heard the saying "Prevention is better than Cure". Well, that's the journey we are setting out on now, and which we are ideally placed to undertake. Identify the causes of problems and tackle them before it's too late. Before the consequences show themselves. Before it costs a great deal more money to put things right.

But this is something we all have to agree on. Preventing things happening is usually not visible. If we are successful, and there are no problems to point at, people may well

ask what we are spending the council tax payer's money on. If we change our priorities to release more money into early detection and prevention activities, there may be other areas that have to manage on less than before, which won't be popular.

We will need to be absolutely clear what we are doing, and why, and we will need real, hard evidence to back up what we are doing. No more decisions based just on anecdotes! If we don't have the evidence, then we will need to set up pilot schemes which can be properly analysed and evaluated first, before we move into a larger arena.

This does not apply only to new initiatives. We have been criticised by the District Auditor for taking decisions to let contracts without having sufficient detailed information and costings in place about our own activities to allow us to prove that an external contract will provide better value for money. From now on we will make sure that the right information is collected and evaluated on all the Council services so we truly demonstrate we are providing value for money for the Council Tax Payer. At a time when resources are limited this is more important than ever.

This brings me to the final element of our journey. We know where we are headed. We know the route map we are using to get to our destination. But we also need to know how to travel that route safely and cost effectively.

It's like driving a car. If you ignore the highway code, crash the gears, stall the engine at stop lights, forget to signal, take short cuts which turn into long cuts, u-turn illegally when you're lost, you may still reach your destination - eventually. But you may well have had several accidents along the way. You are likely to be stressed and exhausted. Your passengers will have had a very uncomfortable ride, and the costs of your journey will have escalated because of your bad driving.

Well right now everyone involved in driving Council activities forward is being put through the equivalent of an advanced driving course. The formal name is a Corporate Governance Review. The aim is to make sure that the basic rules and procedures which govern the way the Council runs, (a kind of Local Authority Highway Code), are brought up to date, and are understood and followed by everyone. That bad habits which have become standard over a period of time are eradicated and replaced with good habits, and that the whole process eventually becomes as automatic to staff and councillors as changing gears becomes to an experienced driver.

It's not newsworthy. It's not particularly exciting. It's a lot of hard graft without any instant rewards. But it is very, very necessary. This way we travel safely. We make sure taxpayers get real value for their money. We make sure services are delivered fairly and consistently, and we avoid unnecessary disasters. And we reach our destination more quickly.

Welcome to our journey to a healthy and prosperous Wirral, where the well being of every resident matters.

Cllr Steve Foulkes

Leader of the Council.

The Destination

Our Vision for Wirral.

A Healthy and Prosperous Wirral where a sense of well being permeates every level of society and where the place you live and the amount you earn no longer effects how long you live.

- **A thriving society, with plentiful employment opportunities, and high levels of skills in the local workforce.**
- **A learning society with excellent nursery or pre-school facilities, excellent schools and excellent colleges for young people or older adults who want to re-train or improve their qualifications.**
- **A caring society that protects vulnerable people**
- **A decently housed society where warm, well insulated and affordable housing is readily available.**
- **A stress free society where no one lives in fear because of criminal activities, or anti-social behaviour, or excessive noise or threatening neighbours.**
- **A clean society with a rubbish and graffiti free environment and responsible dog owners.**
- **A relaxed society with plenty of opportunities for leisure and fitness activities.**
- **A greener society that works to reduce carbon emissions and protect the environment.**
- **A conservation minded society that respects its heritage and works together to protect everything that is best about Wirral, including our unique countryside, open spaces and coast line.**

The Journey

The route map we need to follow.

- We will focus on the new Public Health role given to Local Authorities.
- We will seek in everything we do to recognise the way in which Council activities can have a direct impact on the Health and Well Being of Wirral residents.
- We will listen to what local residents and communities tell us are the priorities to improve their neighbourhoods and we will respond by providing services that meet their needs and aspirations.
- We will continue to tackle anti-social behaviour and work with all our partners to reduce crime
- We will ensure that effective safeguarding procedures are in place to protect vulnerable adults and children.
- We will work with our partners to reduce the numbers of children and young people living in poverty and support them and their families to build the foundations for prosperous, healthy and happy lives.
- We will respond quickly and effectively to local circumstances and needs and any potential impact of welfare reform.
- We will work actively to initiate and support early detection and prevention programmes for children and adults which seek to tackle potential problems before they develop.
- We will make sure those programmes are based on well researched evidence which can be analysed and evaluated in order to ensure the very best return in outcomes for any resources invested.
- Where evidence is not readily available, we will seek to run pilot programmes where outcomes can be properly assessed and used as guidance for future programmes.
- We will seek to raise the income of Wirral people by doing everything possible to build a strong and vibrant economy with high levels of employment and opportunities for Wirral residents to improve their skills and find work. We will focus on making sure our young people can achieve their full potential in education and in the workplace.
- We will work to improve the condition of Wirral's housing stock and improve the energy efficiency to reduce levels of fuel poverty.

Travelling Safely

Changing the way we do things. (Improving Corporate Governance).

- We will make sure that this Corporate Plan informs Service Development Plans and is reflected in the budget process.
- We will review and redraft the Council's Code of Corporate Governance
- We will make sure there is a clear understanding of roles and responsibilities between the centre of the organisation and individual departments.
- We will review the Council's Internal Audit Service and make sure any warnings they issue are acted on immediately.
- We will set up a Council Policy Unit to act as a think tank for the organisation, to link together new and established initiatives, to advise on best practice elsewhere and to give advance warning of the impact of any new legislation or policies.
- We will review the way information and advice is given to councillors, and the way in which reports are written, in order to create a democracy which is as open and transparent as possible.
- We will radically improve Corporate Performance Management so the cost of a Service, the way the Service is delivered, and the achievements of the Service are linked together so we can see exactly what the result is of any investment of Council Tax payer money. We will use this information to hold councillors and officers to account for the success or failure of service delivery and we will undertake effective staff training to help us change the culture of the organisation to one that is open, transparent and focussed on positive change.
- We will ensure that the Council meets best practice in respect of equalities and diversity legislation, in all areas of activity including policy development, service delivery, community needs and recruitment.
- We will create a fairer system by implementing a comprehensive schedule of fees and charges for all appropriate Council services in line with the law, the Council's Constitution, accepted best practice and the Council's objectives and we will review that schedule annually.
- We will make sure that anyone elected as a Councillor, on the back benches or in the Cabinet, receives the proper help and training to allow them to carry out their roles and responsibilities effectively, to question and challenge, and be questioned and challenged themselves where necessary. We will ensure that any democratic structures reflect the best possible way of carrying out Council business in the interests of the Council Tax Payers.

Our Values

We will put the interests of all the people of Wirral above other considerations.

Elected members and staff will behave with honesty and integrity at all times.

We will practice openness and transparency and remain focussed on positive change.

We will welcome suggestions on how the Council can improve and positively encourage members, staff and the public to tell us when we have got something wrong.

We will be a “learning” organisation, where good practice is captured and rolled out across the Council, and where we actively seek ideas from other local authorities and external agencies.

We will make sure our decisions are based on clear evidence.

We will welcome public involvement in the work of the Council and we will carry out effective consultation, where appropriate, with the public and key stakeholders.

We will make sure that Council services fairly and transparently take into account the needs of vulnerable and marginalised groups when changes are made and that the Council is responsive to the diversity of Wirral’s communities.

We aim to be excellent in everything we do.

Health and Wellbeing

In following our route map:

- We will focus on the new Public Health role given to Local Authorities.
- We will seek in everything we do to recognise the way in which Council activities can have a direct impact on the Health and Well Being of Wirral residents.
- We will work in partnership to develop clear priorities and joined up services for improving the health and wellbeing of Wirral residents.
- We will improve the health and wellbeing of children and young people and maintain a clear focus on tackling health inequalities that exist within Wirral. This is a priority area in our child and family poverty strategy to ensure that we increase the impact of our activities in partnership with others.
- We will make sure services are in place to help keep older people fitter for longer and that the value and contribution they can make to society is properly recognised and respected.

Child Poverty

In following our route map:

- We will work with our partners to reduce the numbers of children and young people living in poverty and support them to build the foundations for prosperous, healthy and happy lives.
- We will work actively to initiate and support early detection and prevention programmes for children and adults which seek to tackle potential problems before they develop.
- We will make sure those programmes are based on solid evidence which can be analysed and evaluated in order to ensure the very best return in outcomes for any resources invested.
- Where evidence is not readily available, we will seek to run pilot programmes where outcomes can be properly assessed and used as guidance for future programmes.
- In developing approaches to early detection and prevention, we will build on existing activity such as Wirral's involvement in developing Community Budgets around the needs of families with multiple problems.
- We have placed child poverty as a central theme of this Corporate Plan; we will ensure that Council services are developed in line with the needs of children and families in poverty.

- **The Council will also lead co-ordinated action to work with partners and local communities to improve the lives of children and families living in poverty and add value to existing services and activity.**
- **We will improve information sharing amongst partners about best practice, and ‘what works’ in identifying and addressing issues of poverty.**
- **We will take co-ordinated action with partners to engage more children and families experiencing issues of poverty**

Neighbourhood Plans

In following our route map:

- **We will listen to what local residents and communities across the borough, from the poorest to the wealthiest areas, tell us are the priorities to improve their neighbourhoods. We will respond by providing services that meet their needs and aspirations.**
- **We have recently completed a major consultation exercise with Wirral’s communities to listen to what local people like about their neighbourhoods, and what they would like to see improved. We will use this consultation to help shape our neighbourhoods and the services they receive and we will continue to listen to local people’s views as we do this.**
- **We will help each area to use the devolved funds available to improve and shape where they live.**
- **Local people overwhelmingly told us that they have pride in their community and that neighbourhoods in Wirral have strong senses of identity and community spirit. We will work to build on this positive asset to strengthen our neighbourhoods and engage local people to help make a real difference to where they live.**

Investment Strategy

In following our route map:

- **We will pay particular attention to Wirral’s revitalised Investment Strategy which aims to build a strong, vibrant economy, through increasing the competitiveness of our people, places and businesses.**
- **We aim to have a borough with high levels of employment and investment, where businesses flourish, and all residents have the skills and opportunities to work. We will place a clear focus on increasing the number of jobs and employment opportunities for Wirral residents alongside our efforts to ensure longer-term prosperity through our Investment Strategy.**

- **We will seek to address the high levels of economic inactivity in disadvantaged groups and in the most deprived parts of Wirral through improving access to employment and skills, and tackling barriers to work. We will ensure that our young people are engaged in education, training and employment and are developing the skills they need for the future.**
- **We will make Wirral one of the most business friendly Councils in the country and a leading, vibrant global location for businesses and visitors. The delivery of our Investment Strategy is supported by a clear investment package and brand, including support for Wirral's tourism and visitor economy and a strong focus on international investment marketing.**
- **The Wirral Waters investment opportunity is now being promoted on an international basis. The Wirral Waters site has been designated as an Enterprise Zone, which will assist businesses through tax incentives, superfast broadband, improved infrastructure and simplified planning rules. We will also work hard to maximise the opportunities presented by the proposals to develop an International Trade Centre on the Wirral Waters site.**

Your ECONOMY

- We will seek to raise the income of Wirral people by doing everything possible to build a strong and vibrant economy with high levels of employment and opportunities for Wirral residents to improve their skills and find work. We will focus on making sure our young people can achieve their full potential in education and in the workplace.
- As the global recession has impacted on Wirral's economy, the Council has maintained a focus on supporting businesses and individuals during difficult economic conditions. We will make Wirral Council one of the most business friendly and supportive Councils in the country and develop the role of social enterprises in Wirral's economy.
- If we are to deliver a better future for Wirral and eliminate poverty, we need to improve access to employment and skills and tackle barriers to work for our most disadvantaged communities. We will work with partners and local communities to identify innovative ways of achieving this.
- We will position Wirral as a leading, vibrant global location for businesses and visitors. We will continue to support international trade links and develop our relationships with the private sector, to maximise inward investment and enable Wirral businesses to access new markets, sectors and opportunities. We will support Wirral's tourism and visitor economy and a strong focus on international investment marketing.
- We will work hard to deliver all of the opportunities presented by the Wirral Waters development.
- We will support the creation and growth of small and medium sized businesses.

Your ECONOMY	
Our goals for the next three years are to...	This year, we will focus on...
Improve access to employment and skills and tackle barriers to work	<p>Increasing the number of jobs and employment opportunities for Wirral residents</p> <p>Ensuring that new investment, economic and business growth is linked to tackling worklessness</p> <p>Tackling barriers to work and low skills in parts of Wirral and within disadvantaged groups, working with partners to ensure that pathways for skills and employment provide the best route out of poverty for local people and families</p> <p>Ensuring that our young people have excellent skills and opportunities into employment, including through Wirral's Apprenticeship programme</p>

	<p>Ensuring that young people not in education, employment and training are effectively supported to access the opportunities available</p> <p>Working with our partners to provide sustainable transport opportunities to access centres of employment.</p>
<p>Position Wirral as a leading, vibrant global location for businesses and visitors</p>	<p>Promoting and expanding our portfolio of high quality opportunity employment sites through the facilitation of priority projects</p> <p>Supporting the start up and development of key sectors by facilitating investment into specific key projects such as the infrastructure for renewable energy opportunities.</p> <p>Continuing to improve our relationships with the private sector to increase levels of inward investment and increase jobs</p> <p>Developing and implementing the Wirral Waters Enterprise Zone to support the Wirral Waters proposals</p> <p>Market Wirral as a business and visitor location through supporting Wirral's Tourism Business Network and delivery of successful visitor attractions including the 2012 Women's Golf Open</p>
<p>Make Wirral Council one of the most business friendly and supportive Councils in the country</p>	<p>Maximising available resources by co-ordinating all business support services through Invest Wirral</p> <p>Supporting the development of successful businesses, particularly those in key growth sectors</p> <p>Enabling an increasing role for social enterprises in Wirral's economy</p> <p>Adopting a more targeted approach to promoting Wirral as an investment location on an international stage and supporting Wirral businesses to access new markets and opportunities</p>

YOUR FAMILY: CHILDREN AND YOUNG PEOPLE

- **Reducing child poverty is a priority for the Council and we are clear about what we will do to achieve this. We will have a strong foundation to achieve this on the basis of the excellent Children's Services we provide and history of strong partnership working in Wirral.**
- **We will continue to work with our partners to protect children and young people from harm and improve the lives of the children and young people already in our care.**
- **We promise to deliver Children's Services that give all children the best possible start in life. As we are clear from our commitment to work actively to initiate and support early detection and prevention programmes, we will provide early intervention and support for vulnerable children and families through projects and activities with a focus on identifying problems early and stopping them developing.**
- **We will ensure that the services provided through our Sure Start and Children's Centres deliver effective support based on the needs of our local residents and communities.**
- **We will pay particular attention to early intervention measures, including the need to make sure youngsters are school ready and that outreach work and the multi agency approach contained in the Roots and Wings programme are used to make contact with hard to reach families.**
- **The attainment of children who are affected by poverty and disadvantage is an area of focus for the Council and its partners. We will therefore focus on ensuring that these children and young people have the additional support they need to improve their attainment and achieve their full potential and that 16-18 year olds not in employment, education or training can access opportunities**
- **Local people have told us that activities for children and young people in their area are an important priority for them. We will ensure that children and young people have access to a range of activities.**
- **We will continue to engage with our children and young people through forums such as the Youth Parliament and the Children in Care Council to ensure that the views of children and young people are central to the design of the services we provide.**
- **Our success in designing services to divert vulnerable young people from crime and anti-social behaviour has received external recognition. We will continue to work in partnership to promote an integrated approach to supporting young people.**

Your FAMILY: CHILDREN AND YOUNG PEOPLE	
Our goals for the next three years are to...	This year, we will focus on...
Protect children and young people from harm and improve the lives of the children and young people already in our care	<p>Safeguarding children and young people in need of protection</p> <p>Ensuring that children in care and care leavers have appropriate support which best meets their needs</p> <p>Commencing the delivery of Munro reforms to ensure that systems are centred on the needs of children and young people</p>
Support schools and other settings to improve educational provision and attainment, maintaining a clear focus on outcomes for those children and young people affected by poverty and disadvantage	<p>Implementing and evaluating the new School Improvement Strategy; ensuring we meet our statutory duties and meet the needs of schools, including Academies, through effective traded services</p> <p>Improving educational outcomes for children and young people affected by poverty and disadvantage</p> <p>Improving the educational attainment of children in care</p> <p>Improving provision, choice and outcomes for children and young people with Special Educational Needs and/or disabilities</p> <p>Reviewing the provision of behaviour support and reducing school exclusion</p>
Provide early intervention and support for vulnerable children and families	<p>Commissioning effective support and intervention services, for example Sure Start, improving outcomes for vulnerable children and families through parenting programmes, children and young people with disabilities and tackling harmful behaviour in children, young people and families</p> <p>Implementing the national Children's Centre payment by results research pilot to further improve the quality of targeted provision</p> <p>Ensuring every child is school ready</p> <p>Further developing effective partnership working to deliver joined up services for vulnerable families with complex needs through the delivery of the Community Budget pilot</p>
Ensure children and young people have opportunities to	<p>Providing children and young people with access to a range of appropriate developmental activities which meet their needs and encourage take up by making activities easily accessible</p>

<p>participate in activities which will help them achieve their potential</p>	<p>Providing opportunities for children and young people to be actively engaged in community and democratic decision making processes</p> <p>Ensuring that all young people aged 16-18 particularly those in vulnerable groups are effectively supported to access the education, employment and training opportunities available and, as part of this, implement the strategy for raising the participation age to 18 by 2015</p>
<p>Improve the health and wellbeing of children and young people, maintaining a clear focus on tackling health inequalities</p>	<p>Effectively implementing the Child Health Strategy and so reducing inequalities in the physical and mental health of children and young people</p> <p>Encouraging and supporting all children and families to achieve and maintain a healthy weight and lifestyle</p>

YOUR FAMILY: ADULTS

- We will safeguard vulnerable adults in Wirral and seek to protect them from harm through working in partnership to ensure that our arrangements and policies for protecting are robust.
- The way the Council delivers social care services is changing. Wirral is now amongst the best in the country for the numbers of eligible people using Personal Budgets, which give adults more choice about the support they receive.
- We will build on these improvements to ensure that local people receive excellent standards of support and care and are protected and feel safe.
- We will listen to people who use services, their carers and communities, to enhance the quality of life of the people of Wirral who have care and support needs. We will work with our local communities to ensure that people can access services that meet their needs locally, and have greater choice and flexibility in the packages of support and care available to them.
- In circumstances where people develop care needs, we will work effectively with our partners to provide them with appropriate support to help them recover and regain their independence as quickly as possible.
- We will make sure that the services we commission from other organisations are high quality, cost effective and meet the needs of local people.
- We will place a specific focus on ensuring that when children with disabilities move into adulthood, they receive quality information, advice and support services to make sure this transition is seamless.

Your FAMILY: ADULTS	
Our goals for the next three years are to...	This year, we will focus on...
Enhance the quality of life of the people of Wirral who have care and support needs	<p>Transforming in-house day services through engagement with local communities, residents and carers</p> <p>Providing integrated, high quality services in local settings</p> <p>Ensuring that people can manage their own support as much as they wish so that they are in control of what, how and when support is delivered to match their needs</p> <p>Provide support for people with learning disabilities and mental health needs to access training and employment opportunities</p>

<p>Delay and reduce the need for care and support</p>	<p>Ensuring that when people develop care needs the support they receive enables them to recover and regain their independence</p> <p>Reduce the need for formal care by increasing the use of high quality cost effective preventions services</p> <p>Ensuring that services commissioned from the voluntary, community and faith sector are cost effective and appropriately targeted</p>
<p>Ensure that the people of Wirral who use services have a positive experience of care and support</p>	<p>Ensuring that children with disabilities are effectively supported with the transition into adulthood</p> <p>Providing universally accessible information and support to people and their carers so that they are able to make choices about the care that they need to remain independent</p> <p>Ensuring that people who use social care and their carers are involved in the planning and evaluation of services, and are satisfied with their experience of care and support services</p>
<p>Safeguard people in Wirral whose circumstances make them vulnerable and protect them from avoidable harm</p>	<p>Ensuring that there are robust arrangements and procedures in place and followed in order that vulnerable people are kept safe and protected</p> <p>Ensuring that the provision of support and care in the independent sector is of the highest possible quality</p>

YOUR NEIGHBOURHOOD

- In line with the results of the Neighbourhood Plans, we will continue to use devolved funding to allow each area to meet the specific needs of their own communities.
- We will continue to tackle anti-social behaviour and work with the police and other partners to reduce crime. Local people told us that feeling safe in their neighbourhood is an important priority.
- We will work with partners to improve the condition of Wirral's housing stock and improve the energy efficiency to reduce levels of fuel poverty.
- Reducing Wirral's carbon footprint is an important priority for us and we work in partnership with local residents, partners and the private sector to address this.
- We have made impressive year on year progress to improve the amount of waste recycled in Wirral. Forty per cent of all household waste is now recycled and we will continue to build on this success, improving our recycling rates and reducing waste being sent to landfill sites.
- Local residents in all parts of Wirral have told us that having streets that are clean and tidy is an important priority to them. We will ensure that we deliver a reliable street cleansing service in all parts of the borough and use feedback from local residents to help us maintain standards. Wherever possible we will trace and prosecute flytippers
- Local people also want us to focus on having safe and well maintained roads. We have seen reductions in accidents on some of Wirral's busiest roads and we will continue to make Wirral's roads safer and target our resources effectively and in line with what local people have told us about their areas.
- Wirral's parks and countryside are very important to local communities and we will secure their future by improving how they are managed. We will also create even more opportunities for people to get involved and benefit from using these well-loved facilities in the areas in which they live and elsewhere in the borough. We will also encourage greater use of our high, quality and value for money leisure and cultural facilities in Wirral.
- We will respond effectively to the impact of welfare reform on the availability of and access to housing, including close partnership working with landlords in the borough.
- We will support those who are experiencing or who are at risk of homelessness and we will continue to work hard to improve access to advice and information about the housing options that local people have.
- The Council recognises that vulnerable people, including some of our children and young people, have additional housing needs and we will review the services we deliver to ensure that support is effective and targeted appropriately.

Your NEIGHBOURHOOD	
Our goals for the next three years are to...	This year, we will focus on...
Reduce anti-social behaviour and ensure that people feel safe in their neighbourhoods	<p>Working in partnership to ensure that preventative measures to reduce anti-social behaviour are in place and that there is a quick response when incidents occur</p> <p>Engaging with the community to ensure that Community Safety interventions are effective</p>
Reduce Wirral's carbon footprint	<p>Delivering the Council's carbon budget</p> <p>Working with local residents, partners and the private sector to improve energy efficiency</p>
Minimise waste by encouraging waste reduction and recycling	<p>Educating and raising awareness to reduce the amount of household waste being sent to landfill and improving recycling rates</p>
Have high standards of environmental quality in all of Wirral's neighbourhoods	<p>Delivering a reliable street cleansing service to keep Wirral's streets clean and tidy</p>
Have a safe and well-maintained highway network for all users	<p>Maintaining and improving Wirral's roads through a programme of highway maintenance and road safety improvements</p>
Provide and maintain high quality parks and countryside in partnership with local communities	<p>Delivering an improved in-house parks and countryside service that is value for money</p> <p>Working with local communities to maximise the use and benefits of Wirral's neighbourhood parks and open spaces</p>
Provide high quality, value for money leisure and cultural facilities for Wirral residents	<p>Promoting the leisure opportunities available within Wirral to impact positively on health and well being</p>

<p>Prevent and alleviate homelessness</p>	<p>Providing a range of interventions to assist people who are at risk of homelessness</p> <p>Ensuring a co-ordinated partnership approach in response to welfare reform, including providing benefits advice</p> <p>Improving access to privately rented accommodation</p>
<p>Support for people, including those who are vulnerable, to access suitable housing options</p>	<p>Reviewing housing services for vulnerable people in order to deliver efficiencies and improved outcomes</p> <p>Developing a plan to address the housing needs of vulnerable children and young people, incorporating the review of housing services for at risk young people and young people in care</p>
<p>Provide high quality and affordable homes and make the best use of the existing housing stock</p>	<p>Responding to housing market failure and restructuring housing market with partner organisations</p> <p>Exploring alternative funding and delivery mechanisms to provide high quality new and affordable homes</p> <p>Improving housing standards in the existing stock to make a positive impact on people's health and wellbeing</p> <p>Bringing empty properties back into use</p> <p>Developing partnership working with landlords to respond to the impact of welfare reform</p>

YOUR COUNCIL

- We will complete the actions under the Corporate Governance Review, (outlined above under Travelling Safely.)
- We will subject the Council to an external peer review in the summer of 2012 in order to assess how effective those actions have been.
- We will make sure that we know what outcomes are being delivered for the level of investment in resources used, both within the Council and in the commissioning of external services.
- We will make sure that we collect and evaluate the appropriate information in order to allow sound judgements to be made on whether or not we are delivering Value for Money in house, and whether or not any planned external contracts would provide better Value for Money or not.
- In taking key decisions, or planning new initiatives, we will move away from the use of anecdotal based evidence to the use of well researched factual evidence which can be clearly used to demonstrate the benefits of a planned course of action.
- We will make sure that the democratic structures in place reflect the most effective way of delivering sound services.
- We will be a skilled, committed and flexible workforce that is willing to go the extra mile for our local residents.
- We will take into account the needs of all Wirral residents and communities and meet our statutory duties in relation to equalities.

Your COUNCIL	
Our goals for the next three years are to...	This year, we will focus on...
<p>Ensure Wirral Council's Corporate Governance arrangements are robust, transparent and effective</p>	<p>Ensuring members and officers continue to work together to build on the foundations put in place by the Corporate Governance Review</p> <p>Ensuring that the Council's policies and practices are fit for purpose, consistently applied and transparently used by everyone</p> <p>Implementing outcomes of peer review taking place in Summer 2012</p>

<p>Improve the efficiency and value for money of Council services</p>	<p>Improving the delivery of services within available resources</p> <p>Ensuring the information provided for all service delivery decisions includes value for money considerations</p>
<p>Ensure we have a well led, skilled, committed and flexible workforce working to deliver excellent services to Wirral's communities</p>	<p>Ensuring Council staff are engaged and supported through cultural change</p> <p>Ensuring Council staff have the skills, training and capacity to deliver the Council's priorities and policies</p> <p>Ensuring the effective integration of the public health workforce and function into the Council</p> <p>Embedding our approach to equalities to ensure the Council fully meets its statutory duties relating to employees</p>
<p>Ensure that Council services fairly and transparently takes into account the needs of vulnerable and marginalised groups when changes are made and that the Council is responsive to the diversity of Wirral's communities</p>	<p>Developing, consulting on and implementing the Council's Equality Scheme</p> <p>Ensuring that the Council publishes and uses information relating to customers who share protected characteristics to shape services.</p>

This page is intentionally left blank

Equality Impact Toolkit (new version July 2011)

Section 1: Your details

Head of Service: Jim Wilkie

Department: Policy Unit

Date: November 2011

Section 2: What Council function / proposal is being assessed?

The Council's Corporate Plan 2012-13

Section 3: Is the Council function / proposal relevant to equality? (please tick relevant boxes)

- In services**
- In the workforce**
- In communities**
- Other** (please state)
- None** (please stop here and email this form to your Head of Service who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Within the Equality Duty 2010, there are 3 legal requirements. Which of the following are relevant to the Council function / proposal? (please tick relevant boxes)

- To eliminate unlawful discrimination, harassment and victimisation
- To advance equality of opportunity
- To foster good relations between groups of people

Section 5: Will the function / proposal have a favourable or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

Please list in the table below and include actions required to mitigate any negative impact.

Protected characteristic	Favourable or negative impact	Action required to mitigate any negative impact	Lead person	Timescale	Resource implications
All	Potential	Equality Impact Assessments identified / undertaken in relation to the specific actions identified in the Corporate Plan	Chief Officers / Heads of Service as appropriate and in conjunction with the Corporate Equality Group	By January 2012, in line with production of departmental plans	To be determined

Where and how will the above actions be monitored?

The Corporate Equality Group will monitor the programme of Equality Impact Assessments linked to the Corporate Plan. An initial exercise will be undertaken to identify the actions in the Corporate Plan which require EIA; some will be covered by existing assessments.

If you think there is no negative impact, what is your reasoning behind this?

-

Section 6: What research / data / information have you used in support of this process?

The Corporate Plan has been informed by a number of key drivers, including consultation with local people and evidence-based priorities for addressing child poverty. Both of these activities have been undertaken with a clear understanding of inequalities issues and the need to target and engage with protected groups.

Section 7: Are you intending to carry out any consultation with regard to this Council function / policy?

No – (please delete as appropriate)

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why:

The Corporate Plan has been directly informed by consultation with local people and organisations.

(please stop here and email this form to your Head of Service who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place?

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Head of Service who needs to email it to equalitywatch@wirral.gov.uk for publishing)

This page is intentionally left blank

CABINET

8 DECEMBER 2011

SUBJECT	BUDGET PROJECTIONS 2012-15
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR STEVE FOULKES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

1.1 Following the agreement of the budget for 2011-12 at the Council meeting on 1 March 2011, this report presents the projected budgets for 2012-15.

2.0 RECOMMENDATION

2.1 That the budget projections be regularly reviewed.

3.0 REASON FOR RECOMMENDATION

3.1 Regular reporting of the projected financial prospects is a requirement of good corporate and financial planning.

4.0 BACKGROUND AND KEY ISSUES**4.1 Assumptions Underpinning the Projections**

- a) Inflation - Provision is included for price inflation of 2% per annum from 2013 with income to continue to increase by 3% per annum. Pay awards will be limited to those employees earning less than £21,000 per annum for 2012-13 and are assumed to increase by 2% per annum from 2013. Cabinet on 3 November 2011 agreed to make no provision for price inflation for 2012-13.
- b) Capital Financing - Cabinet on 21 February 2011 agreed a capital programme at an increased revenue cost of £1.9m in 2012-13. Cabinet on 13 October 2011 agreed to the capitalisation of statutory redundancy payments in 2011-12 at an additional £0.3m. The capital programme for 2012-15 is reported elsewhere on this agenda.
- c) Pension Fund - the increase arising from the actuarial valuation including the impact of the outsourcing of the highways and engineering services contract will increase the contribution by £0.3m in 2012-13 and by £0.3m in 2013-14. The revaluation scheduled for March 2013 will be implemented from 2014.
- d) National Insurance – Employers NI changes will cost an additional £1m.
- e) Waste Disposal - Landfill Tax is increasing by £8 per ton per annum, an increase of 50% between 2010-11 and 2014-15. The levy is assumed to increase by £1.5m per annum from 2013.

- f) Merseytravel - From 2013 the levy is assumed to increase by £1m per annum.
- g) Schools - it is assumed that the Schools Budget will vary in line with the Dedicated Schools grant.
- h) Academies – the Department for Education proposes to reduce the budget by a further £0.9m in 2012-13 to fund academies.
- i) Neighbourhood Management – Cabinet on 2 June 2011 agreed to increase the budget by £0.4m to be funded by the Local Services Support Grant.
- j) Home to School Transport – Cabinet on 2 June 2011 agreed to increase the budget by £0.2m to be funded by the Local Services Support Grant.
- k) Integrated Transport – Cabinet on 23 June 2011 agreed to increase the budget by £0.3m.
- l) Housing – Cabinet on 21 July 2011 agreed to increased housing expenditure of £0.3m to equal the New Homes Bonus.
- m) Adult Social Services Re provision - £3.5m identified as part of budget preparation.
- n) Efficiency Investment - in order to continue to deliver efficiencies in future years it will be necessary to continue to invest and therefore £2m per annum has been provided.
- o) Other Unavoidable Growth - a number of items of unavoidable growth of less than £0.2m will arise. These usually total about £1m per annum.

4.2 Grant Negotiations

- 4.2.1 The Local Government Finance Settlement for 2011-12 incorporated a provisional settlement for 2012-13, in which the Formula Grant will be reduced by £14m.
- 4.2.2 The Spending Review 2011-15 incorporated four year projections for local government expenditure. However the Finance Settlement only provided figures for 2011-13. Figures for 2013-15 will be subject to the outcome of the Local Government Resource Review (LGRR). Clearly this will have a major impact on the budget projections for 2013-15 included in the appendix. The Terms of Reference for phase I of the LGRR were reported to Cabinet on 14 April 2011. A response to a consultation paper on phase I, localisation of business rates, was agreed by Cabinet on 13 October 2011. Phase II, community budgets, was reported to Cabinet on 1 September 2011. Subsequent phases will be reported to Cabinet as they are released.
- 4.2.3 The Government has announced a new general grant, the Local Services Support Grant of £1.2m. This absorbs a number of previous specific grants totalling £0.5m and was reported to Cabinet on 2 June 2011.
- 4.2.4 The New Homes Bonus of £0.3m has also been released as a general grant which was reported to Cabinet on 2 June 2011.

- 4.2.5. H. M. Treasury (HMT) has announced a Council Tax freeze grant for 2012-13 only equivalent to a 2.5% Council Tax increase, amounting to £3.3m for Wirral.
- 4.2.6. As part of the LGRR the Government proposes to reduce specific grants from 2013. The pro-rata impact for Wirral could be a loss of £7m in 2013-14 and £23m in 2014-15.
- 4.2.7. The EU is considering the introduction of a Financial Transactions Tax.
- 4.2.8. The provisional Local Government Finance Settlement for 2012-13 is expected imminently.

4.3 **Other Legislative Issues**

- 4.3.1 The Independent Public Service Pensions Commission issued final recommendations on 10 March 2011. The Pensions Committee is being updated on progress.
- 4.3.2 Pensions Contributions – HMT is seeking an amount equal to a 3.2 percentage point increase in contribution rates from 2012. Negotiations are ongoing and the latest options were reported to the Pensions Committee on 21 November 2011.
- 4.3.3 Welfare Reform Bill – Implementation of Universal Credit and a Local Council Tax Benefit System due to commence in 2013. The Local Council Tax Benefit System will result in a reduction of grant of £3.2m. A response to a consultation paper was agreed by Cabinet on 22 September 2011.
- 4.3.4 Localism Act 2011 - Will require a local referendum if a proposed Council Tax increase is considered to be excessive.
- 4.3.5 Council Tax Revaluation - This has been deferred until after 2015.
- 4.3.6 Council Tax Discounts – Consultation reported elsewhere on this agenda.
- 4.3.7 **Census** - During the course of this budgeting period the results of the Census 2011 will become available and will be incorporated into the grant distribution formulae. The Office for National Statistics (ONS) has released the Mid 2010 estimated populations. The reduction for Wirral since the Census 2001 is greater than for any other metropolitan or unitary authority. If this is confirmed in the Census 2011 then the reduction in grant receivable could be significant. The ONS has confirmed that the analysis of the Census data should be completed for incorporation into the Finance Settlement for 2013-14.

4.4 **Balances**

- 4.4.1 The budget for 2011-12 includes balances of £14.1m.
- 4.4.2 The final phase of the Early Voluntary Retirement/Voluntary Severance Scheme covering those staff due to depart in early 2011-12 was projected to utilise £4.4m of the balances. Cabinet on 13 October 2011 agreed to the capitalisation of statutory redundancy payments in 2011-12 increasing balances by a net £2.7m (£3m less increased capital financing costs of £0.3m).

- 4.4.3. The budget for 2011-12 will utilise £2.8m of the balances to fund one-off expenditure.
- 4.4.4. HM Treasury has announced two increases to National Insurance which will cost an additional £1m.
- 4.4.5. Cabinet on 17 March 2011 agreed to reinstate the budget for Fernleigh for 2011-12 at a cost of £0.5m.
- 4.4.6. Cabinet on 2 June 2011 received details of the Local Services Support Grant and the New Homes Bonus.
- 4.4.7. Cabinet on 23 June 2011 agreed that integrated transport would not deliver the previously agreed savings but would instead cost an additional £0.3m.
- 4.4.8. Closure of the Accounts for 2010-11 which was reported to Cabinet on 23 June 2011 resulted in a net overspending of £3.3m.
- 4.4.9. The Insurance Fund Annual Report presented to Cabinet on 23 June 2011 transferred £0.9m to balances.
- 4.4.10. The Treasury Management Annual Report presented to Cabinet on 23 June 2011 transferred £3.0m to balances.
- 4.4.11. Cabinet on 23 June 2011 agreed to transfer the Connexions Pension Reserve of £4.7m to General Fund balances.
- 4.4.12. This had originally been identified to meet reprovision costs of £3.5m in Adult Social Services in 2011-12.
- 4.4.13. Cabinet on 21 July 2011 agreed to allocate an amount equal to the New Homes Bonus for housing expenditure.
- 4.4.14. Cabinet on 22 September 2011 agreed to fund the costs of the independent review following the DASS PIDA totalling £0.3m.
- 4.4.15. Therefore the projected balances are as follows:-

	£m
Budgeted opening balance	14.1
Overspending 2010-11	-3.3
Insurance Fund	0.9
Treasury Management	3.0
Connexions Pension Reserve	4.7
Adult Social Services Reprovision	-3.5
EVR/VS	-1.4
Capital Financing	0.3
Policy Options 2011-12 only	-2.8
National Insurance	-1.0
Fernleigh	-0.5
Local Services Support Grant	0.5
Integrated Transport	-0.3
Independent Review	<u>-0.3</u>
Projected Balance	9.8

4.4.16. The minimum recommended balances are £6.0m.

4.5. **Savings**

4.5.1. Cabinet has agreed to the following savings:-

	2012-13	2013-14	2014-15
	£000	£000	£000
Human Resources IT System	474	100	20
Family Group Conferencing	130		
IT Services	400	400	400
Benefits	1,200		
Printing Services	<u>250</u>		
	2,454	<u>500</u>	<u>420</u>

4.5.2. Subsequently the Strategic Change Programme Board has been informed that the agreed savings from the implementation of the Human Resources IT system will not be achieved.

4.5.3. In addition to the savings agreed by Cabinet the Strategic Change Programme Board has agreed to the following additional savings for 2012-13:-

	£000
Looked After Children	70
Disposal of Assets	310
Office Rationalisation	123
Street Lighting	100
DASS Market Management	847
Facilities Management	<u>500</u>
	1,950

These revisions were reported to the Council Excellence Overview and Scrutiny Committee on 15 September 2011.

4.5.4. The full year effect of the Early Voluntary Retirement/Voluntary Severance scheme savings net of re-provision and structuring costs totals £17m which will be achieved in 2012/13. This will increase to £20m after the additional cost of the pensions has been met in 2017.

5.0 **RELEVANT RISKS**

5.1 Any projections carry risks. For 2012-13 the Government has indicated the provisional Formula Grant and so the risks are primarily with the expenditure projections which will be influenced by changes to Government policies, inflation, and delivery against budgets in 2011-12.

5.2 For 2013-15 the Government proposes significant changes to the grant distribution system which could cause major changes to these projections.

6.0 **OTHER OPTIONS CONSIDERED**

6.1 All of these projections represent my assumptions of the most likely outcome from a wide range of available options.

7.0 CONSULTATION

7.1 The Government is consulting on a number of issues which will impact on the budget projections. I respond to all consultation exercises to try to ensure the best outcome for Wirral.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no direct implications arising from this report.

9.0 RESOURCE IMPLICATIONS – FINANCIAL

9.1 The assumptions outlined above are reflected in the budget projections in the Appendix.

10.0 LEGAL IMPLICATIONS

10.1 There are none arising directly from this report.

11.0 EQUALITIES IMPLICATIONS

11.1 There are none arising directly from this report.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are none arising directly from this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are none arising directly from this report.

FNCE/282/11

REPORT AUTHOR: Ian Coleman
Director of Finance
telephone: 0151 666 3056
email: iancoleman@wirral.gov.uk

APPENDICES

Budget Projections 2012-15

REFERENCE MATERIAL

Budget - HM Treasury - March 2011
Independent Public Service Pensions Commission Report - March 2011
Spending Review - HM Treasury - October 2010
Medium Term Financial Strategy 2012-15 - October 2011
Local Government Finance Settlement 2011-13 - DCLG - January 2011
Council Budget 2011-12 - March 2011
Autumn Statement – HM Treasury – November 2011.

SUBJECT HISTORY

Council Meeting	Date
This report is revised for each meeting of the Cabinet.	

**Wirral Council
Budget Projections 2012-15**

	2012-13 £m	2013-14 £m	2014-15 £m
Base Budget	294.8	284.3	277.8
Increased Requirements			
Pay Inflation	1.0	3.5	3.5
Price Inflation	-	4.2	4.2
Capital Financing	2.2	2.0	2.0
Pension Fund	0.3	0.3	2.5
National Insurance	1.0	-	-
Academies	0.9	-	-
Waste Disposal	-	1.5	1.5
Merseytravel	-	1.0	1.0
Neighbourhood Management	0.4	-	-
Home to School Transport	0.2	-	-
Integrated Transport	0.3	-	-
Housing	0.3	-	-
DASS Re provision	3.5	-	-
Council Tax Benefit	-	3.2	-
Other Unavoidable Growth	1.0	1.0	1.0
Efficiency Investment	2.0	2.0	2.0
Specific Grant Reduction	-	7.0	16.0
	<u>307.9</u>	<u>310.0</u>	<u>311.5</u>
Reduced Requirements			
Income Inflation	-1.0	-1.0	-1.0
Savings Agreed	-2.0	-0.4	-0.4
Additional Savings	-1.9	-	-
	<u>303.0</u>	<u>308.6</u>	<u>310.1</u>
Resources			
Revenue Support Grant	34.2	31.0	28.0
Business Rates	110.6	110.6	99.0
Council Tax Grant	6.6	3.3	3.3
Local Services Support Grant	1.2	1.2	1.2
New Homes Bonus	0.3	0.3	0.3
Council Tax	<u>131.4</u>	<u>131.4</u>	<u>131.4</u>
Forecast Resources	284.3	277.8	263.2
Shortfall	18.7	30.8	46.9

This page is intentionally left blank

WIRRAL COUNCIL

CABINET

8 DECEMBER 2011

SUBJECT	CHANCELLOR OF THE EXCHEQUER'S AUTUMN STATEMENT
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR STEVE FOULKES
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1. The Chancellor of the Exchequer presented his Autumn Statement 2011 on 29 November 2011. This report provides a summary of the main issues, a number of which have a direct bearing on local authorities. The most significant is that the planned four years of spending cuts will now be extended for a further two years to 2017 although the Statement does not reveal where these additional cuts in spending will fall.

2.0 RECOMMENDATION

- 2.1 That the report be noted.

3.0 REASON FOR RECOMMENDATION

- 3.1 The report updates Members on the Chancellor's continuing proposals to ensure that the Government meets its fiscal mandate and debt target.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 The Government produces two significant budgetary policy statements per annum. The Budget is normally announced in March and deals with taxation and spending announcements. A pre-budget statement known since 2010 as the Autumn Statement provides information regarding future economic forecasts, which will impact upon future Government policy.
- 4.2 The 2011 Autumn Statement was issued by the Chancellor of the Exchequer on 29 November 2011. This Statement provides an update on Government plans for the economy based on the latest forecasts from the Office for Budget Responsibility which were published at the same time.

- 4.3 The June 2010 Budget set out the Government plan to reduce the deficit and rebuild the economy. Since then, the UK has been hit by a series of issues which have significantly weakened the economic and fiscal outlook;
- higher than expected inflation
 - the euro area crisis has increased instability and uncertainty
 - the continued impact of the 2008/09 financial crisis which has significantly reduced growth projections.

THE AUTUMN STATEMENT – KEY POINTS AND ACTIONS

4.4 Employment

- a. Raise the State Pension age to 67 between April 2026 and April 2028 in response to changes in demography. This measure is expected to save around £60 billion at current prices between 2026/27 and 2035/36.
- b. Set public sector pay awards at an average of 1% for each of the two years after the current pay freeze comes to an end. Departmental budgets will be adjusted in line with this policy, with the exception of the health and schools budgets, where the money saved will be recycled. Local authority pay settlements are not under the direct control of the Government but budgets will be adjusted on the assumption of comparable action being taken.
- c. Independent Pay Review Bodies will be asked to consider how public sector pay can be made more responsive to local labour markets, to report by July 2012, including a review of TUPE requirements.
- d. Complete a call for evidence on the impact of reducing the collective redundancy process for redundancies of 100 or more staff from the current 90 days to 60, 45 or 30 days.
- e. Other reviews of employment law in respect of the dismissal process will be undertaken.

4.5 Infrastructure

- a. Savings arising from the 2010 Spending Review period will be used to fund additional infrastructure spending of £6.3 billion, of which £1.3 billion was detailed e.g. the Growing Places Infrastructure Fund (£0.5 billion). More than £1.4 billion will be invested in railway infrastructure including commuter links and support to Network Rail infrastructure developments.
- b. Commitment to £5 billion spending on capital projects in the next Spending Review period as part of the National Infrastructure Plan.
- c. A “Memorandum of Understanding” has been signed with two groups of Pensions Funds to support additional investment. Work is being undertaken with the Association of British Insurers to set up an Insurers’ Infrastructure Investment Forum. It is hoped that these measures will target up to £20 billion of investment.

4.6 Enterprise

- a. In order to encourage bank lending to smaller businesses a national Loan Guarantee Scheme, providing up to £20 billion of guarantees, is to be introduced.
- b. An initial £1 billion Business Finance Partnership Fund will be created which will invest in smaller and medium sized businesses, through non-bank channels.
- c. A new Seed Enterprise Investment Scheme (SEIS) will be launched from April 2012 to encourage investment in new start-up companies. This will offer 50% income tax relief on investments in qualifying companies. Additionally, there will be a capital gains exemption on gains realised on disposal of an asset in 2012/13 and then invested through SEIS in the same year.

4.7 Regional Development

- a. The Regional Growth Fund for England will be increased by £1 billion and extended to 2014/15.
- b. 100% capital allowances will be made available in the Black Country, Liverpool and Wirral, North East, Sheffield and Tees Valley Enterprise Zones.
- c. A number of reforms to the planning and consenting regime are proposed including a 13 week maximum for the majority of non-planning consents, improving pre-application phase flexibility for major new infrastructure developments and reviewing the planning appeals process.
- d. The Government will consider allowing city mayors and partner local authorities to borrow against the income they will receive through the Community Infrastructure Levy where there is a demonstrable link to national infrastructure priorities.

4.8 Education and Young People

- a. Invest an extra £600 million to fund 100 additional Free Schools by the end of this Parliament. This will include new specialist maths Free Schools for 16-18 year olds, supported by strong university maths departments and academies;
- b. An additional £600 million to support those local authorities with the greatest demographic pressures. This funding should be enough to deliver an additional 40,000 school places.
- c. Invest a further £380 million a year by 2014/15 to extend the offer of 15 hours free education and care a week for disadvantaged two year olds to cover an extra 130,000 children

- d. The child element of the Child Tax Credit and disability elements of tax credits will be increased in line with the Consumer Price Index in 2012/13. However, the planned £110 above inflation increase in the child element of the Child Tax Credit will be shelved and there will be no increase in the couple and lone parents' elements of the Working Tax Credit in 2012/13.
- e. Introduce a "Youth Contract" for 18-24 year olds increasing support and providing employment incentives

4.9 Housing and Households

- a. Introduce a new build indemnity scheme to increase the supply of affordable mortgage finance for new build homes. The idea is to enable home buyers to purchase new build houses and flats with a 5% deposit, with the Government and house builders providing security for the loan.
- b. Reinvigorate the Right to Buy scheme to support social tenants who aspire to own their own home (providing for up to 50% discount). For each home purchased the Government will provide an additional affordable home, in addition to the 170,000 already announced through the Affordable Homes programme.
- c. Provide £400 million to launch a Get Britain Building investment fund, which will support firms in need of development finance.
- d. Support new developments, which could include modern garden cities, urban and village extensions. The Government will invite proposals from developers and local authorities for new developments which have clear local support.
- e. Set aside £675 million to freeze or reduce Council Tax during 2012/13.
- f. The Autumn Statement highlights that the DCLG has issued a document entitled 'Laying the Foundations: A Housing Strategy for England' which deals with a number of important themes including affordability, supply and empty homes. As reported to Cabinet on 24 November 2011 Wirral is to receive £2.7 million of Government capital grant to tackle half-empty and abandoned streets connected to Housing Market Renewal Initiative areas. This grant is conditional on Wirral matching the grant.

4.10 Business Rates

- a. 2012/13 Business Rates are to be up rated in line with the September 2011 Retail Price Index (RPI) at 5.6%. The business rate deferral scheme 2012/13 allows businesses to choose to defer 60% of this increase in their 2012/13 business rate bills, with half of the amount deferred to be repaid in 2013/14 and the final half in 2014/15.
- b. The small business rate relief holiday is to be extended for a further six months until 1 October 2012.

4.11 Fuel and Energy

- a. Defer the proposed January 2012 fuel duty increase and cancel the August 2012 inflation increase.
- b. Limit the increase to Transport for London fares and regulated rail fares to the RPI plus 1% for one year from 2012 (estimated cost to the Government is £290 million).
- c. The extension of Air Passenger Duty to flights taken aboard business jets is confirmed with an effective date of April 2013.
- d. The climate change levy discount on electricity for climate change with agreed participants available from 1 April 2013 will be increased to 90%.

4.12 Years Beyond 2014/15

The plans for public spending in 2015/16 and 2016/17 will be set in line with the spending reductions over the Spending Review 2010 period.

5.0 RELEVANT RISKS

5.1 There are none arising directly from this report.

6.0 OTHER OPTIONS CONSIDERED

6.1 There are no other options considered in this report.

7.0 CONSULTATION

7.1 No specific consultation has been undertaken with regard to this report.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no specific voluntary, community or faith implications arising from this report.

9.0 RESOURCE IMPLICATIONS

9.1. Whilst there are no quantifiable implications the Statement is quite explicit in stating that the Government will set plans for public spending in 2015/16 and 2016/17 in line with the spending reductions over the Spending Review 2010 period. Total managed expenditure will fall by 0.9% per year in real terms, the same rate as in the Spending Review 2010. Local authorities will therefore continue to experience severe financial pressures at least until March 2017.

10.0 LEGAL IMPLICATIONS

10.1 There are no specific legal implications arising from this report.

11.0 EQUALITIES IMPLICATIONS

11.1 There are no specific implications arising from this report.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no specific carbon reduction implications arising from this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no direct implications arising from this report.

FNCE/283/11

REPORT AUTHOR: Peter Molyneux
Chief Accountant - Financial Services
telephone: 0151 666 3389
e-mail: petemolyneux@wirral.gov.uk

REFERENCE MATERIAL

Autumn Statement – HM Treasury – 29 November 2011.

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Chancellor of the Exchequer's Budget 2910	22 July 2010
Cabinet - Chancellor of the Exchequer's Budget 2011	14 April 2011