



Finance and Best Value Overview and Scrutiny Committee

Date:	Monday, 22 September 2008
Time:	6.15 pm
Venue:	Committee Room 1 - Wallasey Town Hall

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AGENDA

1. DECLARATIONS OF INTEREST/PARTY WHIP

Members are asked to consider whether they have personal or prejudicial interests in connection with any item(s) on this agenda and, if so, to declare them and state what they are.

Members are reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they are subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement.

2. MINUTES

To receive the minutes of the meeting held on 4 June 2008, which were received or approved by the Council.

3. FINANCIAL MONITORING STATEMENT (Pages 1 - 6)

4. CORPORATE PLAN FINANCIAL AND PERFORMANCE MONITORING SUMMARY (Pages 7 - 98)

5. GENERAL FINANCIAL MATTERS (Pages 99 - 108)

6. PROJECTED BUDGETS 2009-2011 (Pages 109 - 116)

7. **TRANSFORMING ADULT SOCIAL SERVICES - ACHIEVING A STABILISED AND SUSTAINABLE BUDGET (Pages 117 - 124)**
8. **USE OF RESOURCES 2009 (Pages 125 - 130)**
9. **COMPREHENSIVE PERFORMANCE ASSESSMENT (CPA) - USE OF RESOURCES (Pages 131 - 154)**
10. **CHANGE PROGRAMME 2008-2009 (Pages 155 - 160)**
11. **MEDIUM TERM FINANCIAL STRATEGY (Pages 161 - 182)**
12. **CORPORATE RISK AND INSURANCE MANAGEMENT (Pages 183 - 186)**
13. **INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT) STRATEGY 2008-2011 (Pages 187 - 216)**
14. **LOCAL GOVERNMENT CHRONICLE (LGC) FINANCE AWARDS 2008 (Pages 217 - 218)**
15. **OVERSEAS TRAVEL (Pages 219 - 222)**
16. **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

The public may be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information.

RECOMMENDED –

That in accordance with section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A to that Act.

17. **CASH COLLECTION SERVICES (Pages 223 - 226)**
18. **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR**

WIRRAL COUNCIL

FINANCE & BEST VALUE OVERVIEW & SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

FINANCIAL MONITORING STATEMENT

1. EXECUTIVE SUMMARY

1.1 This report provides a summary in tabular format of the current position of the Authority revenue accounts and General Fund balances.

2. MONITORING STATEMENT

2.1 The monitoring statement is attached to this report and includes the following:

- Composition of the original 2008/09 budget by department including agreed savings and policy options. At the request of the Committee on 4 June 2008 details of the agreed savings and efficiencies are included as an Appendix.
- Monitoring against the 2008/09 budget including the financial implications of any Cabinet decisions.
- Anticipated variance against the original budget.
- Explanation of variances and areas identified as requiring further attention.

2.2 The monitoring statement is based upon the information provided within departmental financial monitoring reports and is updated and submitted to each meeting of this Committee.

3. FINANCIAL AND STAFFING IMPLICATIONS

3.1 The statement presents an update of the Authority revenue budget and General Fund balances as at 31 July 2008.

3.2 At this stage of the financial year there are reports of financial pressures in:-

Adult Social Services continue to project a £3.6 million overspend. The Director reported to Cabinet on 4 September 2008 on actions to address the pressures which are mainly around Community Care increasing demand and the inflation rises requested by providers.

Children & Young People are projecting a £3 million overspend essentially because of the implementation of prior year targets plus issues in respect of employee savings targets and care costs for children through increasing demands. The Director is looking at actions to contain spend including maximising the use of grants.

Treasury Management activities continue to be affected by the volatility of the financial market. Close monitoring has resulted in increasing investment income and a reduced need for temporary borrowing. The projections are for a £0.9 million underspend.

A report on energy related costs was presented to Cabinet on 9 July 2008. Budget variations of £0.9 million were approved for 2008/09 in respect of Children & Young People and Technical Services and there are energy related contracts due for renewal in the coming months which could further impact upon the balance by up to £2.6 million.

- 3.3 Following the completion of the 2007/08 accounts the outturn was reported to Cabinet on 26 June 2008 and the Statement of Accounts to Audit & Risk Management Committee on 30 June 2008. The year showed a net underspend and an increase in the balance at 31 March 2008 of £2.5 million.
- 3.4 The Insurance Fund Annual Report was presented to Cabinet on 9 July 2008. The outcome of the annual actuarial assessment identified continuing improvements in claims handling and repudiation rates which enabled £3 million to be returned to General Fund balances from the Insurance Fund in 2008/09.
- 3.5 The Government has issued a Determination on the distribution of the Local Authority Business Growth Incentive (LABGI) grant for 2007/08. The Wirral allocation of £1.3 million was reported to Cabinet on 23 July 2008 and added to the balances.
- 3.6 Based upon the preceding sections the projected balance at 31 March 2009 has increased from £5 million to £11.8 million. Cabinet has agreed to budgetary increases of £0.9 million for energy and fuel whilst recognising that the pressures could total £3.5 million this year. The impact of the energy pressures, if realised, and the variations, if not contained, would see the balances reduce to £2.6 million.
- 3.7 There are no staffing implications arising directly from this report.

4. EQUAL OPPORTUNITIES IMPLICATIONS

- 4.1 There are none arising directly from this report.

5. HUMAN RIGHTS IMPLICATIONS

- 5.1 There are none arising directly from this report.

6. LOCAL AGENDA 21 IMPLICATIONS

- 6.1 There are none arising directly from this report.

7. **COMMUNITY SAFETY IMPLICATIONS**

8.1 There are none arising directly from this report.

9. **PLANNING IMPLICATIONS**

9.1 There are none arising directly from this report.

10. **LOCAL MEMBER SUPPORT IMPLICATIONS**

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

11. **BACKGROUND PAPERS**

11.1 Financial and Performance Monitoring Report - September 2008.

12. **RECOMMENDATION**

12.1 That the contents of the financial monitoring statement be noted.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/195/08

WIRRAL COUNCIL
FINANCIAL MONITORING STATEMENT 2008/09
POSITION AS AT 31 JULY 2008

Department	ORIGINAL BUDGET 2008/09			MONITORING 2008/09				COMMENTS
	Savings Target	Policy Options	Agreed Budget	Savings Target	Policy Options	Cabinet Decision	Projected Variances	
Expenditure	£000	£000	£000			£000	£000	
Adult Social Services	4,494	20	86,656	X	✓	-	+3,600	Work needed on day care and procurement savings. Pressures remain on care services through underlying over commitment. Projecting a £3.6m overspend - reporting to Cabinet on actions.
Children & Young People	3,981	20	70,560	X	✓	+120	+3,000	Evaluating actions to address potential £3m overspend. Mainly due to delivery of prior year savings (£0.5m), staffing (£1.1m), child care (£0.6m) and SEN costs (£0.7m). Cabinet decision regarding fuel costs.
Corporate Services	538	441	5,915	✓	✓	+148	-	Cabinet decision is transfer from Treasury Management.
Finance	1,696	40	21,048	✓	✓	-	-	Housing Benefit is the largest and most volatile area.
Regeneration	821	225	41,229	✓	✓	-	-	Procurement savings to be identified whilst pressure areas are energy costs and income targets.
Technical Services	1,237	145	35,609	✓	✓	+780	-	Will report to Cabinet on budget changes to address pressure areas. Land charges income and procurement savings are being reviewed. Cabinet decision on energy costs for street lighting.
Treasury Management	0	200	11,755	N/a	✓	-148	-900	The financial market remains volatile. Closer management of cash flow generating more investment income and lesser temporary borrowing.
Merseytravel	-	-	25,311	N/a	N/a	-	-	Fixed amount – no change.
Local Pay Review	-	-	4,546	N/a	N/a	-	-	Cabinet received a report 22 May with payments planned July/August.
Bridging Finance from Balances	-	-	(1,900)	N/a	N/a	-	-	Asset savings and Adults income from fees 2009/10.
Contribution from Balances	-	-	(2,202)	N/a	N/a	-900	-	See Cabinet decisions regarding fuel and energy costs.
Budget Requirement	12,767	1,091	298,527				+5,700	
Income								
Revenue Support Grant	-	-	18,016	N/a	N/a	N/a	N/a	Fixed amount – no change
Area Based Grant	-	-	28,390	N/a	N/a	N/a	N/a	Government still to confirm final allocations
National Non Domestic Rate	-	-	129,413	N/a	N/a	N/a	N/a	Fixed amount – no change
Council Tax	-	-	123,217	N/a	N/a	N/a	N/a	Fixed amount – no change
Collection Fund Deficit	-	-	(509)	N/a	N/a	N/a	N/a	Fixed amount – no change
Total Income			298,527					Fixed amount – no change
Statement of Balance								
As at 1 April	-	-	8,593	-	-	-	5,000	Opening balance – forecast 1 April 2009
Contributions from Balances	-	-	(4,102)	-	-	-	-	
Contributions from Reserves	-	-	509	-	-	-	+3,000	Release of Insurance Fund Cabinet 9 July
Cabinet decisions	-	-	-	-	-	-	+3,800	Completion of 2007/08 accounts £2.5m (26 June) and LABGI grant £1.3m (23 July).
Cabinet decisions	-	-	-	-	-	-	-900	Fuel/energy (23 July) - potential £3.5m costs of which £0.9m allocated)
Issues – Projected Variances	-	-	-	-	-	-	-8,300	Based upon present overspend projections for Adults and Children and potential energy costs for which further reports are to go to Cabinet.
BALANCES AT 31/03/08 & 31/03/09			5,000				2,600	Projected balance at start / end of year
Key = No concern for item			✓					
Key = Concern for item			X					

SAVINGS AND EFFICIENCIES 2008/09 £

Adult Social Services

Re-organisation of Fieldwork Teams	250,000
Continuing E Monitoring & Care Procurement Assessment	100,000
Choice through Individualised Care & Direct payments	200,000
Ensure funding is correctly allocated between PCT and ADSS	200,000
Reduction in management and support costs	425,000
Reduce posts in HR and Staff Development	250,000
Reduce admin posts in SWIFT team	150,000
Care services procurement – joint working with PCT	100,000
Use of Supported Living as opposed to Residential Care	250,000
Increase in non residential care charges	1,324,000
Review of day services	700,000
Procurement	545,000
	4,494,000

Children and Young People

Reduce sickness levels and the use of agency staff	100,000
Cost effective facilities management	25,000
Reduce out of borough placements	650,000
Closure of Poolwood children's homes	500,000
Reviews in social care	
- Re-organisation of Family Support Team	173,000
- Re-organisation of Youth Offending Services	70,000
- Review of Operational Support	190,000
Reviews in participation and inclusion	
- Review of contracts support	19,100
- Review support for Quality and Review function	84,300
- Restructure CAHMS	36,900
- Reconfigure Behavioural Review programme	200,000
- Independent Residential Care and joint funded placements	205,000
- Review play services commissioning	37,000
- Review Social Welfare	86,000
Planning and resources – rationalise procedures and support	421,000
Learning and achievement	
- Increase school targeting of Curriculum Challenge & Support	224,000
- Restructure Music Service and increase charges	127,000
- PDC and Standards Fund - reduce admin support	100,000
Restructure and consolidate Early Years and Sure Start	150,000
Procurement	583,000
	3,981,300

Corporate Services

Skills specific training	25,000
Integrated payroll operation	50,000
Supplies	100,000
Reduce Strategic Development staffing	75,000
Restructure corporate policy	60,000

Transformational Change restructuring	30,000
Review legal and democratic services	40,000
Review central services	50,000
Restructure tourism and marketing	60,000
Procurement	48,000
	538,000
Finance	
Staffing review following creation of Corporate ICT unit	100,000
Housing/CT Benefit Subsidy	600,000
Integrated IT system – staffing	260,000
Integrated IT system - IT contract	120,000
Removal of cash collection at OSS	30,000
Reduce call centre staffing	80,000
Systems support - new technology savings	200,000
Procurement	306,000
	1,696,000
Regeneration	
Better use of IT	28,700
Change in CCTV control room operating hours	51,000
Community Support Officers	105,000
Alleygating support reduced to residual maintenance	65,700
Review finance and monitoring function	27,500
Re-organisation of Supported Housing	14,300
Housing finance from grants to loans - staff re-assignment	85,700
Procurement	443,000
	820,900
Technical Services	
Review corporate health and safety functions	30,000
Review of Traffic Management Function	35,000
Increased income from energy conservation	5,000
Merge Building and Development Control admin	50,000
Reduce staffing costs associated with highway maintenance	75,000
Waste, cleansing and recycling contract management and admin	45,000
Review of income levels from external services	55,000
Review waste contract budgets to align with current spend	141,600
Extend existing Streetscene/grass cutting contract	30,000
Review school crossing patrol service	32,400
Increase car parking charges by 10%	100,000
Reduce development control to match falling demand	50,000
Instigate CRM project	50,000
Review admin/back office function in light of improved ICT	30,000
Highways Maintenance	283,000
Procurement	225,000
	1,237,000
Insurance Fund	666,000

TOTAL SAVINGS / EFFICIENCIES 2008/09 **13,433,200**

WIRRAL COUNCIL

CABINET - 4 SEPTEMBER 2008

REPORT OF THE CHIEF EXECUTIVE

CORPORATE PLAN FINANCIAL AND PERFORMANCE MONITORING SUMMARY

1. EXECUTIVE SUMMARY

- 1.1. This is one of a series of reports submitted throughout the year presenting an overview of the performance of the council in delivering the vision for Wirral as set out in the corporate plan and covers the first quarter of 2008/9.
- 1.2. This report provides an overview of the authority's performance and the attached appendices give a more detailed break down against performance, capital and revenue budgets and risks. A fifth appendix identifies the list of three year targets for the corporate plan.

2. STRUCTURE OF THE REPORT

- 2.1. This summary report provides an overview of all the corporate indicators and projects and sickness / absence (section five). It then provides exceptions reports on the indicators and projects that deliver the improvement priorities. It also provides a whole council view of the resource (section six) and capital positions (section seven) and a summary of actions taken to contain the key risks (section eight).
- 2.2. Appendix A provides a breakdown by department of all corporate plan indicators and projects at the first quarter.
- 2.3. Appendix B provides a more detailed view of the revenue position at the first quarter.
- 2.4. Appendix C provides a more detailed view of the capital position at the first quarter.
- 2.5. Appendix D provides a more detailed view of the actions taken to manage key risks at the first quarter.
- 2.6. Appendix E provides the three year targets to accompany the corporate plan. These are explained further in section 4.
- 2.7. Further improvements to the structure of the report will be made for the second quarter.

3. CONTEXT OF CORPORATE PLAN

- 3.1. The council's vision is delivered through five strategic objectives and 11 improvement priorities. These are:

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

- Reduce worklessness

- Increase enterprise
2. **To create a clean, pleasant, safe and sustainable environment.**
 - Increase levels of recycling
 - Reduce the council's carbon footprint
 - Reduce number of people killed or seriously injured in road accidents
 3. **To improve health and well being for all, ensuring people who require support are full participants in mainstream society.**
 - Promote greater independence and choice
 4. **To raise the aspirations of young people**
 - Raise overall educational attainment, particularly lower achieving young people.
 - Safely reduce the number of looked after children.
 5. **To create an excellent council.**
 - Improve the use of the council's land and assets.
 - Create a sustainable and stable budget, providing value for money
 - Improve the council's budgeting process to fully reflect its priorities.

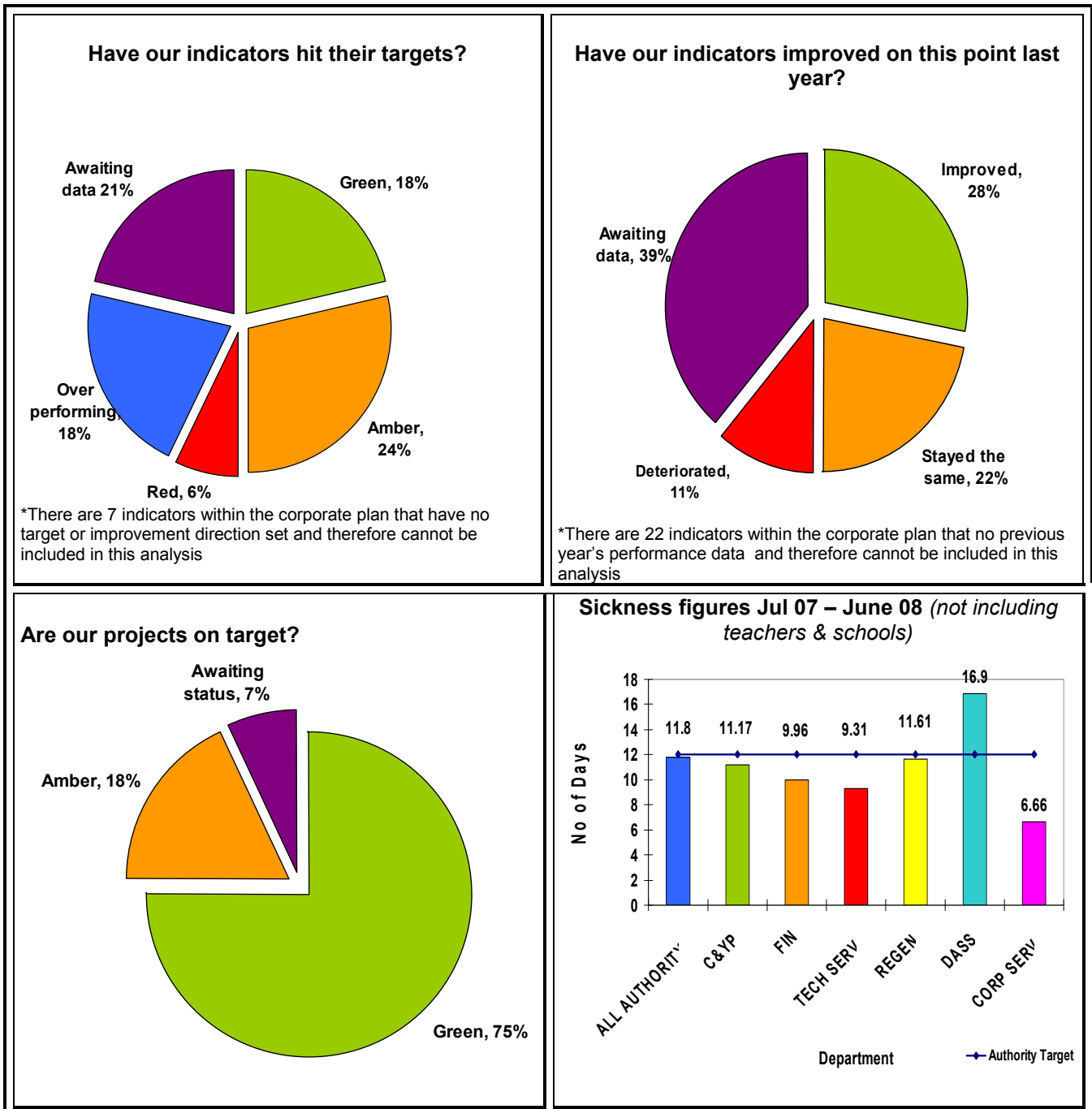
3.2. This report provides a progress update against these areas for members. The purpose of the report is to highlight any areas of concern and make clear any corrective action that departments are taking.

4. THREE YEAR CORPORATE PLAN TARGETS

4.1. This report also presents the three year targets for the corporate plan for approval in appendix E. Due to the introduction of the national indicator set, which replaced the previous best value performance indicator regime, the new corporate plan, and new local area agreement, it has not been possible to complete the target setting process until now. This means that the targets against which the monitoring below takes place has not yet been agreed and thus they are included in this report. This situation is unique to this year, and next year's targets will be approved well in advance of this point.

5. CORPORATE PLAN PERFORMANCE

5.1. The corporate plan contains a series of performance indicators and key projects to deliver the objectives in the plan. Their progress is reported via any performance exceptions. These exceptions are summarised below and are given in more detail in the performance appendix (A) attached.



5.2. The graphs above reflect the position of all corporate plan indicators and projects. The progress against the improvement priorities for 2008/9 is detailed below.

5.3. Progress against the improvement priorities

5.4. There are 39 key projects identified as contributing towards the delivery of the 2008/09 priorities for improvement and at the end of June 35 were on target and four require corrective action:

Key projects identified for improvement 2008/09	Status	Corrective action	Portfolio
Access and assessment arrangements	Amber	Potential slippage into 2009/10 as a result of delays	Social Care & Inclusion

		implanting revised DASS structure	
Ensure there are no schools if Ofsted categories	Amber	Intervention and support provided to the one school in a category	Children's Services & Lifelong Learning
Implement our procurement strategy to ensure that services and goods are acquired economically and efficiently, and if advantageous, in partnership with others.	Amber	We expect the slight underperformance in respect of the corporate savings targets in Quarter 1 to be rectified when a number of high value contracts are let. A detailed progress report on Procurement Efficiencies and a revised Corporate Procurement Strategy will be considered by Cabinet in September.	Finance and Best Value
Exceed government standards for Housing and Council Tax benefits and Council Tax collection.	Amber	New staff are in post and being trained as part of the normal management cycle. We do not expect a significant variation from target at the year end.	Finance and Best Value

5.4.1. Continued improvements in recycling rates from the investment into this area of activity have been supported by the use of the Waste infrastructure capital grant. Financial pressures remain within the care services within Adult Social Services and Children & Young People as a consequence of increasing demand which is proving challenging to manage.

5.4.2. The next period sees reports presented to Cabinet highlighting progress, and updating, of the key resource strategies which underpin the delivery of the Corporate Plan as well as a review of the priorities for improvement for 2009/10.

5.5. The tables below show the quarter one performance position for the improvement priorities. The performance exceptions are listed in the attached appendix A.

Have our indicators improved on this point last year?

% PIs	No. of PIs	
5.88%	1	Improved by more than 2.5% on previous year's performance
0.00%	0	Deteriorated by more than 2.5% on previous year's performance
5.88%	1	Stayed within +/-2.5% of previous year's performance
17.65%	3	Awaiting data
70.59%	12	Not applicable*
100.00%	17	

Have our indicators hit their targets?

% PIs	No. of PIs	
17.65%	3	Green (within +/-5% of the target)

23.53%	4	Amber (missed or exceeded target by more than 5% but less than 10%)
5.88%	1	Red (missed target by more than 10%)
17.65%	3	Over-performing (more than 10% of the target)
17.65%	3	Awaiting data
11.76%	2	Target not set
5.88%	1	Not Applicable
100.00%	17	(Note: percentages rounded to 2 decimal places)

- 5.6. In 2007 the department for Communities and Local Government implemented a new national set of 198 performance indicators that replaced the previous best value performance indicator regime. The Audit Commission has indicated that these will be an important source of evidence within the Comprehensive Area Assessment process. Particular attention in this process will also be paid to those indicators adopted as Local Area Agreement Targets. It is important therefore that the council monitors performance against these targets. All national indicators are covered in departmental plans and a selection are also corporate plan indicators.
- 5.7. Customer feedback is now recorded on the Customer Relationship Management (CRM) system and includes both complaints (excluding statutory complaints under adult Social Services and Children & Young People) and compliments. Of the Stage 1 complaints these primarily related to Technical Services and the implementation of changes in the refuse collection service. A total of 10 enquiries were received from the Ombudsman spread over all departments. All but one was responded to within the prescribed timescale with this being returned one day late. Of the compliments recorded there were 117 with the majority being for Adult Social Services.

6. FINANCIAL MONITORING

- 6.1. The net Council spend for 2008/09 is £299 million. The monitoring compares spend against the approved budget which includes growth and policy options as well as the agreed savings targets. When setting the 2008/09 budget the projected balances at 31 March 2009 were £5 million.
- 6.2. At 30 June the position, for which more detail is included in Appendix B, is:-

Details	£million	£million
Projected General Fund balances at 31 March 2009 when setting the budget for 2008/09		5.0
Cabinet decisions		
26 June - Financial out-turn for 2007/08 showed an underspending and contribution to balances		+2.5
Projected variances / potential overspends		
Overspend		
Adult Social Services	+3.6	
Children & Young People	+3.0	
Underspend		
Treasury Management	-0.8	-5.8
General Fund balances at 31 March 2009 based upon		

the latest projections		1.7
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- 6.3. The completion of the year-end accounts resulted in an increase in the projected balances at 31 March 2008 by £2.5 million. The main spending pressures within Adult Social Services more than offset by the increase in Housing Benefit grant and the benefits from Treasury Management activities.
- 6.4. Within Adult Social Services the pressures of increasing demand for care services that resulted in an overspend in 2007/08 remain. In terms of savings there are issues around the implementation of the locality structure (£0.7 million) and the review of out-of-home activities, including day services, (£0.7 million) both of which are at risk of slipping. The Director is investigating alternative and one-off savings and the present projections indicate a £3.6 million overspend primarily within Community Care.
- 6.5. Under Children and Young People the area of Special Education Needs (SEN) has seen more placements, and at a higher cost, than planned and includes transport with a variation of £0.7 million identified. There are also budget pressures from the care of young people that resulted in the overspend in 2007/08 added to by the changes to the court proceedings. The Director is considering other options in order to offset any increased costs. With the challenges from the employee related savings targets and the impact upon existing vacancy control targets together with the service re-engineering savings brought forward from 2007/08 these form the significant part of the projected overspend of £3 million. Actions, as last year, will be from a combination of spending reduction measures and maximisation of grant opportunities.
- 6.6. Treasury Management includes the management of cash flow and the need to borrow to fund investment has been re-engineered reducing the requirement for temporary borrowing. The savings achieved in 2007/08 continue and will deliver £0.5 million in 2008/09. Opportunities from the increased rates offered by the banking sector have been taken as a consequence of the improved cash management and at this stage of the year the additional income realised is in the order of £0.3 million and expected to increase in the coming months.

7. CAPITAL MONITORING

- 7.1. The capital programme for 2008/11 was approved by Council on 17 December 2007 and confirmed as part of the budget by Council on 3 March 2008. The monitoring, which is detailed in Appendix C, compares the original programme with the latest forecast which includes slippage from 2007/08 that was agreed by Cabinet on June 26.
- 7.2. The Director of Adult Social Services has commenced the consultation on a review of intermediate care that will also impact upon the decisions regarding adult accommodation provision. All schemes are therefore subject to review pending the outcome of the consultation.
- 7.3. The Building Schools for the Future (BSF) – One Pathfinder project continues to progress in accordance with the timescales agreed with the

Department for Children, Schools and Families. With the Department having re-profiled the funding a start on site is expected early in 2009.

- 7.4. Under the national scheme to develop Children's Centres Phase 1 and Phase 2 has now seen 17 of the 19 centres opened. The remaining two were re-programmed into 2008/09 and are at the tender stage.
- 7.5. The funding from the Department for Children, Schools and Families for the Primary Capital Strategy is anticipated to be clarified in September. The local authority strategy document having been submitted for consideration.
- 7.6. The Oval Sports Centre is undergoing a substantial programme of works both to the main building and to the creation of 5-a-side pitches. This has been the subject of well reported delays for a variety of reasons with the main facility expected to re-open in late summer. The redevelopment of New Brighton is progressing well which includes the Floral Pavilion that is anticipated to open in November.
- 7.7. The Special Initiatives element of the programme includes schemes and related funding in respect of Objective One (£5.5 million) and the Single Regeneration Budget (£4.5 million). The schemes contribute towards the conclusion of the Merseyside-wide programme which is shown under 2008/09 but will be further refined as it is not due to complete until 2010.
- 7.8. The Housing Market Renewal Initiative (NewHeartlands) continues to progress although the impact of the worldwide and national financial situation is affecting developers. The size and nature of the programme requires both the programme and the funding to be more flexible with the re-phasing of expenditure and resources kept under review to maintain continuity of progress.
- 7.9. In terms of future years the proposals for addressing the Bidston Moss Viaduct are nearing conclusion with the Department for transport having earmarked the scheme for funding, subject to the constituent authorities agreeing to a share of the funding. This was reported to, and agreed by, Cabinet on May 22.

8. RISK MONITORING

- 8.1. The revised Corporate Risk Register was agreed by Cabinet on 13 March 2008. This was the baseline document and is reviewed quarterly with Appendix D highlighting progress and any additional issues identified.
- 8.2. For most of the risks the planned improvements in control actions have been implemented along with further identified actions to ensure that the risks are being controlled. Examples of positive developments include:-

Risk	Description	Positive Developments in Control
3.	Key Council services are not resilient to disruption and business continuity arrangements are inadequate.	The Department of Adult Social Services has completed its departmental business continuity plan. A survey of the preparedness of all external partners/service providers has been undertaken and guidance supplied.

		Information provided by them as to their business continuity planning arrangements has been evaluated and further awareness raising sessions planned. An exercise to test the pandemic flu plan has been undertaken with Adult Social Services and the Primary Care Trust.
11.	We do not recruit and retain appropriate staff or develop them effectively.	Elected Member and corporate leadership Development programmes are continuing according to plan. Our approach to workforce planning/talent management is continuing as planned.
14.	Failure to plan and manage performance (CPA) and finances in accordance with plans and budgets	The finance and performance monitoring framework and timetable were reviewed and reported to Cabinet in April. An enhanced Corporate Improvement Group was introduced in April
19.	Failure to progress the regeneration of economically disadvantaged areas	An agreement with Lovell was reached in March and building work is to commence in July.

8.3. Those areas where progress in implementing controls has not proceeded to timetable or where information is not available are:

Risk	Description	Areas where Control Actions have yet to be progressed
3.	Key Council services are not resilient to disruption and business continuity arrangements are inadequate.	A corporate business continuity plan has been drafted but requires consultation. The date for completion has therefore been revised to November 2008.
6.	Community expectations are not properly understood or managed well.	Although preparations for CAA are underway some elements of the regime have yet to be clarified by central government.
17.	Failure in safeguarding arrangements (adult or child)	The timetable for appointment of a Mental Health Capacity Act Coordinator has been put back to September. The introduction of a New Child Care Risk Management Procedure has been put back to September The deadline for improved audit and scrutiny capacity governed through LSCB has been put back to September.
19.	Failure to progress the regeneration of economically disadvantaged areas	Formation of the new department of Human Resources, Law & Asset Management has been delayed.

8.4. The following have been identified as having potential corporate significance and are subject to further review and consideration:-

- Impact of volatility and a downturn in the economy
- Adverse effect on Council budgets of rising energy prices.
- Susceptibility of IT provision to disruption.

- Financial and environmental impact of delay in or failure to acquire and gain planning consents for sites needed to deliver the MWDA procurement programme.

9. OTHER IMPLICATIONS

- 9.1. There are no equal opportunities, human rights, community safety, local member support, local agenda 21 or planning implications arising directly from this report.

10. BACKGROUND PAPERS

- Wirral Corporate Plan 2008-11
 - Appendix A – Performance Monitoring Summary
 - Appendix B – Financial Monitoring Summary
 - Appendix C – Capital Monitoring Summary
 - Appendix D – Corporate Risk Monitoring Summary
 - Appendix E – three year targets for the corporate plan

11. RECOMMENDATIONS

That

- (1) the performance to date be reviewed and any areas for further action be identified; and
- (2) the attached three year targets for the corporate plan be approved.

**STEPHEN MADDOX
CHIEF EXECUTIVE**

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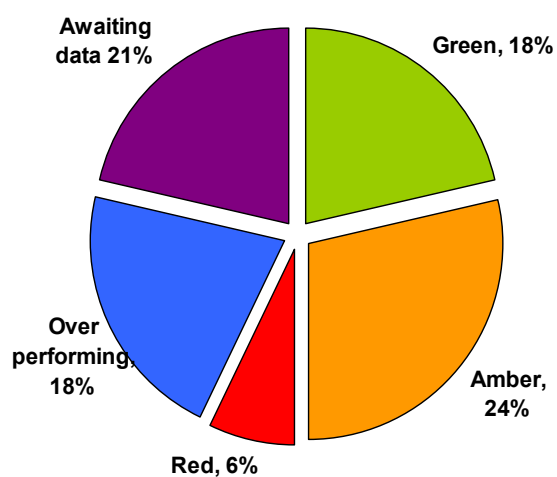
PERFORMANCE MONITORING SUMMARY

REPORT OF THE DEPUTY CHIEF EXECUTIVE / DIRECTOR OF CORPORATE SERVICES

1. Overall corporate plan progress summary

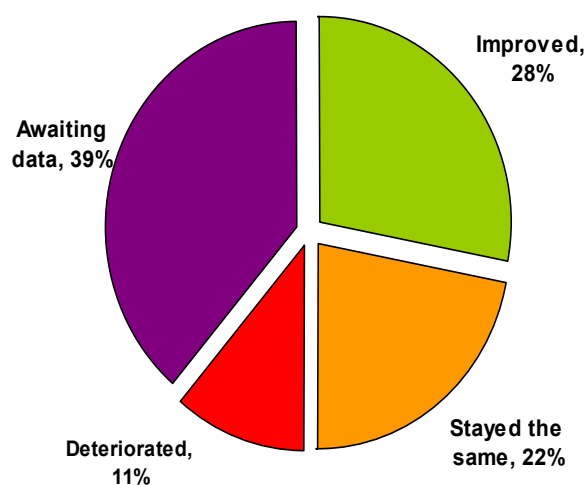
1.1. The following charts provide an overall picture for the authority at the first quarter stage. The charts show the overall council position for the key performance indicators and actions within the council's 2008/09 corporate plan.

Have our indicators hit their targets?



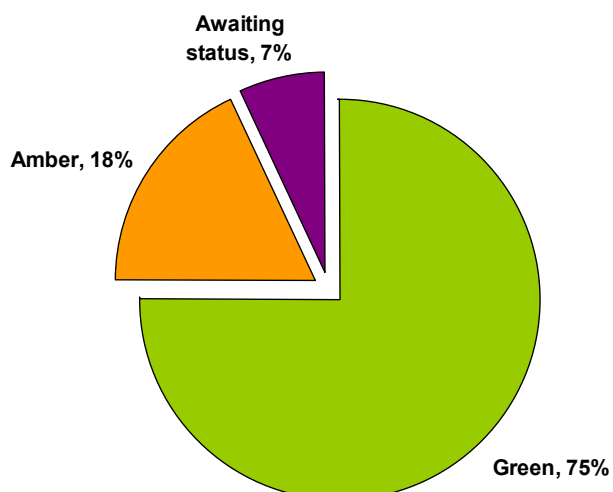
*There are 7 indicators within the corporate plan that have no target or improvement direction set and therefore cannot be included in this analysis

Have our indicators improved on this point last year?

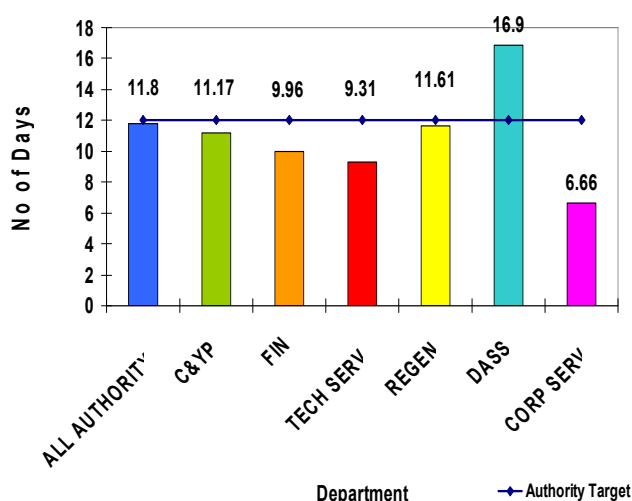


*There are 22 indicators within the corporate plan that no previous year's performance data and therefore cannot be included in this analysis

Are our projects on target?



Sickness figures Jul 07 – June 08 (not including teachers & schools)



2. 2008/09 priorities for improvement progress

2.1. This section provides more detail on achievement of the priorities for improvement, against both **key actions** and **key indicators**.

2.2. Key actions

There are 39 key actions within the council's corporate plan which have been identified as contributing towards the delivery of the council's 2008/09 priorities for improvement. The table provides a summary of performance of these key actions at the quarter one stage:

Status	Key actions
Green	35
Amber	4
Red	0
Total	39

The following table provides details of those key actions which are performance exceptions at the quarter one stage and the relevant corrective action:

Key actions identified for improvement 2008/09	Status	Corrective action	Portfolio
Access and assessment arrangements	Amber	Potential slippage into 2009/10 as a result of delays implanting revised DASS structure	Social Care & Inclusion
Ensure there are no schools if Ofsted categories	Amber	Intervention and support provided to the one school in a category	Children's Services & Lifelong Learning
Implement our procurement strategy to ensure that services and goods are acquired economically and efficiently, and if advantageous, in partnership with others.	Amber	We expect the slight underperformance in respect of the corporate savings targets in Quarter 1 to be rectified when a number of high value contracts are let. A detailed progress report on Procurement Efficiencies and a revised Corporate Procurement Strategy will be considered by Cabinet in September.	Finance and Best Value
Exceed government standards for Housing and Council Tax benefits and Council Tax collection.	Amber	New staff are in post and being trained as part of the normal management cycle. We do not expect a significant variation from target at the year end.	Finance and Best Value

Status key

Green	All milestones that should have been met at this point have been met
Amber	Some non-critical milestones have been missed or there is a danger of non-critical slippage
Red	Critical milestones have been missed or there is serious slippage

2.3. Performance indicators

There are 50 performance indicators which have been identified as contributing to the delivery of the council's 2008/09 priorities for improvement. Of these indicators 17 can be reported at the quarter one stage.

Direction of Travel Summary

% PIs	No. of PIs	
5.88%	1	Improved by more than 2.5% on previous year's performance
0.00%	0	Deteriorated by more than 2.5% on previous year's performance
5.88%	1	Stayed within +/-2.5% of previous year's performance
17.65%	3	Awaiting data
70.59%	12	Not applicable
100.00%	17	(Note: percentages rounded to 2 decimal places)

Target Summary

% PIs	No. of PIs	
17.65%	3	Green (within +/-5% of the target)
23.53%	4	Amber (missed or exceeded target by more than 5% but less than 10%)
5.88%	1	Red (missed target by more than 10%)
17.65%	3	Over-performing (more than 10% of the target)
17.65%	3	Awaiting data
11.76%	2	Target not set
5.88%	1	Not Applicable
100.00%	17	(Note: percentages rounded to 2 decimal places)

*PI cannot be compared with previous year or improvement direction cannot be set.

The following table provides the details of those performance indicators that are **not on target**, are **over performing**, are **awaiting data** or have **deteriorated** (compared with the same quarter last year).

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 130	Social care clients receiving Self Directed Support (Direct Payments and Individual Budgets)	322.3	241	205.8	152.0	Red	n/a	The number of clients receiving direct payments is dropping for 2 main reasons. 1) A change in charging policy has made it more cost effective for clients who pay for the full cost of services to contract directly with providers 2) A more rigorous reviewing policy has resulted in some clients being reviewed out of

								the service. The Direct Payments team is currently monitoring the take up of Direct Payments and the reasons why people are opting not to enter into an agreement for a Direct Payment. Solutions to these barriers will then be explored in order to eliminate or reduce them.
NI 135	Carers receiving needs assessment or review and a specific carer's service, or advice and information	18.0%	18.0%	5.0%	22.7%	Over Performing	n/a	The overperformance of this indicator may be due to additional resources being put into briefing staff about the need to fully record the support given to carers in the Swift care management system. It is possible that the success in raising the profile of carers will be sustained and the annual target will prove to be less ambitious that it should have been. The view is that is to early to be assured that this is the case.
NI 146	Adults with learning disabilities in employment	8.3%		5.7%				
NI 152	Working age people on out of work benefits	17.74%		17.89%				Q1 data due for release in Nov 2008.
NI 153	Working age people claiming out of work benefits in the worst performing neighbourhoods	35.22						Q1 data due for release in Nov 2008.
NI 180	The number of changes of circumstances which affect customers' HB/CTB entitlement within the year.	1.08	1.08	0.27	0.44	Over Performing	n/a	Reflects a higher percentage of changes identified by Wirral than originally anticipated in this new PI. Will be reviewed during year but no service delivery issue.
NI 192	Percentage of household waste sent for reuse, recycling and composting	34%	34%	33%	39.57%	Over Performing	n/a	Target has been exceeded due to unusually high tonnage of garden waste in May, credited to favourable weather conditions.

DEPARTMENT OF ADULT SOCIAL SERVICES

1. Sickness information

1.1 Adult social services July 07 – June 08: **16.9 days**

Whole council July 07 – June 08: **11.8 days**

2. Progress of key actions

2.1 There are 15 key actions within the corporate plan which the department of Adult Social Services is responsible for delivery of. Of these 15 actions seven have been identified as contributing to the delivery of the council's 2008/09 priorities for improvement.

Status	Key actions	Priorities for improvement 2008/09
Green	10	6
Amber	1	1
Red	0	0
Awaiting status	4	0
Total	15	7

1.2 Key actions exceptions

The following tables provide details of the actions that are exceptions at the quarter one stage along with relevant corrective action.

Key actions identified as contributing towards the delivery of the council's 2008/09 priorities for improvement

Key Actions	Status	Corrective action	Portfolio
Access and assessment arrangements	Amber	Potential slippage into 2009/10 as a result of delays implanting revised DASS structure	Social Care & Inclusion

All remaining DASS key actions within the corporate plan

Key Actions	Status	Corrective action	Portfolio
High risk CVD screening programme	Awaiting assessment from PCT		Social Care & Inclusion
Diabetes screening	Awaiting assessment from PCT		Social Care & Inclusion
Community interventions for adults with lifestyle risk factors	Awaiting assessment from PCT		Social Care & Inclusion
Work of the Family Safety Unit	Query lead department on this key action		Social Care & Inclusion

Status key

Green	All milestones that should have been met at this point have been met
Amber	Some non-critical milestones have been missed or there is a danger of non-critical slippage
Red	Critical milestones have been missed or there is serious slippage

3. Progress of performance indicators

3.1 Direction of travel and target summary

The following tables provide the direction of travel and target summary for Adult Social Services.

Direction of Travel Summary

% PIs	No. of PIs	
0.00%	0	Improved by more than 2.5% on previous year's performance
0.00%	0	Deteriorated by more than 2.5% on previous year's performance
0.00%	0	Stayed within +/-2.5% of previous year's performance
55.56%	5	Awaiting data
44.44%	4	Not applicable
100.00%	9	(Note: percentages rounded to 2 decimal places)

Target Summary

% PIs	No. of PIs	
0.00%	0	Green (within +/-5% of the target)
11.11%	1	Amber (missed or exceeded target by more than 5% but less than 10%)
11.11%	1	Red (missed target by more than 10%)
22.22%	2	Over-performing (more than 10% of the target)
55.56%	5	Awaiting data
0.00%	0	Target not set
0.00%	0	Not Applicable
100.00%	9	(Note: percentages rounded to 2 decimal places)

*PI cannot be compared with previous year or improvement direction cannot be set.

3.2 Performance indicator exceptions

Of the 9 indicators that can be reported at the first quarter period for Adult Social Services, the following 8 PIs are performance exceptions.

Performance indicators identified as contributing to the delivery of the council's 2008/09 priorities for improvement

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 130	Social care clients receiving Self Directed Support (Direct Payments and Individual Budgets)	322.3	241	205.8	152.0	Red	n/a	The number of clients receiving direct payments is dropping for 2 main reasons. 1) A change in charging policy has made it more cost effective for clients who pay for the full cost of services to contract directly with providers 2) A more rigorous reviewing policy has resulted in some clients being reviewed out of the service. The Direct Payments team is currently monitoring the take up of Direct Payments and the reasons why people are opting not to enter into an agreement for a Direct Payment. Solutions to these barriers will then be explored in order to eliminate or reduce them.
NI 135	Carers receiving needs assessment or review and a specific carer's service, or advice and information	18.0%	18.0%	5.0%	22.7%	Over Performing	n/a	The over performance of this indicator may be due to additional resources being put into briefing staff about the need to fully record the support given to carers in the Swift care management system. It is possible that the success in raising the profile of carers will be sustained and the annual target will prove to be less ambitious that it should have been. The view is that is to early to be assured that this is the case.
NI 146	Adults with learning disabilities in employment	8.3%		5.7%				Awaiting data

All remaining Adult Social Services performance indicators within the corporate plan

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 39	Alcohol-harm related hospital admission rates	3004.06		751.00				Baseline is incorrect this is to be recalculated by Department of Health.
NI 40	Number of drug users recorded as being in effective treatment	2239		2239				No data for quarter 1 as this indicator measures people who have been in treatment for 12 weeks or more and the treatment can only be determined as 'effective' after this 12 week period.
NI 134	The number of emergency bed days per head of weighted pop							Awaiting Data
LOCAL 8431	Rate of Drug Related Offending	45.0%	45.0%	12%	4.6%	Over Performing	n/a	The data relating to this indicator was not available until 28.07.08
LOCAL 8432	Establish cohort of clients aged 16-35 with two or more episodes of self harm in the last 12 months who subsequently become engaged in meaningful social activities.							Awaiting data

CHILDREN & YOUNG PEOPLE'S DEPARTMENT

1. Sickness information

1.1 Children & Young People July 07 – June 08: **11.17 days**

Whole council July 07 – June 08: **11.8 days**

2. Progress of key actions

2.1 There are 9 key actions within the corporate plan which the Children & Young People's department is responsible for delivery of. Of these 9 actions 6 have been identified as contributing to the delivery of the council's 2008/09 priorities for improvement.

Status	Key actions	Priorities for improvement 2008/09
Green	8	5
Amber	1	1
Red	0	0
Total	9	6

2.2 Key actions exceptions

The following table provides details of the actions that are exceptions at the quarter one stage along with the relevant corrective action.

Key action identified as contributing towards the delivery of the council's 2008/09 priorities for improvement

Key Actions	Status	Corrective action	Portfolio
Ensure there are no schools in Ofsted categories	Amber	Intervention and support provided to the one school in a category	Children's Services & Lifelong Learning

Status key

Green All milestones that should have been met at this point have been met
 Amber Some non-critical milestones have been missed or there is a danger of non-critical slippage
 Red Critical milestones have been missed or there is serious slippage

3. Progress of performance indicators

3.1 Direction of travel and target summary

The following tables provide the direction of travel and target summary for Children & Young People's department

Direction of Travel Summary

% PIs	No. of PIs	
0.00%	0	Improved by more than 2.5% on previous year's performance
0.00%	0	Deteriorated by more than 2.5% on previous year's performance
20.00%	1	Stayed within +/-2.5% of previous year's performance

0.00%	0	Awaiting data
80.00%	4	Not applicable
100.00%	5	(Note: percentages rounded to 2 decimal places)

Target Summary

% PIs	No. of PIs	
0.00%	0	Green (within +/-5% of the target)
20.00%	1	Amber (missed or exceeded target by more than 5% but less than 10%)
20.00%	1	Red (missed target by more than 10%)
0.00%	0	Over-performing (more than 10% of the target)
0.00%	0	Awaiting data
40.00%	2	Target not set
20.00%	1	Not Applicable
100.00%	5	(Note: percentages rounded to 2 decimal places)

*PI cannot be compared with previous year or improvement direction cannot be set.

3.2 Performance indicator exceptions

Of the 5 indicators that can be reported at the first quarter period for Children & Young People's department, the following PI is a performance exception.

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 117	16 to 18 year olds who are not in education, employment or training (NEET)	7.4% (Lower is Better)	7.4%	8.8%	10.2%	Red	↔	The NEET rate is under constant scrutiny by ethnicity, gender and by area to support intervention strategies. A hotspot project targeting employers has been initiated and a specific programme targeting 17 year olds is underway with evidence of improvement in this area.

CORPORATE SERVICES DEPARTMENT

1. Sickness information

1.1 Corporate services July 07 – June 08: **6.66 days**

Whole council July 07 – June 08: **11.8 days**

2. Progress of key actions

2.1 There are 23 key actions within the corporate plan which the Corporate Services department is responsible for delivery of. Of these 23 actions 8 have been identified as contributing to the delivery of the council's 2008/09 priorities for improvement.

Status	Key actions	Priorities for improvement 2008/09
Green	18	8
Amber	4	
Red	0	0
Awaiting status	1	
Total	23	8

2.2 Key actions exceptions

The following table provides details of the actions that are exceptions at the quarter one stage along with relevant corrective action.

Key Actions	Status	Corrective action	Portfolio
Processing the production of the Local Development Framework	Amber	Revised LDF to be prepared for September 2008. Issues and options report to be prepared for September 2008. Evidence base studies in preparation	Regeneration and Planning Strategy
Sustainable community strategy	Amber	Strategy work under review in line with LDF. Public will be consulted by September 2008	Corporate Services
Achieve level three in ESLG	Amber	On target to achieve level 3 by March 2009 dependent on all departments achieving the required levels of activity. A clear project plan is now in place to address areas of slippage and monitoring is being undertaken via the corporate equality and inclusion group	Community and Customer Engagement
Review partnership and governance arrangements for LSP	Amber	Project group has met twice and conducted a desktop mapping analysis. Governance issues are to be	Corporate Services

Key Actions	Status	Corrective action	Portfolio
		discussed as part of LAA programme board away day initially before wider consultation.	
Delivery of integrated marketing programme for all council services	Awaiting status		Corporate Services

Status key

Green All milestones that should have been met at this point have been met

Amber Some non-critical milestones have been missed or there is a danger of non-critical slippage

Red Critical milestones have been missed or there is serious slippage

3. Progress of performance indicators

3.1 Direction of travel and target summary

The following tables provide the direction of travel and target summary for Corporate Services.

Direction of Travel Summary

% PIs	No. of PIs	
20.00%	1	Improved by more than 2.5% on previous year's performance
0.00%	0	Deteriorated by more than 2.5% on previous year's performance
0.00%	0	Stayed within +/-2.5% of previous year's performance
40.00%	2	Awaiting data
40.00%	2	Not applicable
100.00%	5	(Note: percentages rounded to 2 decimal places)

Target Summary

% PIs	No. of PIs	
0.00%	0	Green (within +/-5% of the target)
20.00%	1	Amber (missed or exceeded target by more than 5% but less than 10%)
20.00%	1	Red (missed target by more than 10%)
20.00%	1	Over-performing (more than 10% of the target)
40.00%	2	Awaiting data
0.00%	0	Target not set
0.00%	0	Not Applicable
100.00%	5	(Note: percentages rounded to 2 decimal places)

*PI cannot be compared with previous year or improvement direction cannot be set.

3.2 Performance indicator exceptions

Of the 5 indicators that can be reported at the first quarter period for Corporate Services, the following 4 PIs are performance exceptions.

Performance indicators identified as contributing to the delivery of the council's 2008/09 priorities for improvement

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 152	Working age people on out of work benefits	17.74%		17.89%				Q1 data due for release in Nov 2008. Discussions are currently taking place regarding the reporting frequency of this indicator which should be resolved prior to COMT / Cabinet.
NI 153	Working age people claiming out of work benefits in the worst performing neighbourhoods	35.22						Q1 data due for release in Nov 2008. Discussions are currently taking place regarding the reporting frequency of this indicator which should be resolved prior to COMT / Cabinet

All remaining Corporate Services performance indicators within the corporate plan

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
LOCAL 6227	The number of 'hits' recorded on the Wirral Tourism Website - www.visitwirral.com	5100000	1939631	1378056	484908	Red	n/a	Website has experienced technical difficulties throughout the quarter with pages not being populated, and links disappearing. New Mind (hosting company) have been working on the issue and are re-populating the website, and members of the Tourism team will be trained to upload information. During first two quarters we would expect the most traffic to the website, and as the problem has been ongoing during the busy Summer months, we do not expect the figures to recover.

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
LOCAL 6247	Number of jobs created	275	324	68.75	81	Over Performing	↑	Other projects in the pipe line due to be completed in the next quarter.

FINANCE DEPARTMENT

1. Sickness information

1.1 Finance July 07 – June 08: **9.96 days**

Whole council July 07 – June 08: **11.8 days**

2. Progress of key actions

2.1 There are 9 key actions within the corporate plan which the Finance department is responsible for delivery of. Of these 9 actions 8 have been identified as contributing to the delivery of the council's 2008/09 priorities for improvement.

Status	Key actions	Priorities for improvement 2008/09
Green	6	6
Amber	3	2
Red	0	0
Total	9	8

2.2 Key actions exceptions

The following tables provide details of the actions that are exceptions at the quarter one stage along with relevant corrective action.

Key actions identified as contributing towards the delivery of the council's 2008/09 priorities for improvement

Key Actions	Status	Corrective action	Portfolio
Implement our procurement strategy to ensure that services and goods are acquired economically and efficiently, and if advantageous, in partnership with others.	Amber	We expect the slight underperformance in respect of the corporate savings targets in Quarter 1 to be rectified when a number of high value contracts are let. A detailed progress report on Procurement Efficiencies and a revised Corporate Procurement Strategy will be considered by Cabinet in September.	Finance and Best Value
Exceed government standards for Housing and Council Tax benefits and Council Tax collection.	Amber	New staff are in post and being trained as part of the normal management cycle. We do not expect a significant variation from target at the year end.	Finance and Best Value

Remaining Finance key action within the corporate plan

Key Actions	Status	Corrective action	Portfolio
Customer Access Strategy	Amber	A need for additional staff due to on-going high level demand in the call centre has been identified. This will be/was considered by Cabinet on 23 July.	Community and Customer Engagement

Status key

- Green All milestones that should have been met at this point have been met
Amber Some non-critical milestones have been missed or there is a danger of non-critical slippage
Red Critical milestones have been missed or there is serious slippage

3. Progress of performance indicators

3.1 Direction of travel and target summary

The following tables provide the direction of travel and target summary for Finance

Direction of Travel Summary

% PIs	No. of PIs	
16.67%	1	Improved by more than 2.5% on previous year's performance
0.00%	0	Deteriorated by more than 2.5% on previous year's performance
16.67%	1	Stayed within +/-2.5% of previous year's performance
0.00%	0	Awaiting data
66.67%	4	Not applicable
100.00%	6	(Note: percentages rounded to 2 decimal places)

Target Summary

% PIs	No. of PIs	
16.67%	1	Green (within +/-5% of the target)
33.33%	2	Amber (missed or exceeded target by more than 5% but less than 10%)
16.67%	1	Red (missed target by more than 10%)
33.33%	2	Over-performing (more than 10% of the target)
0.00%	0	Awaiting data
0.00%	0	Target not set
0.00%	0	Not Applicable
100.00%	6	(Note: percentages rounded to 2 decimal places)

*PI cannot be compared with previous year or improvement direction cannot be set.


3.2 Performance indicator exceptions

Of the 6 indicators that can be reported at the first quarter period for Finance, the following 2 PIs are performance exceptions.

Performance indicators identified as contributing to the delivery of the council's 2008/09 priorities for improvement

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 180	The number of changes of circumstances which affect customers' HB/CTB entitlement within the year.	1.08	1.08	0.27	0.44	Over Performing	n/a	Reflects a higher percentage of changes identified by Wirral than originally anticipated in this new PI. Will be reviewed during year but no service delivery issue.

Remaining Finance performance indicator within the corporate plan

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
LOC AL 2063	Percentage of calls handled through the Call Centre.	95%	90%	95%	84%	Red		Additional staff being recruited to ensure target reached.
LOC AL 2069	Number of visits to the Council's website	6.0%	6.0%	1.5%	5.9%	Over Performing	n/a	Reflects a higher level of web activity than had been initially projected which is good news - it presents no service delivery issues.

REGENERATION DEPARTMENT

1. Sickness information

1.1 Regeneration July 07 – June 08: **11.61 days**

Whole council July 07 – June 08: **11.8 days**

2. Progress of key actions against the authority's aims for 2008-2013

2.1 There are 8 key actions within the corporate plan which the Regeneration department is responsible for delivery of.

Status	Key actions	Priorities for improvement 2008/09
Green	4	
Amber	4	
Red	0	
Total	8	

2.2 Key actions exceptions

The following table provides details of the actions that are exceptions at the quarter one stage along with relevant corrective action.

Key Actions	Status	Corrective action	Portfolio
Strategic Leisure Review	Amber	Policy issues to be finally determined with Cabinet Member	Culture, Tourism and Leisure
Affordable Housing Strategy	Amber	An initial draft has been completed however there is further work and consultation required with other teams such as Streetscene and Borough Solicitors to fully complete. This strategy will link in with new LAA targets recently agreed	Housing and Community Safety
Crime and disorder reduction strategy	Amber	NI 15. 18% (6 incidents) above target the first quarter was badly affected by performance in April and May. There were no repeat addresses repeat offenders or hotspots for serious violence. All offenders were male with the core age group being 18 – 25 year olds. PI 4269. . Currently operating at 26% above target the problem is being caused by a rise	Housing and Community Safety

Key Actions	Status	Corrective action	Portfolio
		<p>in complaints regarding youths on motor cycles. The matter is being addressed at the Anti Social Behaviour Governance Group which meets monthly. Additionally Safe Space which is a multi agency summer holiday focus upon anti social behaviour in parks will pay particular attention to the problem which has a hot spot within one of the primary parks being focussed upon during Safe Space. The problem is also high in the Bebbington area and a problem solving group for Bebbington has been arranged to consider this analysis and agree actions.</p>	
		<p>A 6-week campaign will see PCSO's distributing posters and leaflets in key public buildings including; schools, libraries, supermarkets etc. advising on the impact of illegal use of motor cycles and the enforcement action that will be taken. NI 33a The target regarding deliberate primary fires was set at 72 and the number recorded in the first quarter was 106. The numbers have steadily increased since the start of the year with the worst month being June when against a monthly target of 25 fires a total of 55 were recorded. Primary fires include vehicle and property fires. Property includes outdoor non-dwelling structures and there has been an increase in this type of fire which is anti social behaviour related</p>	
Develop and implement	Amber	Brief for consultants to	Culture, Tourism and

Key Actions	Status	Corrective action	Portfolio
heritage strategy		be ready by end of August	Leisure

Status key

Green	All milestones that should have been met at this point have been met
Amber	Some non-critical milestones have been missed or there is a danger of non-critical slippage
Red	Critical milestones have been missed or there is serious slippage

3. Progress of performance indicators

3.1 Direction of travel and target summary

The following tables provide the direction of travel and target summary for Regeneration

Direction of Travel Summary

% PIs	No. of PIs	
33.33%	2	Improved by more than 2.5% on previous year's performance
16.67%	1	Deteriorated by more than 2.5% on previous year's performance
0.00%	0	Stayed within +/-2.5% of previous year's performance
0.00%	0	Awaiting data
50.00%	3	Not applicable
100.00%	6	(Note: percentages rounded to 2 decimal places)

Target Summary



% PIs	No. of PIs	
16.67%	1	Green (within +/-5% of the target)
0.00%	0	Amber (missed or exceeded target by more than 5% but less than 10%)
33.33%	2	Red (missed target by more than 10%)
50.00%	3	Over-performing (more than 10% of the target)
0.00%	0	Awaiting data
0.00%	0	Target not set
0.00%	0	Not Applicable
100.00%	6	(Note: percentages rounded to 2 decimal places)

*PI cannot be compared with previous year or improvement direction cannot be set.

3.2 Performance indicator exceptions

Of the 6 indicators that can be reported at the first quarter period for Regeneration, the following 5 PIs are performance exceptions.

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 15	Number of most serious violent	0.37 (Lower)	0.44	0.09	0.11	Red	n/a	18% (6 incidents) above target the first quarter

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
	crimes (PSA 23: Priority Action 1) per 1000 population	is Better)						was badly affected by performance in April and May. There were no repeat addresses repeat offenders or hotspots for serious violence. All offenders were male with the core age group being 18 – 25 year olds.
NI 20	Number of "Assaults with less serious injury" (including racially and religiously aggravated) offences per 1,000 population as a proxy for alcohol related violent offences	5.48 (Lower is Better)	5.28	1.52	1.32	Over Performing	n/a	This is being measured in 2008/09 by use of a [proxy indicator. Police systems which generate the data to monitor this target are as yet unable to distinguish between and element of violence which because of APACS counting rules and definitions falls into both NI 15 and NI 20. This target corresponds with that contained within Merseyside Police Policing Plan
NI 156	Number of homeless households living in Temporary Accommodation	18 (Lower is Better)	15	22	15	Over Performing	n/a	Improvement exceeds expectations. Homeless prevention work and concerted effort to move people on is paying dividends but action will continue to ensure improvement is sustained.
LOC AL 4049	Total number of homes acquired, demolished, refurbished or built as a result of HMRI investment	950	950	175	96	Red		Group Repair improvements will all be reported in Q2 and Q3. Targeted marketing to increase Energy efficiency outputs.
LOC AL 4206	Number of reported incidents of anti-social behaviour	17917 (Lower is Better)	17532	5024	4383	Over Performing		This target is the subject of a monthly meeting focussed upon areas suffering the highest levels of anti social behaviour. This is an action focussed meeting and attended by a number of different agencies on Wirral.

TECHNICAL SERVICES DEPARTMENT

1. Sickness information

1.1 Technical services July 07 – June 08: **9.31 days**

Whole council July 07 – June 08: **11.8 days**

2. Progress of key actions

2.1 There are 12 key actions within the corporate plan which the Technical Services department is responsible for delivery of. Of these 12 actions 10 have been identified as contributing to the delivery of the council's 2008/09 priorities for improvement.

Status	Key actions	Priorities for improvement 2008/09
Green	11	10
Amber	1	0
Red	0	0
Total	12	10

2.2 Key actions exceptions

The following table provides details of the actions that are exceptions at the quarter one stage along with relevant corrective action.

Key Projects	Status	Corrective action	Portfolio
Improve environmental quality across the Borough through improved operational performance of the strategic contract	Amber	In an effort to further improve the standard of street cleansing, Biffa's proposals to review the method of working have now been accepted. Implementation is due end July/beginning of August	Streetscene and Transport Services

Status key

- Green All milestones that should have been met at this point have been met
- Amber Some non-critical milestones have been missed or there is a danger of non-critical slippage
- Red Critical milestones have been missed or there is serious slippage

3. Progress of performance indicators

3.1 Direction of travel and target summary

The following tables provide the direction of travel and target summary for Technical Services.

Direction of Travel Summary

% PIs	No. of PIs	
22.22%	2	Improved by more than 2.5% on previous year's performance
11.11%	1	Deteriorated by more than 2.5% on previous year's performance
22.22%	2	Stayed within +/-2.5% of previous year's performance
0.00%	0	Awaiting data
44.44%	4	Not applicable
100.00%	9	(Note: percentages rounded to 2 decimal places)

Target Summary

% PIs	No. of PIs	
22.22%	2	Green (within +/-5% of the target)
11.11%	1	Amber (missed or exceeded target by more than 5% but less than 10%)
11.11%	1	Red (missed target by more than 10%)
33.33%	3	Over-performing (more than 10% of the target)
0.00%	0	Awaiting data
0.00%	0	Target not set
22.22%	2	Not Applicable*
100.00%	9	(Note: percentages rounded to 2 decimal places)

*PI cannot be compared with previous year or improvement direction cannot be set.

3.2 Performance indicator exceptions

Of the 9 indicators that can be reported at the first quarter period for Technical Services, the following 8 PIs are performance exceptions.

Performance indicators identified as contributing to the delivery of the council's 2008/09 priorities for improvement

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 192	Percentage of household waste sent for reuse, recycling and composting	34%	34%	33%	39.57%	Over Performing	n/a	Target has been exceeded due to unusually high tonnage of garden waste in May, credited to favourable weather conditions.

All remaining Technical Services performance indicators within the corporate plan

PI No.	Title	Yr End Target	Yr End Forecast	Quarter 1 Target	Quarter 1 Actual	On Target	Direction of Travel	Corrective Action
NI 157a	% of planning applications determined within 13 weeks for Major applications	70%	70%	70%	62.5%	Red	↑	Overall performance has improved in comparison to Quarter1 2007/08. A dedicated Officer has been recruited to deal exclusively with Major applications commencing during Quarter2.
NI 195a	Improved street and environmental cleanliness (levels of litter)	8% (Lower is Better)	8%	10%	7.67%	Over Performing	↑	This data has been calculated manually. The database has been uploaded to Defra and results are awaited. Additional resource secured through pump priming monies for HIT team to target land of indeterminate ownership, has led to improvement in scores.
NI 195b	Improved street and environmental cleanliness (levels of detritus)	10% (Lower is Better)	10%	12%	8.53%	Over Performing	↓	This data has been calculated manually. The database has been uploaded to Defra and results are awaited. Additional resources secured through pump priming monies for HIT team to target land of indeterminate ownership, has led to improvement in scores.

FINANCIAL MONITORING SUMMARY

REPORT OF THE DIRECTOR OF FINANCE

1. EXECUTIVE SUMMARY

- 1.1 This is one of a series of reports submitted throughout the year presenting an overview of the financial performance of the Council. It details any variations and provides a summary of the overall implications for the General Fund.

2. FINANCIAL MONITORING

- 2.1 Cabinet on 3 April 2008 agreed that I would provide this summary report to Cabinet and to Finance & Best Value Overview Committee following the end of each quarter and that it would compare spend against the approved budget. To support this each departmental Chief Officer provides an update on their departmental budget that includes references to growth items, savings and any other variations from the approved budget.
- 2.2 Members of Cabinet, Finance & Best Value Overview & Scrutiny Committee and Committee chairs also receive a monthly Financial Monitoring Statement.

3. FINANCIAL YEAR 2008/09

- 3.1 Subsequent to the agreement of the budget at Council on 3 March 2008 there were variations to reflect the final levies and the re-allocation of central and departmental recharges to reflect the agreed savings in departmental budgets. The table shows the Budget reported to Council with the Current Budget reflecting the decisions of Council and the changes referred to.

Expenditure	Council Budget	Current Budget
	£	£
Adult Social Services	86,671	86,656
Children & Young People	70,560	70,560
Corporate Services	6,422	5,915
Finance	20,526	21,048
Regeneration	41,229	41,229
Technical Services	35,609	35,609
Treasury Management	11,755	11,755
Merseytravel	25,311	25,311
Local Pay Review	4,546	4,546
Contribution (from) balances	(4,102)	(4,102)
Net Expenditure	298,527	298,527

4. FINANCIAL MONITORING 2008/09

4.1 Progress on implementing Policy Options

- 4.1.1 The growth and policy options agreed as part of the budget have been, or are in the process of being, implemented. In respect of Corporate Services the expansion of participatory budgeting through the Area Forums and the You Decide initiative was reported to Cabinet in July.

4.2 Progress on delivering savings

- 4.2.1 The savings target for Adult Social Services in £4.5 million and the proposals are essentially on target to be achieved during the financial year. There are, however, issues around the implementation of the locality structure (£0.7 million) which, if not in place during the summer, puts at risk the successful delivery of the savings in 2008/09. The review of out-of-home activities including day services (£0.7 million) is still being developed and is at risk of slipping. The director is investigating alternative and one-off savings to address any shortfall should the agreed savings not be achieved.
- 4.2.2 Within the Children and Young People Department target of £4 million are a number that involve a re-structuring of service areas and will impact upon employees. The timing of the implementation and the scale of these savings is placing additional pressures upon the existing vacancy control targets. The Director is considering other options in order to offset any increased costs in 2008/09.
- 4.2.3 All departments have a saving to be achieved through better, more efficient procurement and all are addressing the targets with the support of the Corporate Procurement Unit.

4.3 Impact of any Cabinet decisions that have budgetary implications

- 4.3.1 Cabinet on 26 June agreed a report of the financial out-turn for 2007/08 following the completion of the year-end accounts. Overall this resulted in an increase in the projected balances at 31 March 2008 by £2.5 million. The main spending pressures being within Adult Social Services but were more than offset by the increase in Housing Benefit grant and the benefits that accrued from Treasury Management activities.
- 4.3.2 As at the end of June the only decisions affecting the agreed budget were in respect of the allocation of the £5.3 million Efficiency Investment Budget. The following variations are to be implemented in respect of the 2008/09 budget:-

Department	Area	£000
Children & Young People	Accommodation	250
	Early Years and Somerville Centre	25
Corporate Services	Senior management	225
	Tourism & Marketing	149
Finance	Government Connect	29
	Insurance cover	88
Regeneration	CCTV control room	97
	Parks Gateway review	40
Technical Services	Section 106 strategy	40

- 4.3.3 During July a number of reports were considered by Cabinet including the transformation of adult social services, fees for residential and nursing home services and the impact of energy price increases which will have budgetary implications for the current and future years.
- 4.3.4 Cabinet also received reports during July on the Insurance Fund and the Local Authority Business Growth Incentive grant that will realise financial benefits with the transfer of 'one-off' items in to Council balances.

4.4 Variations from the approved budget

4.4.1 The following sections highlight the issues in those areas of the budget that are identified as key risks in delivering the objectives of the department within the available resources. All are subject to closer monitoring because of the volatile nature of either demand or cost or because in recent years they have experienced pressures in keeping to the agreed budget.

4.4.2. Adult Social Services

The pressures of increasing demand for care services that resulted in an overspend in 2007/08 remain within community care services. With the issues highlighted previously around the savings from the changing structure the present projections indicate a £3.4 million overspend on Community Care. With the increasing utility costs in care homes the total increases to £3.6 million.

The Director reported to Cabinet in June and July on the actions being taken to mitigate the projected overspend which include spending reviews, re-ablement initiatives and tighter controls on accessing services.

4.4.3. Children and Young People

The areas that are the most volatile remain as Special Education Needs (SEN) and care services in respect of Looked After Children. In terms of SEN this has seen more placements, and at a higher cost, than planned and includes transport with a variation of £0.7 million identified. There are budget pressures from the care of young people that resulted in an overspend in 2007/08 and with the changes to the court proceedings project an overspend of around £0.6 million.

The impact of the savings is affecting employee budgets and, as highlighted previously, is placing pressures on the achievement of vacancy control targets which with the challenges from the delivery of the service re-engineering savings brought forward from 2007/08 form the significant part of the projected overspend of £3 million.

The Director is identifying actions to address this overspend that, as last year, will be from a combination of spending reduction measures and maximisation of grant opportunities.

4.4.4 Corporate Services

The additional budget allocation has met the financial pressures identified in the Coroner Service although this area continues to be closely monitored. At this stage there are no variations to report.

A report is to be presented to Cabinet on the budget virements required as a consequence of the creation of the new Department of Law, Human Resources and Asset Management.

4.4.5. Finance

The spend, and associated Government grant, in respect of Council Tax Benefit and Housing Benefit payments includes the largest individual budgets

in the Council. The service is subject to numerous performance and control measures to ensure that individuals receive the benefits to which they are properly entitled and the Council maximises the grant opportunities.

In previous years continuing improvements have been made through a combination of the opportunities offered by the Integrated Tax and Benefits System, improvements and efficiencies to the management and handling of claimants through the Customer Access channels and the maximisation of the grant support from the Government. This is within the departmental savings agreed for 2008/09 onwards.

4.4.6. Regeneration

Income generation is a key element of the budget with factors outside the control of the Council and culture is the largest energy user within the non-schools budget, a cost that remains largely outside the control of the Department.

At this stage income and energy costs are projected to be at variance with the budget and efforts are being made to contain spend within the budget allocated.

4.4.7. Technical Services

The budget is reliant upon income from car parking and planning and, as in previous years, the Director is highlighting shortfalls in these areas which will be difficult to accommodate from within the departmental budget.

The impact of rising energy prices continues to give cause for concern and form the basis of a report to Cabinet in July. At this stage this has been reflected in the street lighting energy contract for which additional resources are to be made available.

4.4.8. Treasury Management

The management of cash flow and the need to borrow to fund investment has been re-engineered which has reduced the requirement for temporary borrowing. The savings achieved in 2007/08 continuing and will deliver £0.5 million in 2008/09.

The opportunities offered by the increased rates offered by the banking sector have been taken as a consequence of the improved cash management. At this stage of the year the additional income realised is in the order of £0.3 million and which is expected to increase in the coming months.

4.5. **Other issues**

4.5.1 Local Pay Review

The progress on implementing the Local Pay Review, including Job Evaluation and Harmonisation, has regularly been report to Cabinet and is expected to be within the financial projections. Phase 1 has now been agreed and is being implemented during July / August enabling part of the sum to be allocated to individual departments.

4.6 Issues affecting future financial years

- 4.6.1 The pressures on care services and energy budgets have been highlighted in separate reports to Cabinet. The Directors involved will continue to identify progress in these areas and particularly energy as the revised contracts are agreed.
- 4.6.2 The revised Medium Term Financial Strategy was reported to Cabinet in July and the projected Budget continues to be updated and reported to Cabinet.

5. FINANCIAL AND STAFFING IMPLICATIONS

- 5.1 When setting the 2008/09 budget the projected balances at 31 March 2009 were £5 million and the latest position is as follows:-

Details	£million	£million
Projected General Fund balances at 31 March 2009 when setting the budget for 2008/09		5.0
Cabinet decisions		
26 June - Financial out-turn for 2007/08 showed an underspending and contribution to balances		+2.5
Projected variances / potential overspends		
Overspend		
Adult Social Services	+3.6	
Children & Young People	+3.0	
Underspend		
Treasury Management	-0.8	-5.8
General Fund balances at 31 March 2009 based upon the latest projections		1.7

- 5.2 There are no additional staffing implications arising from this report.

IAN COLEMAN
DIRECTOR OF FINANCE

**WIRRAL COUNCIL - ADULT SOCIAL SERVICES DEPARTMENT
FINANCIAL MONITORING REPORT 2008/09
POSITION AS AT 30 JUNE 2008**

SUMMARY

At the time of writing this report, the projected budget deficit in 2008/09 for DASS is £3.6 million. This assumes that all Budget Efficiencies/Projects agreed by Council 3 March, and those that carried over from 2007/08 are delivered without slippage, and there is no further increase in FACS compliant demand.

POLICY OPTIONS

Details	£000	Comments / progress
Older People Parliament	20	

SAVINGS TARGETS

Details	£000	Comments / progress
Re-organisation of fieldwork teams	250	Locality structure for DASS agreed and being implemented over the next months. At risk if implementation is delayed.
Continuing E-Monitoring & Care Procurement process	100	E-Monitoring solutions being rolled out with Independent providers. There is evidence of reduced expenditure.
Choice through Individualised Care and Direct Payments	200	Savings arise through increased take-up of Direct Payments and people assessed as paying the full cost choosing to make their own arrangements. Local targets agreed and action plans in place.
Ensure funding is correctly allocated between PCT and DASS	200	Ongoing application of Continuing Health Care and Joint Funding criteria. Savings achieved as a result of full year impact of Panel decisions made in 2007/08.
Reduction in Management & Support costs	425	Locality structure for DASS agreed and being implemented over the next months. At risk if implementation is delayed.
Reduce posts in HR and staff development	250	New structure for Finance & Performance Branch agreed by Chief Executive on 18 April 2008. On target.
Reduce admin posts in SWIFT Team	150	New structure for Finance & Performance Branch agreed by Chief Executive on 18 April 2008. On target.
Care Services Procurement - joint working with PCT	100	Discussions being held with Wirral PCT in relation to Integrated Commissioning as part of the Transformation Programme. Risk of slippage.
Capital Strategy (residential care)	250	Options presented to Cabinet in June and further report in July 2008.
Increase in non-residential care charges	1,324	New charging policy implemented in January 2008. On target.
Review of out-of-home activities (day services)	700	Project currently being developed. At risk of slippage in 2008/09. Alternative, temporary efficiencies being investigated.
Corporate procurement target	545	Discussions held with Corporate Procurement Team to identify projects to

		take forward. Risk of slippage.
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BRIDGING FINANCE

Details	£000	Comments / progress
Increase in non-residential care charges	928	Increase in fees effective 2009/10.

CABINET DECISIONS

Date	Details	£
None		

VOLATILE AREAS / POTENTIAL VARIATIONS

Details	£000	Comments / progress
Community care	3,400	£3.4m is the underlying over-commitment on Community Care Budget. Action Plan developed to reduce spending through reviews, re-ablement and tighter controls on Access.
Utility costs in care homes	200	Will be managed by in-house Care Services budget re-alignment.

JOHN WEBB
DIRECTOR OF ADULT SOCIAL SERVICES

**WIRRAL COUNCIL - CHILDREN AND YOUNG PEOPLE'S DEPARTMENT
FINANCIAL MONITORING REPORT 2008/09
POSITION AS AT 30 JUNE 2008**

SUMMARY

At the time of writing this report the projected budget deficit for the Children and Young People's Department is £3m and the principal variations are identified and described below. Action is being taken to improve the position, by identifying opportunities in grant funding and other expenditure restrictions. These are currently being evaluated and will be included in future reports.

POLICY OPTIONS

Details	£000	Comments / progress
Youth Parliament	20	Decisions to be taken on spend by young people.

SAVINGS TARGETS

Details	£000	Comments / progress
Reduce sickness levels	100	Sickness levels and the impact on Agency costs will be monitored
Facilities management – Children's Homes	25	Repair and maintenance budget reduced.
Independent residential care.	650	The target for residential placements has reduced from 47 to 39.
Closure of Poolwood Children's Home	500	The home closed in December 2007
Staff savings from reviews in Social Care	573	The savings in Family support, Youth Offending, CAMHS and Support are being implemented.
Staff savings from reviews in Participation and Inclusion	528	Savings in BIP, Play Services and Social Welfare have been implemented. In addition the costs of joint funded places have been reviewed, resulting in additional costs in the Schools Budget
Planning and Resources	421	Support posts have been reduced and vacant posts deleted.
Learning and Achievement Savings in the Music service, support at Acre Lane and Early Years	601	The number of posts will be reduced. In addition Music Tuition Charges will be increased and some posts will be funded from grant
Procurement	583	This will be found from within residential care (North West Authority Consortium) and working with Procurement Unit on training, conferences, accommodation, travel, agency staff and IT hardware.

BRIDGING FINANCE

Details	£000	Comments / progress
None		

CABINET DECISIONS

Date	Details	£000
16 June 2008	Increase Fostering Allowances Deferred	250

VOLATILE AREAS / POTENTIAL VARIATIONS

Details	£000	Comments / progress
Outstanding Service Re-engineering	486	Unidentified / one-off savings in 2007/08 carried forward into the new financial year.
Vacancy Control	850	Staff savings delete over £700,000 in vacant posts. The existing vacancy target of £1m will therefore be challenging. Savings are required from reducing sickness (£100,000) and costs have been incurred prior to redeployment of staff.
Home to School Transport	350	The budget overspend in 2007/08 resulted in part from more taxi journeys. Contractors have made representations about the difficulties they are facing as a result of the rises in fuel and transport costs. This will be reported to Cabinet.
Children's Homes	400	There are additional budget pressures from the care of young people in Children's Homes, resulting in a budget overspend in 2007/08.
Legal, Court and Medical Fees	150	These budgets are under pressure. A budget to cover the additional cost of child court proceedings has been created. This will be reviewed in year.
Special Education Needs	300	There are more placements in Independent Special Schools at a higher cost than planned.
Early Years	150	The numbers of Children in Early Years settings have exceeded the budget provision in the summer term.
Computer software costs	150	There has been an increase in maintenance and license costs, some areas are no longer grant funded.
Emergency Duty Team	160	This represents the department's share of additional staff costs in 2007/08. This is a joint service with Adult Social services and is currently being reviewed.

HOWARD COOPER
DIRECTOR OF CHILDREN AND YOUNG PEOPLE'S SERVICES

**WIRRAL COUNCIL - CORPORATE SERVICES DEPARTMENT
FINANCIAL MONITORING REPORT 2008/09
POSITION AS AT 30 JUNE 2008**

SUMMARY

There are no variations to be highlighted at this time.

POLICY OPTIONS

Details	£000	Comments / progress
Local Area Agreement	200	For specific purpose of assisting in the delivery of the Local Area Agreement.
You Decide Area Forum	220	Initiative delivering more choice to local people about services.
Assistance for Rempoy	6	To facilitate the exploration of contracts between the Council and Rempoy
Support for Wirral's Veterans	15	Available to bodies representing veterans. National Veterans Day in June.

SAVINGS TARGETS

Details	£000	Comments / progress
Strategic Development staff	75	Budgets reduced in Corporate Services
Corporate Policy restructure	60	Budgets reduced in Corporate Services
Tourism and Marketing	60	Budgets reduced in Corporate Services
Integrated Payroll operation	50	Budget reduced in Corporate Services
Review of Central Services	50	Budgets reduced in Corporate Services
Review of Legal Services	40	Budgets revised within Corporate Services
Transformational Change	30	Budget reduced in Transformational Change
Skills specific training.	25	Budget reduced in Corporate Services
Supplies & Services savings including procurement	148	£100k identified and relevant budgets reduced. £48k savings yet to be identified

CABINET DECISIONS

Details	£000	Comments / progress
None		.

VOLATILE AREAS / POTENTIAL VARIATIONS

Details	£000	Comments / progress
Asset Management		The disposal of land is traditionally a volatile area and remains closely monitored throughout the year.
Coroners Service		The budget was increased for 2008/09, having overspent in previous years. It continues to be closely monitored.

**J WILKIE
DEPUTY CHIEF EXECUTIVE
DIRECTOR OF CORPORATE SERVICES**

**WIRRAL COUNCIL - FINANCE DEPARTMENT
FINANCIAL MONITORING REPORT 2008/09
POSITION AS AT 30 JUNE 2008**

SUMMARY

Spend is anticipated to be contained within the overall budget allocated. Savings are essentially achieved and efforts continue to try and ascertain other areas of financial benefit.

POLICY OPTIONS

Details	£000	Comments / progress
Council Tax discount	40	Increased number of applicants presently being assessed.

SAVINGS TARGETS

Details	£000	Comments / progress
Corporate ICT staffing	100	Achieved. Staffing changes made.
Housing / Council Tax benefit subsidy	600	Achieved. Continuing improvements from improved service delivery and maximising grant opportunities.
Integrated IT system – staffing and contract	380	Achieved. Reduced staffing and revised contract effective 2008/09.
Cash collection at OSS	30	Achieved. Alternative facilities provided.
Call centre staffing	80	Achieved. Staffing numbers reduced.
IT Systems support	200	Achieved. New contractual arrangements in place for 2008/09.
Procurement	306	Addressing areas to identify savings including insurance tenders.

CABINET DECISIONS

Date	Details	£
Various	Allocation of the £5.3 million Efficiency Investment Budget to support initiatives	

VOLATILE AREAS / POTENTIAL VARIATIONS

Details	£000	Comments / progress
Housing and Council Tax Benefit	120million	The size and nature of the budget make this a key area within the departmental budget. Performance in this area is closely monitored.

**IAN COLEMAN
DIRECTOR OF FINANCE**

**WIRRAL COUNCIL - REGENERATION DEPARTMENT
FINANCIAL MONITORING REPORT 2008/09
POSITION AS AT 30 JUNE 2008**

SUMMARY

At this stage no variations identified although pressures remain on delivering the prior year service re-engineering savings, meeting increasing energy costs and the reliance upon meeting income targets.

POLICY OPTIONS

Details	£000	Comments / progress
Anti-dog fouling measures	40	Intensive enforcement to prevent dog fouling, improved signage and publicity for dog owners.
Allotment sustainability	40	Appointment of a part time Community Development Officer for 2 years to liaise with allotment holders.
Get into reading	75	Three year funding, at £25,000 a year, being the Council's contribution to the "Get into Reading" project.
Improve access pathways	30	Environmental improvements to be made to public open spaces to improve or provide additional access pathways and additional tables and seating.
Clean-Ups play areas	20	A pilot scheme responding flexibly outside normal hours, for children's play areas during periods of high use.
Heritage issues	20	A sum of £5,000 for the continued development of the Heritage Group and £15,000 for the delivery of a Heritage Strategy for Wirral in 2008/09, in consultation with the Heritage Group)

SAVINGS TARGETS

Details	£000	Comments / progress
Community Support Officers	105	Reduction of support costs to Police, budget reduction implemented.
Housing finance from grants to loans - staff re-assignment	86	Budget reduction implemented.
Alleygating Programme	66	Support reduced to residual maintenance, reduction implemented.
CCTV Control room	51	Review of Control Room operating hours, reduction implemented.
Improved use of IT	29	Budget reduction implemented.
Finance Monitoring Post	27	Budget reduction implemented.
Housing Strategy	14	Budget reduction implemented.
Procurement	443	Budgets yet to be reduced

CABINET DECISIONS

Date	Details	£
None		

VOLATILE AREAS / POTENTIAL VARIATIONS

Details	£000	Comments / progress
Repairs and Maintenance	1,173	Will continue to be monitored during the year.
Energy costs	1,503	This area will be monitored closely during the year. Energy efficiency schemes should produce savings in 2008/09.
Cultural Service Income Levels	9,094	Will be monitored closely, income levels can vary significantly mainly because of adverse weather conditions. Delays in completing the Oval could have implications in 2008/09.
Service re-engineering	634	Various options are currently being considered.
Procurement saving	443	Several budgets are wholly funded by grant or produce significant levels of income. Reducing the expenditure lines without consideration of the grant or income implications could result in reduced income levels, negating the effect of the budget reduction.

**ALAN STENNARD
DIRECTOR OF REGENERATION**

**WIRRAL COUNCIL - TECHNICAL SERVICES DEPARTMENT
FINANCIAL MONITORING REPORT 2008/09
POSITION AS AT 30 JUNE 2008**

SUMMARY

Budget monitoring reports during 2007/08 identified deficits within the operational services of car parking and building & development control fee income. Compensatory savings broadly balanced the 2007/08 budget but there are continuing problems in the areas of energy, land charges, and general procurement savings which are under review and will be subject to a further report to Cabinet. In relation to land charges Cabinet will shortly receive a report on the future of this service. At this stage it is unlikely that the variations identified from the above can be fully accommodated within existing resources.

POLICY OPTIONS

Details	£000	Comments / progress
Carbon Reduction	115	
Graffiti Removal	30	

SAVINGS TARGETS

Details	£000	Comments / progress
Traffic management	35	
Energy conservation	5	
Building and Development Control administration	50	
Highways maintenance	75	
Waste contract mgt/admin	45	All the savings, other than procurement, have been incorporated in to the departmental budgets.
External services income	55	
Review of waste budgets	142	
Streetscene / grass cutting contract extended	30	
School crossing patrols	32	
Health & safety admin	30	
Increase car park charges	100	
Development control	50	
Instigate CRM project	50	
Review admin in view of IT	30	
Highways maintenance	283	
Procurement	225	

CABINET DECISIONS

Date	Details	£
None		.

VOLATILE AREAS / POTENTIAL VARIATIONS

Details	£000	Comments / progress
Energy Budgets	780	To be the subject of a Cabinet Report.
Planning Delivery Grant	109	This grant is discontinued.
Waste Performance	142	This grant is discontinued.

**DAVID GREEN
DIRECTOR OF TECHNICAL SERVICES**

**WIRRAL COUNCIL - TREASURY MANAGEMENT
FINANCIAL MONITORING REPORT 2008/09
POSITION AS AT 30 JUNE 2008**

SUMMARY

Currently the Treasury Management spend is projected to realise benefits of 30.8m through maximising the investment opportunities offered by the financial markets and the improved cash flow management which has reduced the need for temporary borrowing. These areas of potential volatility continue to be closely monitored.

POLICY OPTIONS

Details	£000	Comments / progress
Match funding pot	200	Central allocation increased and now available

SAVINGS TARGETS

Details	£000	Comments / progress
None		

BRIDGING FINANCE

Details	£000	Comments / progress
None		

CABINET DECISIONS

Date	Details	£
None		

VOLATILE AREAS / POTENTIAL VARIATIONS

Details	£000	Comments / progress
Investment Income	300 u/s	The constantly changing financial environment hinders accurate projections of the investment income achievable in the coming year. At 30 June secured £3m of investment income against a target of £2.7m realising as saving of £0.3m.
Temporary Borrowing	500 u/s	Due to better cash flow management the need for temporary borrowing has almost been eliminated. This will generate an annual saving of approximately £0.5m.
Minimum Revenue Provision		Government changes to the calculating of the minimum revenue provision may have an impact on revenue. This impact will be assessed in the coming months and will be reported at later date.

**IAN COLEMAN
DIRECTOR OF FINANCE**

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CAPITAL MONITORING SUMMARY

REPORT OF THE DIRECTOR OF FINANCE

1. EXECUTIVE SUMMARY

- 1.1. This is one of a series of reports submitted throughout the year providing an update on the progress being made in delivering the capital programme.

2. BACKGROUND

- 2.1. Cabinet on 3 April 2008 agreed that I would provide this summary report to Cabinet and to Finance & Best Value Overview & Scrutiny Committee following the end of each quarter and that it would compare progress against the approved programme. To support this each Chief Officer provides an update on their elements of the programme including references to the approval, any variations, progress (including implications for future years) and funding.

3. CAPITAL PROGRAMME 2008/11

- 3.1 The capital programme for 2008/11 was approved by Council on 17 December 2007 and confirmed as part of the budget by Council on 3 March 2008. Other than the impact of decisions by Council / Cabinet the revisions relate to slippage resulting in both the spend and the resources being similarly slipped.

4. COUNCIL / CABINET DECISIONS

- 4.1 The Capital Programme 2008/11 and Capital Financing Requirements 2008/09 were agreed by Cabinet on 12 December 2007 and updated as part of the Estimates 2008/09 that was reported to Cabinet on 21 February 2008.
- 4.2 On March 13 in the Projected Budget 2009/10-2010/11 report the previous decision to capitalise £3.6 million of highways maintenance was revised so that it reverts to being a revenue liability from 2009/10.
- 4.3 On May 22 a report detailing the Schools Capital Funding 2008/09 was provided by the Director of Children & Young people. The same meeting also agreed to provide financial support for the works to the Bidston Viaduct. This major initiative, subject to a final decision by the Department for Transport, will require a Council contribution of £2.9 million between 2009/12.
- 4.4 On June 26 the Capital Out-turn and Determinations report was submitted as part of the year-end accounts for the 2007/08 financial year and detailed the slippage into the 2008/09 financial year.

5. CAPITAL PROGRAMME SUMMARY

- 5.1. The table compares the original programme approved as part of the Budget with the latest forecast spend position that incorporates permanent changes to the programme due to slippage and Cabinet approvals.

Spend	Original Approval	Forecast June
	£000	£000
Adult Social Services	2,952	3,696
Children & Young People	32,221	26,377
Corporate Services	2,270	3,271
Regeneration	29,079	36,876
Technical Services	11,318	12,589
Total programme	77,840	82,809

- 5.2 The resources table similarly compares the developing programme and reflects the agreed changes, including slippage of spend from 2007/08. The generation of capital receipts through the sale of assets is used to fund the programme and at this stage £4 million is included for use in 2008/09. Income from sales, whilst uncertain in the exact timing of receipt, offers flexibility in the timing of its use and can be used to either balance the current programme or to address future budgetary issues.

Resources	Original Approval	Forecast June
	£000	£000
Borrowing	31,092	30,257
Grant – HMRI	9,800	8,900
Grant – Education	20,899	17,868
Grant – Other	11,636	21,368
Revenue	413	416
Capital Receipts	4,000	4,000
Total resources	77,840	82,809

6. **PROGRESS ON THE PROGRAMME**

3.2 **Adult Social Services**

- 3.2.1 The Director in his report to Cabinet on 12 June on Transforming Social Care referred to a review of intermediate care requiring revisions to the plans for Poulton House. Consultation has commenced that will also set the agenda for places like Girtrell Court and will impact upon the decisions regarding the adult accommodation provision. All the schemes are therefore subject to review pending the outcome of the consultation.

3.3 **Children & Young People**

- 3.3.1. A report on the Schools Capital Funding for 2008/09 was presented to Cabinet on 22 May which provided details of all aspects of the programme and the plans for the current financial year.

- 3.3.2 The Building Schools for the Future (BSF) – One Pathfinder project continues to progress in accordance with the timescales agreed with the Department for Children, Schools and Families. With the Department having re-profiled the funding a start on site is expected early in 2009.
- 3.3.3. Under the national scheme to develop Children’s Centres Phase 1 and Phase 2 has now seen 17 of the 19 centres opened. The remaining two were re-programmed into 2008/09 and are at the tender stage.
- 3.3.4. A major element of the programme is the Formula Capital allocated to schools. The implementation of individual projects is managed jointly by the school and the Council and comprises of a larger number of essentially smaller value schemes. The timing of the schemes is largely down to the schools so the level of spend can vary from the initial projections and some schemes and resources have now been re-profiled into 2009/10.
- 3.3.5 The Targeted Capital programme to build teaching accommodation at West Kirby Grammar and Wirral Boys Grammar experienced delays in the works which are expected to complete this financial year.
- 3.3.6 The funding from the Department for Children, Schools and Families for the Primary Capital Strategy is anticipated to be clarified in September. The local authority strategy document having been submitted for consideration.

3.4 Corporate Services

- 3.4.1 The most significant area of expenditure is on Property Maintenance and the 2008/09 programme was agreed by Cabinet on 12 June. This builds upon the Condition and Health and Safety surveys and ranks the priority areas for works in the current year.
- 3.4.2 The Think Big Investment Fund is the re-launched Business Rates support allocation that was previously within the regeneration programme and seeks to encourage business development.

3.5 Regeneration

- 3.5.1 The Oval Sports Centre is undergoing a substantial programme of works both to the main building and to the creation of 5-a-side pitches. This has been the subject of well reported delays for a variety of reasons with the main facility expected to re-open in late summer. The redevelopment of New Brighton is progressing well which includes the Floral Pavilion that is anticipated to open in November.
- 3.5.2 The Special Initiatives element of the programme includes schemes and related funding in respect of Objective One (£5.5 million) and the Single Regeneration Budget (£4.5 million). Schemes such as New Brighton Promenade are within these allocations and contributing towards the conclusion of the Merseyside-wide programme of schemes. Whilst shown

under 2008/09 the programme will be further refined as it is not due to complete until 2010.

3.5.3 The Housing Market Renewal Initiative (NewHeartlands) continues to progress although the impact of the worldwide and national financial situation is affecting developers. The size and nature of the programme requires both the programme and the funding to be more flexible with the re-phasing of expenditure and resources kept under review to maintain continuity of progress.

3.6 Technical Services

3.6.1 The Highways Structural Maintenance Programme 2008/09 was approved by Cabinet in March 2008 and updated in June when the plans for Road Safety schemes were also agreed. At this stage of the financial year the Director reports that no significant variations have arisen and the final spend will closely reflect the programme by the end of the financial year.

3.6.2 In terms of future years the proposals for addressing the Bidston Moss Viaduct are nearing conclusion with the Department for transport having ear-marked the scheme for funding, subject to the constituent authorities agreeing to a share of the funding. This was reported to, and agreed by, Cabinet on May 22.

8. FINANCIAL AND STAFFING IMPLICATIONS

8.1 The Capital Programme for 2008/09 reflects the programme reported.

8.2 There are no additional staffing implications arising directly from this report.

IAN COLEMAN
DIRECTOR OF FINANCE

WIRRAL COUNCIL CAPITAL MONITORING SUMMARY REPORT 2008/09
APPROVED PROGRAMME

POSITION AS AT 30 JUNE 2008

Schemes	Approved 2008/09	Revisions 2008/09	Forecast 2008/09	Actual To date	Approved 2009/10	Approved 2010/11
	£000	£000	£000	£000	£000	£000
Adult Social Services	2,952	+744	3,696	13	0	0
Children & Young People	32,221	-5,844	26,377	3,464	39,225	34,139
Corporate Services	2,270	+1,001	3,271	332	2,810	3,810
Regeneration	29,079	+7,797	36,876	8,968	14,407	13,612
Technical Services	11,318	+1,271	12,589	1,211	7,712	8,639
TOTAL	77,840	+4,969	82,809	13,988	64,154	60,200
Funding						
General Resources	21,529	-1,129	20,400		15,997	18,179
Supported Borrowing	7,893	-208	7,685		9,127	11,505
Prudential Borrowing	5,670	+502	6,172		1,100	200
Grants – Education	20,899	-3,031	17,868		26,665	21,101
Grants – HMRI	9,800	-900	8,900		8,300	7,500
Grants – Other	11,636	+9,732	21,368		1,915	1,665
Revenue, reserves and contributions	413	+3	416		1,050	50
TOTAL	77,840	+4,969	82,809		64,154	60,200

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APPROVED BY COUNCIL / CABINET - DECISIONS TO VARY THE PROGRAMME

Date	Details	£
February 21	Budget Cabinet confirmed the programme approved in December 2007	77,840
March 13	Capitalisation of highways maintenance returned to revenue from 2009/10	-3,656
April 3	Waste infrastructure grant allocated for 2008/09 and noted allocations for 2009/10 and 2010/11.	+551
May 22	Schools Capital funding agreed including in principle for Park and Pensby Schools.	
	Bidston Moss Viaduct scheme financial support from the Council confirmed for 2009/12.	
June 26	Business Rates transferred from Regeneration and reclassified as Think Big Investment Fund	
	Slippage from 2007/08 into 2008/09 financial year.	

SUMMARY

The approved programme for 2008/09 comprises Girtrell Court, Poulton House and Adult Accommodation funded by prudential borrowing. The report to Cabinet on 12 June 2008 referred to an initial review of intermediate care that proposed a new model for services. This requires revisions to the existing plans for Poulton House and consultation is starting with people who use Girtrell Court. The outcome of the consultation will set the agenda for the future and whilst the outcome is outstanding, forecast expenditure has been shown as the sum of approved and revised.

APPROVED PROGRAMME

Schemes	Approved 2008/09	Revisions 2008/09	Forecast 2008/09	Actual To date	Approved 2009/10	Approved 2010/11
	£000	£000	£000	£000	£000	£000
In House Residential (Poulton House)	1,952	-454	1,498	0	0	0
Girtrell Court	1,000	0	1,000	0	0	0
Adult Accommodation		1,198	1,198	13	0	0
TOTAL	2,952	744	3,696	13	0	0
Funding						
Prudential Borrowing	2,952	744	3,696		0	0
TOTAL	2,952	744	3,696		0	0

APPROVED BY COUNCIL / CABINET - DECISIONS TO VARY THE PROGRAMME

Date	Details	£
26 June	Cabinet agreed the slippage from 2007/08 (Poulton House was partially used in 2007/08)	

COMPLETED SCHEMES

Schemes	Comments on schemes completed including actions

PROGRESS REPORT ON APPROVED SCHEMES

Schemes	Comments on progression of schemes and any variations
Poulton House & Adult Accommodation	Approved schemes are subject to review following the outcome of the consultation.

JOHN WEBB
DIRECTOR OF ADULT SOCIAL SERVICES

SUMMARY

The Schools Capital programme 2008/09 was reported to Cabinet on 22 May which set out in detail the revised plans for the current financial year. The most significant change in the programme is related to the building schools for the future scheme at Woodchuch which has been re-profiled by the Department for Children, Schools and Families. The expected start on site is now early in 2009. The other changes reflect the re-profiling of the programme following consultation with schools.

APPROVED PROGRAMME

Schemes	Approved 2008/09	Revisions 2008/09	Forecast 2008/09	Actual To date	Approved 2009/10	Approved 2010/11
	£000	£000	£000	£000	£000	£000
Children's Homes	450	11	461	0	0	0
Children's Invest-To-Save	1,400	-1,255	145	0	1,100	200
City Learning Centres	50	471	521	103	0	0
Condition / Modernisation	5,704	887	6,591	870	2,755	2,755
Formula Capital	5,878	-1,386	4,492	452	4,592	4,592
Extended Schools	550	25	575	6	582	301
Schools – Access Initiative	611	38	649	16	611	611
Schools – Basic Needs	924	0	924	0	924	924
Schools – Property Maintenance	400	10	410	33	400	400
Schools – Boiler Renewals	250	-11	239	3	250	250
Schools – Health and Safety	200	75	275	0	200	200
Building Schools for the Future	11,625	-11,106	519	104	16,203	7,167
Private Finance Initiative	50	0	50	0	50	50
West Kirby Grammar – Teaching Acc	1,300	-81	1,219	181	0	0
Wirral Grammar Boys – Teaching Acc	265	1,174	1,439	679	0	0
Primary Reorganisation	400	-53	347	0	250	250
Primary Capital Strategy	0	0	0	0	4,838	7,216
Poulton School	0	0	0	0	1,000	0
Harnessing Technology	993	0	993	0	1,084	1,176

National Grid for Learning	133	0	133	0	133	133
Computers for Pupils	0	1,447	1,447	624	0	0
Contact Point System	0	172	172	0	0	0
Integrated Children's Scheme	0	26	26	0	0	0
Computers for Social Workers	0	57	57	0	0	0
Old Final Accounts	50	0	50	11	50	50
SEN and Disabilities	0	0	0	0	2,000	6,000
Specialist Schools	150	18	168	14	0	0
Playing Field Refurbishments	488	203	691	132	0	0
Oaklands Centre	350	0	350	0	0	0
Youth Capital Fund	0	843	843	0	182	182
Children's Centres Phase 1	0	73	73	58	0	0
Children's Centres Phase 2	0	784	784	161	0	0
Children's Centres Phase 3	0	347	347	0	717	443
Early Years Quality and Access	0	1,239	1,239	0	1,239	1,239
Adult Learning	0	40	40	17	0	0
Music Service Scheme	0	109	109	0	65	
TOTAL	32,221	-5,844	26,377	3,464	39,225	34,139
Funding						
General Resources	4,336	-1,353	2,983		1,283	1,283
Supported Borrowing for Year	5,173	-208	4,965		9,127	11,505
Prudential Borrowing	1,400	-1,255	145		1,100	200
Grant – Education	20,899	-3,031	17,868		26,665	21,101
Revenue, Reserve, Contributions	413	3	416		1,050	50
TOTAL	32,221	-5,844	26,377		39,225	34,139

APPROVED BY COUNCIL / CABINET - DECISIONS TO VARY THE PROGRAMME

Date	Details	£
16 April	Scheme & Estimates approved for Brackenwood, Liscard and Stanton Road Primary schools.	

22 May	Schools Capital funding 2008/09 report approved including Park and Pensby Schools.	
12 June	Scheme & Estimates approved for Children's Centres at Eastway Primary and Lingham Primary	
26 June	Cabinet agreed the slippage from 2007/08 to 2008/09 capital programme.	

COMPLETED SCHEMES

Schemes	Comments on schemes completed including actions

PROGRESS REPORT ON APPROVED SCHEMES

Schemes	Comments on progression of schemes and any variations	£
Woodchurch Pathfinder BSF	Re-profiling of scheme from 2008/09 to later years by DCSF. Start on site early 2009.	-11,106
Formula Capital	Re-profiling of schemes from 2008/09 to later years	-2,265
Children's Invest to Save	Re-profiling of schemes from 2008/09 to later years	-1,000
Children's Centres	17 of 19 centres are now complete. 2 remaining are approved and at tender stage	
Primary Capital Strategy	Funding is subject to DCSF approval of LA Strategy document (DCSF response is anticipated September 2008)	

HOWARD COOPER
DIRECTOR OF CHILDREN & YOUNG PEOPLE

SUMMARY

The most significant area of the programme is that on Property Maintenance. The programme of works is based upon priorities identified from the condition surveys and the health & safety surveys and the 2008/09 programme was agreed by Cabinet on 12 June. This includes a contingency for unplanned schemes or emergency works resulting from condition surveys. In terms of Building modernisation it is anticipated that schemes will be determined from the Strategic Asset Reviews that are to be carried out across on a geographic basis over the coming year.

APPROVED PROGRAMME

Schemes	Approved 2008/09	Revisions 2008/09	Forecast 2008/09	Actual To date	Approved 2009/10	Approved 2010/11
	£000	£000	£000	£000	£000	£000
Property Maintenance	1,510	0	1,510	133	1,510	1,510
Disabled Access Provision	100	0	100	1	100	100
Building Modernisation	250	0	250	0	1,000	2,000
West Wirral Schemes	200	211	411	33	200	200
IT Software Management	210	0	210	13	0	0
IT Projects	0	101	101	76	0	0
One Stop Shops	0	242	242	0	0	0
Cheshire Lines & Corporate Archive	0	9	9	72	0	0
West Kirby Coast	0	47	47	4	0	0
Hoylake Golf Resort	0	4	4	0	0	0
Think Big Investment Fund	0	387	387	0	300	300
TOTAL	2,270	1,001	3,271	332	2,810	3,810
Funding						
General Capital Resources	2,060	900	2,960	243	2,810	3,810
Prudential Borrowing	210	101	311	89	0	0
TOTAL	2,270	1,001	3,271	332	2,810	3,810

APPROVED BY COUNCIL / CABINET - DECISIONS TO VARY THE PROGRAMME

Date	Details	£
June 26	Business Rates transferred from Regeneration and reclassified as Think Big Investment Fund	300
June 26	Cabinet agreed the slippage from 2007/08 to 2008/09 capital programme	701

COMPLETED SCHEMES

Schemes	Comments on schemes completed including actions

PROGRESS REPORT ON APPROVED SCHEMES

Schemes	Comments on progression of schemes and any variations
Property Maintenance	Cabinet 12 June 2008 approved the Property Maintenance programme for 2008/09

JIM WILKIE
DIRECTOR OF CORPORATE SERVICES

SUMMARY

The main element is the Housing Market. Renewal Programme which is focused on Clearance and Improvements to existing housing stock. A change in the level of funding from NewHeartlands in 2008/09 has resulted in a reduction in the programme which will impact on the current year and future years (subject to changes to future funding levels). With Renovation Grants having ceased and improvements being by the use of contributions or equity loans the description has been revised to "Improvements to Stock".

The Floral Pavilion is slightly behind schedule but no major delay is forecasted. Phase 2 of the New Brighton development is still subject to future agreement and will be reported to future Cabinet meetings. Various Objective 1 programme and SRB programme schemes have been approved with the anticipated finalisation by 31 December 2008 and 31 March 2010 respectively.

APPROVED PROGRAMME

Schemes	Approved 2008/09	Revisions 2008/09	Forecast 2008/09	Actual To date	Approved 2009/10	Approved 2010/11
	£000	£000	£000	£000	£000	£000
Improvements to stock	2,500	170	2,670	411	3,380	3,380
Clearance	15,800	-4,136	11,664	4,470	9,477	8,682
Disabled Facilities Grants	1,250	377	1,627	187	1,250	1,250
Business Rates Support	300	-300	0	0	0	0
Floral Pavilion	7,952	-70	7,882	1,160	0	0
Landican Cemetery	300	-11	289	0	0	0
Football Facilities	17	0	17	0	0	0
Wirral Tennis Centre	380	0	380	13	0	0
West Kirby Concourse	280	0	280	0	0	0
Property Maintenance	300	0	300	55	300	300
Energy Efficiency Schemes		99	99	0	0	0
Oval Sports Centre – 5-a-side		560	560	74	0	0
Oval Sports Centre – Refurbishment		105	105	179	0	0
Frankby Cemetery		259	259	240	0	0
Birkenhead Park		619	619	4	0	0

Birkenhead Central Library		181	181	51	0	0
Community Safety		100	100	0	0	0
Objective 1	0	5,301	5,301	1,816	0	0
SRB	0	4,543	4,543	308	0	0
TOTAL	29,079	7,797	36,876	8,968	14,407	13,612
Funding						
General Resources	10,062	-1,396	8,666		5,357	5,362
Prudential Borrowing	960	912	1,872		0	0
Grant – HMRI	9,800	-900	8,900		8,300	7,500
Grants – Other	8,257	+9,181	17,438		750	750
TOTAL	29,079	7,797	36,876		14,407	13,612

APPROVED BY COUNCIL / CABINET - DECISIONS TO VARY THE PROGRAMME

Date	Details	£
June 26	Business Rates transferred from Regeneration and reclassified as Think Big Investment Fund	300
June 26	Cabinet agreed the slippage from 2007/08 capital programme	

COMPLETED SCHEMES

Schemes	Comments on schemes completed including actions

PROGRESS REPORT ON APPROVED SCHEMES

Schemes	Comments on progression of schemes and any variations
Birkenhead Park	Only some remedial works and retentions remain outstanding.
Floral Pavilion	Progressing well with the handover expected in October and opening in November.
Oval Sports Centre	Issues around the refurbishment have been regularly reported and the opening is anticipated to be in the late summer.

ALAN STENNARD
DIRECTOR OF REGENERATION

SUMMARY

There is not a great deal to say at this stage of the year other than no significant variations have arisen and it is anticipated that by the end of the year the outturn will be closely in line with the agreed budget.

The West Kirby Marine Lake scheme is subject to the granting of statutory licences and will proceed as planned this year.

Waste Infrastructure includes the purchase lockable bins at multi occupational properties, recycling facilities in schools and retail areas and the purchase of two specialist waste inspection vehicles.

APPROVED PROGRAMME

Schemes	Approved 2008/09	Revisions 2008/09	Forecast 2008/09	Actual To date	Approved 2009/10	Approved 2010/11
	£000	£000	£000	£000	£000	£000
LTP – Accessibility	137	0	137	13	150	155
LTP – Air Quality	955	0	955	88	560	445
LTP – Congestion	737	0	737	110	196	213
LTP – Road Safety	3,620	500	4,120	868	4,161	5,340
LTP – Transportation	610	0	610	125	1,440	1,531
Capitalised Highway Maintenance	3,656	0	3,656		0	0
Highways Structural	500	0	500		500	500
Street Lighting Columns	300	0	300		300	300
Coast Protection	55	0	55		55	55
Energy Schemes	148	220	368	7	0	0
West Kirby Marine Lake	500	0	500		250	0
Micro Regeneration	100	0	100		100	100
Waste Infrastructure	0	551	551			
TOTAL	11,318	1,271	12,589	1,211	7,712	8,639
Funding						
General Resources	5,071	720	5,791		2,992	3,441
Supported Borrowing for Year	2,720	0	2,720		0	0

Prudential Borrowing	148	0	148		3,555	4,283
Grant	3,379	551	3,930		1,165	915
TOTAL	11,318	1,271	12,589		7,712	8,639

APPROVED BY COUNCIL / CABINET - DECISIONS TO VARY THE PROGRAMME

Date	Details	£
March 13	Capitalisation highways maintenance returned to revenue from 2009/10	-3,656
April 3	Waste Infrastructure £551,000 funded from capital grant	551
May 22	Bidston Moss Viaduct scheme supported with allocation of funding for 2009/12	
June 26	Cabinet agreed slippage from 2007/08 to 2008/09 capital programme.	

COMPLETED SCHEMES

Schemes	Comments on schemes completed including actions

PROGRESS REPORT ON APPROVED SCHEMES

Schemes	Comments on progression of schemes and any variations
Local Transport Plan	The infrastructure programme was agreed by Cabinet in March whilst amendments were approved in June along with the approval of the road safety schemes.

DAVID GREEN
DIRECTOR OF TECHNICAL SERVICES

CORPORATE RISK MONITORING SUMMARY

REPORT OF THE DIRECTOR OF FINANCE

1. EXECUTIVE SUMMARY

1.1. This is one of a series of reports submitted throughout the year providing an update on actions to manage risks identified in the Corporate Risk Register.

2. BACKGROUND

2.1. Cabinet on 3 April 2008 agreed that I would provide this summary report to Cabinet and to Audit & Risk Management Committee following the end of each quarter. To support this each Chief Officer provides an update on their actions to address the identified risks and any 'new' risks which merit consideration for inclusion in the Corporate Risk Register.

3. CORPORATE RISK REGISTER

3.1 The revised Corporate Risk Register (CRR) was agreed by Cabinet on 13 March 2008. This was the baseline document and is reviewed quarterly by the Corporate Improvement Group (CIG) in line with the performance management cycle. Highlights and exceptions are reported to Members following each review.

4. PROGRESS ON THE ACTIONS BEING TAKEN

4.1 As well as recording the existing key controls and contingencies the CRR also indicates those additional actions which need to be implemented in order to manage the most significant risks down to acceptable levels

4.2 The main areas of positive movement in controlling the existing risks are:

Risk No.	Description	Positive Developments in Control Actions
1.	Death or serious injury to a service user, staff member, or anyone to whom the Council owes a duty of care.	The (IOSH) 'Managing Safely' training course for managers has been piloted. A Health & Safety audit in Cultural Services has been completed. 95% of Legislative Compliance audits of Council premises have been completed
2.	Failure to prepare adequately for/manage the impact of a pandemic.	Adult Social Services have engaged with independent social care providers to encourage them to develop their own plans. DASS have agreed a list of priority staff. Lists for other service critical areas are still awaited.

3.	Key Council services are not resilient to disruption and business continuity arrangements are inadequate.	The Department of Adult Social Services has completed its departmental business continuity plan. A survey of the preparedness of all external partners/service providers has been undertaken and guidance supplied. Information provided by them as to their business continuity planning arrangements has been evaluated and further awareness raising sessions planned. An exercise to test the pandemic flu plan has been undertaken with Adult Social Services and the Primary Care Trust.
4.	Changing need and demand for services (driven by legislative, social and demographic change) is not managed effectively	A permanent Equality & Diversity co-ordinator has been appointed. The LAA was signed off following a robust process.
5.	The Council does not maintain arrangements for good corporate governance	The Council Constitution has been reviewed. Representation on Audit & Risk Management Committee has been reviewed and improved
6.	Community expectations are not properly understood or managed well	A permanent Equality & Diversity co-ordinator has been appointed. Sustainability appraisal of the LAA has begun Preparatory work for the CAA has started
7.	Failure to achieve sustainable budgets, in line with priorities and take difficult decisions.	The Council Constitution has been reviewed. COMT have agreed criteria for investment Enhanced financial reporting arrangements have been agreed by Cabinet and the Q1 report is scheduled for July. The Medium Term Financial Plan and Capital Strategy have been reviewed.
8.	The strategies supporting our key priorities are not executed effectively	A common timetable for the review process was agreed by Cabinet in April and strategies were reviewed in June.
9.	Partnerships are not well planned and we do not work effectively with others	Review of the Partnership Register has commenced Preparatory work for the CAA has begun.
10.	Failure to manage and improve image and reputation.	The Tourism & Marketing division has been restructured.
11.	We do not recruit and retain appropriate staff or develop them effectively.	Elected Member and corporate leadership Development programmes are continuing according to plan. Our approach to workforce planning/talent management is continuing as planned.
12.	We do not fully exploit all available resources, including	A common timetable for the review of strategies was agreed by Cabinet in April

	technology.	and strategies were reviewed in June.
14.	Failure to plan and manage performance (CPA) and finances in accordance with plans and budgets	The finance and performance monitoring framework and timetable were reviewed and reported to Cabinet in April. An enhanced Corporate Improvement Group was introduced in April
16.	Major error in investments and administration of Merseyside Pension Fund	A new monitoring regime for external mandates was reported to committee on 31 March. Phase I of the new Investment Accounting software was introduced in March and is currently subject to parallel running. Training sessions for members have been run regularly since approval in January.
17.	Failure in safeguarding arrangements (adult or child)	Child Death Overview Panels were fully implemented by 1 April Progress is being made towards the programme for disseminating learning from serious child care incidents
18.	Failure to deliver the Local Pay Review	Stage one of the review is on schedule for implementation on 1st August 2008.
19.	Failure to progress the regeneration of economically disadvantaged areas	An agreement with Lovell was reached in March and building work is to commence in July.

4.3 Those areas where progress in implementing controls has not proceeded to timetable or where information is not available are:

Risk No.	Description	Areas where Control Actions have yet to be progressed
3.	Key Council services are not resilient to disruption and business continuity arrangements are inadequate.	A corporate business continuity plan has been drafted but requires consultation. The date for completion has therefore been revised to November 2008.
6.	Community expectations are not properly understood or managed well.	Although preparations for CAA are underway some elements of the regime have yet to be clarified by central government.
11.	We do not recruit and retain appropriate staff or develop them effectively.	The development of an online application tool linked to national electronic recruitment portals is currently behind schedule. The development of Skills Audit has been hampered by the lack of an electronic tool. Approval for the procurement cost is being sought from Cabinet.
15.	Failure to execute the Council's Investment Strategy (or failure of the Strategy to deliver).	No information has been received concerning establishment of the Corporate Investment Group
17.	Failure in safeguarding	The timetable for appointment of a Mental

	arrangements (adult or child)	Health Capacity Act Coordinator has been put back to September. The introduction of a New Child Care Risk Management Procedure has been put back to September The deadline for improved audit and scrutiny capacity governed through LSCB has been put back to September.
19.	Failure to progress the regeneration of economically disadvantaged areas	Formation of the new department of Human Resources, Law & Asset Management has been delayed.
20.	Failure to maximise recycling.	No information has been received

5. VARIATIONS TO THE RISK REGISTER

5.1 The following risks were reported to the Corporate Improvement Group as having potential corporate significance.

- (i) Impact of volatility and a downturn in the economy
- (ii) Adverse effect on Council budgets of rising energy prices.
- (iii) Susceptibility of IT provision to disruption.
- (v) Financial and environmental impact of delay in or failure to acquire and gain planning consents for sites needed to deliver the MWDA procurement programme.

5.2 All were considered to be sufficiently significant to warrant inclusion in the register. They will be reviewed by the Group next quarter.

5.3 All risks which were previously on the register were still considered to present a sufficiently large corporate threat. Therefore none have been removed.

IAN COLEMAN
DIRECTOR OF FINANCE

Additional Actions to Control Corporate Risks

Corporate Risk	Description of Control Action	Officer Responsible	Target Date	Status	Comments
2. Failure to prepare adequately for/manage the impact of a pandemic.	Engage with independent social care providers to develop their own plans	Jenny Ricketts	June 2008	Implemented	Consultation events held to engage with providers on 16 th may 2008 and 20 th June 2008.
17. Failure in safeguarding arrangements (adult or child)	Develop formal links and training to the Wirral Multicultural Centre staff (protect communities at risk of social exclusion)	Rick O'Brien	March 2009	Ongoing	Ongoing
	Appoint Safeguarding Mental Health Coordinator	Rick O'Brien	September 2008	Not yet implemented	Ongoing discussion. Target date remains September 2008.
	Appoint Mental Health Capacity Act Coordinator	Rick O'Brien	June 2008	Not implemented	Ongoing discussion regarding MCA Coordinator and MHA coordinator. New targets date September 2008.

Additional Actions to Control Corporate Risks

Corporate Risk	Description of Control Action	Officer Responsible	Target Date	Status	Comments
17. Failure in safeguarding arrangements (adult or child)	Child Death Overview Panels	Caroline McKenna	1st April 2008	Implemented	CDOP fully implemented by DCSF required date.
	LSCB programme for disseminating learning from serious child care incidents	Caroline McKenna	September 2008	On target	External facilitator to deliver overview training - September 2008, ongoing training programme to be designed by this date.
	Improved audit and scrutiny capacity governed through LSCB	Caroline McKenna	June 2008	Not on target.	Focus & workplan of Performance and Scrutiny sub group to be refreshed by September 2008 . CAF / QA officer to be recruited July '08.
	New internal controls re S118 IRO reporting	Caroline McKenna	September 2008	On target	S118 process fully in place by September, trigger system (pre 118) to be implemented at the same time.
	New Child Care Risk Management Procedure introduced	Julia Hassall	June 2008	Not on target	Procedure produced (jointly with M.Lane) internal system to underpin this to be completed by September 2008 .

Additional Actions to Control Corporate Risks

Corporate Risk	Description of Control Action	Officer Responsible	Target Date	Status	Comments
4. Changing need and demand for services (driven by legislative, social and demographic change) is not managed effectively	Introduce Equalities Strategy Policy & Standard	Jim Wilkie	Ongoing	Green	Permanent E&D co-ordinator appointed. E&D Policy introduced in 2007 and being refreshed in Dec 08
	Renew and improve corporate service planning process to ensure that trends are anticipated and the impact of legislative and policy change considered	Jim Wilkie	Ongoing	Green	Planning process improved for 2007/8 and new corporate plan produced. Plan will be refreshed in 2008.
	Annual review and refresh of key delivery plans including LAA / corporate and departmental plans	Jim Wilkie	Ongoing	Green	2 nd generation LAA signed off following a robust process. Corporate and departmental plans developed in new form for 2007/8 and are being refreshed for 2008/9
5. The Council does not maintain arrangements for good corporate governance	Undertake review of Constitution	Simon Goacher	May 08	Green	Review completed reported to Cabinet 09/07/08. To be considered by Council on 14/07/08
6. Community expectations are not properly understood or managed well	Undertake preparatory work for CAA regime Introduce Equalities Strategy Policy & Standard	Russ Glennon	Ongoing	Amber	Preparations underway (including negotiation of LAA) but some elements of CAA still unclear from central government.

		Russ Glennon	Ongoing	Green	Permanent E&D co-ordinator appointed. E&D Policy introduced in 2007 and being refreshed in Dec 08
	Renew and improve corporate service planning process to ensure that trends are anticipated and the impact of legislative and policy change considered	Russ Glennon	Ongoing	Green	Planning process improved for 2007/8 and new corporate plan produced. Plan will be refreshed in 2008.
	Progress in Community Engagement Action Plan to be monitored regularly	Russ Glennon	Ongoing	Green	Plan being superseded by comprehensive engagement strategy.
	Conduct sustainability appraisal of the LAA	Russ Glennon	Ongoing	Green.	ESAG group created to manage sustainability appraisal programme. Graham Gladden nominated as chair and agreed by LAA Programme Board.
7. Failure to achieve sustainable budgets, in line with priorities and take difficult decisions.	Undertake review of Constitution	Simon Goacher	May 08	Green	Review completed reported to Cabinet 09/07/08. To be considered by Council on 14/07/08
9. Partnerships are not well planned and we do not work effectively with others	Introduce periodic checks to ensure that partnerships comply with Wirral's governance arrangements	Simon Goacher	Ongoing	Green	Meeting with Finance to take place on 11 July 2008 to make arrangements for checks. Partnership Toolkit to be developed and reported to Cabinet in September/October.
	Undertake annual review of key partnership register	Simon Goacher	Ongoing	Green	Review of the Partnership Register has commenced

	Undertake preparatory work for CAA regime	Russ Glennon	Ongoing	Amber	Preparations underway (including negotiation of LAA) but some elements of CAA still unclear from central government.
10. Failure to manage and improve image and reputation	Restructure of Tourism & Marketing division	Emma Degg	April 08	Green	Complete
	Centralisation of control of corporate marketing	Emma Degg	April 09	Amber	Preparations underway to centralise all marketing activity. Departmental engagement variable.

11. We do not recruit and retain appropriate staff or develop them effectively	Continue development of recruitment including the use of innovative recruitment and retention policies.	Paul Bradshaw	Ongoing	Amber	The key aspect of this action point was to develop an online application tool attached to a number of national electronic recruitment portals. An external provider has been selected, however, IT Services have advised us that this is not a priority at this stage. We will continue to seek to implement the proposed efficiencies as soon as ITS can allocate resource to the task.
	Continue development of Skills audit	Paul Bradshaw	Ongoing	Amber	This action is dependant upon the procurement of an electronic skills audit tool, in respect of which Cabinet approval is being sought for the procurement costs on 23 July 2008. Subject to approval we can then proceed with this development.
	Continue development of approach to workforce planning/talent management	Paul Bradshaw	Ongoing	Green	
	Continue Elected Member Development programme	Paul Bradshaw	Ongoing	Green	
	Continue corporate leadership development programme	Paul Bradshaw	Ongoing	Green	

14. Failure to plan and manage performance (CPA) and finances in accordance with plans and budgets	Enhanced Corporate Improvement Group	Jim Wilkie	March 08		
15. Failure to execute the Council's Investment Strategy (or failure of the Strategy to deliver).	Establish Corporate Investment Group	Jim Wilkie	April 08		
	Implement Council restructure (new department)	Jim Wilkie	March 08		
18. Failure to deliver the Local Pay Review	Regular reports to COMT, Cabinet & Overview & Scrutiny Committee	Paul Bradshaw	Ongoing during 2008	Green	Stage one of the local pay review is on schedule for implementation on 1 st August 2008, subject to the outcome of a current Unison ballot on management's proposals. The final 3 phases of the local pay structure are on schedule to be implemented by April 2009
19. Failure to progress the regeneration of economically disadvantaged areas	Liaison with developers	Jim Wilkie	Ongoing		
	Change to Council structure	Jim Wilkie	April 08		

Additional Actions to Control Corporate Risks

Corporate Risk	Description of Control Action	Officer Responsible	Target Date	Status	Comments
5. The Council does not maintain arrangements for good corporate governance	Implement enhanced risk-based audit programme	David Garry	Ongoing		
	Deliver further risk management training for Members	Tom Sault (Mike Lane)	Ongoing 2008	On target	Session delivered on 24 July. Further session expected in October 2008
	Representation on Audit & Risk Management Cttee reviewed		July 2008	On target	Council agreed revisions for September cycle of meetings
	Produce annual governance statement	David Garry	July 2008	Implemented	Presented to Cabinet on 26 June
7. Failure to achieve sustainable budgets, in line with priorities and take difficult decisions	Establish criteria for investment e.g. from Efficiency Investment Budget	Ian Coleman	April 2008	Implemented	COMT agreed upon a 3 year recovery profile
	Implement enhanced financial reporting	Tom Sault	April 2008	Implemented	Reporting arrangements reported to Cabinet on 3 Apr.
	Refine / review financial management arrangements	Tom Sault	July 2008	On target	Reporting arrangements reported to Cabinet on 3 Apr.
	Review Medium Term Financial Plan	Tom Sault	July 2008	On target	To be reported to Cabinet on 23 July
	Review Capital Strategy	Tom Sault	July 2008	On target	To be reported to Cabinet on 23 July
8. The strategies supporting our key priorities are not executed effectively	Implement common timetable for review process	Tom Sault	April 2008	Implemented	Review dates reported to Cabinet on 3 April.
9. Partnerships are not well planned and we do not work effectively with others	Deliver enhanced guidance and training regarding grants	Pete Molyneux	Sep. 2008	On target	

11. We do not recruit and retain appropriate staff or develop them effectively	Finance Department training plan Finance Department Workforce Plan	Stephen Rowley Stephen Rowley	Ongoing July 2008	Implemented	Regular review of training opportunities Contribution to overall Council plan
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WIRRAL COUNCIL RISK MONITORING REPORT AS AT JUNE 2008 REGENERATION

Additional Actions to Control Corporate Risks

Corporate Risk	Description of Control Action	Officer Responsible	Target Date	Status	Comments
19. Failure to progress the regeneration of economically disadvantaged areas	Implement 'Lovell' agreement	Ian Platt	Under review	Implemented	Agreement completed by end March 08. Lovells now on-site undertaking preliminary investigations. Building work commences July 08. The effects of economic conditions (e.g. credit crunch) on delivery will be monitored.

Additional Actions to Control Corporate Risks

Corporate Risk	Description of Control Action	Officer Responsible	Target Date	Status	Comments
1. Death or serious injury to a service user, staff member, or anyone to whom the Council owes a duty of care.	Institute Of Safety and Health (IOSH) Managing Safely training to all Managers and Supervisors below Head of Service	Mark Camborne	April 08 onwards	Ongoing	<ul style="list-style-type: none"> Pilot course successfully ran in July 08. Programme of courses to begin in Sept 08
	Further review and development of H&S arrangements	Mark Camborne	Not known	Ongoing	<ul style="list-style-type: none"> Lone working and first aid arrangements completed A number of revised and new arrangements partly completed
	Continuing audits of H&S management	Mark Camborne	Not known	Ongoing	<ul style="list-style-type: none"> H&S audits in Leisure Services completed & Technical Services depot and transport sections underway 95% Legislative Compliance audits of Council premises complete
2. Failure to prepare adequately for/manage the impact of a pandemic.	Identify priorities within workforce for anti-viral drugs	Mark Camborne	Oct 2008		<ul style="list-style-type: none"> DASS have agreed list of priority staff for anti viral treatment. <p>Awaiting list of priority staff from other critical service areas – CYPD/registrars & crems</p>

3. Key Council services are not resilient to disruption and business continuity arrangements are inadequate.	Finalise the corporate Business Continuity Plan for Wirral	Mark Camborne	April 2008		Draft plan is written but requires consultation process around departments and service areas.
	Finalise all Departmental Business Continuity Plans	Mark Camborne	Oct 2008		<ul style="list-style-type: none"> DASS completed (Departmental) Business Continuity Plan Template has been sent out to all critical activity service areas and awaiting response.
	Ensure external agencies have cohesive continuity arrangements	Mark Camborne	Aug 2008		<ul style="list-style-type: none"> All external partners/ service providers have been written to requesting information as to their business continuity planning arrangements. Results are being evaluated but looks rather patchy and follow-up awareness sessions are being developed. <p>Wirral attended and hosted a stand at the Merseyside Small business event at St Georges Hall and are carrying out a similar exercise at Aintree in September</p>
	Identify external suppliers and compile position statement as to their arrangements	Mark Camborne	April 2008		Survey carried out as to the preparedness of all suppliers in relation to business continuity and advice document supplied.

	Conduct tabletop exercise to test the efficiency of plans	Mark Camborne	March 2009		<ul style="list-style-type: none"> • Held some Pan Flu exercises with DASS and PCT • Participated in EX Blackstart – electricity outage exercise Planning underway for a council wide BC exercise in Feb/March 2009
20. Failure to maximise recycling	Produce recycling headline project plan	Mark Smith	To be advised		
	Increase participation through improved collection service reliability & effective community engagement	Mark Smith	March 2009		
	Deliver education and awareness campaigns to promote waste minimisation	Mark Smith	To be advised		
	Encourage recycling and minimisation of municipal waste	Mark Smith	31 March 2009		

Strategic Objective:

1. To create more jobs, achieve a prosperous economy and regeneration Wirral

Aim:

1.1 Increase investment and encourage new developments

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
Local 6280	The amount of floor space (ha) developed and brought to the market for employment use (Borough wide)	To be baselined 08/09	Targets to be set subject to baseline.			Regeneration & Planning Strategy	Corporate Services
Local 6246	Value of investment managed through Wirral Direct	£18,044,755	10m	12m	14m	Regeneration & Planning Strategy	Corporate Services
Local 6247	Number of jobs created	200	275	300	325	Regeneration & Planning Strategy	Corporate Services
Local 6245	Number of jobs safeguarded	400	400	425	450	Regeneration & Planning Strategy	Corporate Services
NI 157a	Processing planning applications - major	70	70	70	70	Regeneration & Planning Strategy	Technical Services
NI 157b	Processing planning applications - minor	80	80	80	80	Regeneration & Planning Strategy	Technical Services
NI 157c	Processing planning applications - other	85	85	85	85	Regeneration & Planning Strategy	Technical Services

Aim: 1.2 Improve rate of business start ups and support local businesses to grow (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
Local 4128	Number of new business start ups	487	240	The targets for 2009/10 and 2010/2011 which were incorporated in the Corporate Plan were extensions of previous LAA targets. These targets are now being reviewed in the light of Central Governments Business Support Simplification Review. The outcome of this is expected to be known by the end of this calendar year which will then enable targets to be set			Regeneration & Planning Strategy
NI 171	New business registration rate	Baseline data available Nov 08	Targets to be set subject to baseline.			Regeneration & Planning Strategy	Corporate Services

Aim: 1.3 Increase GVA by increasing employment opportunities and matching skills to employers' demands

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
Local 6281	Increase in NVQ Level 2 Skills for Employment in the worst performing neighbourhoods	3250	3283	3299	3316	Regeneration & Planning Strategy	Corporate Services
NI 165	Working age population qualified to at least NVQ Level 4 or higher	24.80%	25.00%	25.20%	25.40%	Regeneration & Planning Strategy	Corporate Services
Local 6282	GVA per capita	£10,115	£10,418	£10,722	£11,025	Regeneration & Planning Strategy	Corporate Services

Aim: 1.4 Reduce Worklessness (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 152	Working age people on out of work benefits	17.94%	17.74%	17.54	17.34	Regeneration & Planning Strategy	Corporate Services

NI 153	Working age people claiming out of work benefits in the worst performing neighbourhoods	35.8% (May 07)	35.22% (-0.6%)	34.42% (-0.8%)	33.32% (-1.1%)	Regeneration & Planning Strategy	Corporate Services
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Aim: 1.5 Ensure the sustainability of our cultural, leisure and tourism assets

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
Local 6227	Hits on visitwrral.com to view key messages	5,000,000	5,100,000	5,200,000	5,300,000	Culture, Leisure & Tourism	Corporate Services

Strategic Objective:

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

Aim:

2.1 Increase levels of recycling (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 191	Waste per head	641.48	636	631	626	Environment	Technical Services
NI 192	Household waste recycled and composted	31.67% (2007/08)	34%	35.50%	37%	Streetscene & Transport Services	Technical Services
NI 193	municipal waste land filled	62.15%	59.65%	58.31%	56.95%	Environment	Technical Services

Aim:

2.2 Reduce the Council's carbon footprint (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 185	LA carbon reduction	Baseline to be created 2008/09		Reduce by 10% by 2010		Environment	Technical Services
NI 186	Per capita carbon reduction	6 tonnes (2005)	(3.7%)	(7.5%)	(11.4%)	Environment	Technical Services
NI 188	Impact of climate change	Level 0	Level1	Level 2	Level 3	Environment	Technical Services
NI 194(a)	Level of air quality - reduction in NO _x and primary PM ₁₀ emissions through local authority's estate and operations - Emissions of Nox	Baseline to be created 2008/09	Annual			Environment	Technical Services
NI 194(b)	Level of air quality - reduction in NO _x and primary PM ₁₀ emissions through local authority's estate and operations - % reduction in No_x emissions	Baseline to be created 2008/09	Annual			Environment	Technical Services

NI 194c	Level of air quality - reduction in NO _x and primary PM ₁₀ emissions through local authority's estate and operations - Emissions of PM₁₀	Baseline to be created 2008/09	Annual	Environment	Technical Services
NI 194(d)	Level of air quality - reduction in NO _x and primary PM ₁₀ emissions through local authority's estate and operations - % reduction in PM₁₀ emissions	Baseline to be created 2008/09	Annual	Environment	Technical Services

Aim: 2.3 Create exemplary levels of street cleanliness

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 195a	Improved levels of litter	11%	8%	7.50%	7%	Streetscene & Transport Services	Technical Services
NI 195b	Improved levels of detritus	11%	10%	9%	8%	Streetscene & Transport Services	Technical Services
NI 195c	Improved levels of graffiti	7%	7%	7%	7%	Streetscene & Transport Services	Technical Services
NI 195d	Improved levels of fly posting	1%	1%	1%	1%	Streetscene & Transport Services	Technical Services

Aim: 2.4 Reduce number of people killed or seriously injured in road accidents (**Priority for 2008/09**)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 47	All adults killed or seriously injured	174 (2005/07)	154 (11.3%)	138 (10.4%)	123 (11.1%)	Streetscene & Transport Services	Technical Services
NI 48	Children killed or seriously injured	31 (2005/07)	26 (16.3%)	22 (15.6%)	20 (6.2%)	Streetscene & Transport Services	Technical Services

Aim: 2.5 Deliver HMRI programme and achieve housing decency standards

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 154	Net additional homes provided	330 (baseline year tbc)	500	500	500	Housing & Community Safety	Corporate Services
NI 155	Affordable homes delivered	99 (2007/08)	149	167	187	Housing & Community Safety	Regeneration
NI 159	Supply of ready to develop housing sites	3400	2500	2500	2500	Housing & Community Safety	Corporate Services

NI 156	Temporary accommodation	8(2004) LAA baseline 24 (2007)	18	12	4	Housing & Community Safety	Regeneration
Local 4049	Homes acquired, demolished, refurbished or built as a result of HMRI investment	1397	950	950	950	Housing & Community Safety	Regeneration
NI 180	Changes in Housing and Council Tax Benefit within the year	To be baselined 08/09	*1.08	*1.08	*1.08	Community & Customer Engagement	Finance
NI 181	Time taken to process new claims and change events	To be baselined 08/09	16.4	15.9	15.4	Community & Customer Engagement	Finance
NI 187	People on income based benefits living in homes with low energy efficiency rating	As this is a completely new indicator, a baseline and targets have yet to be established. A survey will be carried out (guidelines for the survey have yet to be published by DEFRA) later in the year to establish the baseline from which targets will be set.				Community & Customer Engagement	Regeneration

Aim: 2.6 Reduce alcohol related crime

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 15	Serious violent crime	0.41 (per 1000 population)	0.37	0.34	0.31	Housing & Community Safety	Regeneration
NI 20	Assault with injury	6.09 (per 1000 population)	5.48	4.99	4.63	Housing & Community Safety	Regeneration

Aim: 2.7 Reduce levels of anti-social behaviour

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
Local 4206	Number of anti-social behaviour incidents	21152	17917	17558	17207	Housing & Community Safety	Regeneration

Aim: 2.8 Conserve the borough's natural and built heritage and increase civic pride and public participation

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 197	Improved local biodiversity - active management of local sites	No baseline available	New indicator - This indicator will be baselined after 08/09.			Environment	Regeneration

Strategic Objective:

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

Aim: 3.1 Narrow the mortality gap on Wirral

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department

NI 120	Mortality rates Male	815 (2006)	735	714	694	Social Care & Inclusion	Adult Social Services
NI 120	Mortality rates Female	529 (2006)	513	500	488	Social Care & Inclusion	Adult Social Services

Aim: 3.2 Promote greater independence and choice (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 146	Adults with learning disabilities in employment	5.50%	8.30%	11.90%	15.60%	Social Care & Inclusion	Adult Social Services
NI 135	Carers receiving needs assessment or review and a specific carer's service, or advice and information	15.1% (08)	18%	21.50%	25	Social Care & Inclusion	Adult Social Services
NI 136	People supported to live independently through Social Services (all ages)	2141.55	2185.8	2230.05	2274.3	Social Care & Inclusion	Adult Social Services
NI 130	Social Care clients receiving self directed support (Direct Payments and Individual Budgets)	191 (2008)	322.3	651.7	1121	Social Care & Inclusion	Adult Social Services

Aim: 3.3 Reduce the number of falls for elderly people

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 134	Number of emergency bed days per head of weighted population					Social Care & Inclusion	Adult Social Services

Aim: 3.4 Encourage healthy lifestyles and participation in fulfilling activities

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 119	Self reported measure of peoples overall health and wellbeing	Place Survey Final technical guidance required prior to targets being set.				Social Care & Inclusion	Adult Social Services
NI 8	Adult participation in sport	19.50%	20.50%	21.50%	22.50%	Culture, Leisure & Tourism	Regeneration

Aim: 3.5 Improve support for those with mental health problems

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department

Local 8432	Establish cohort of clients aged 16-35 with two or more episodes of self harm in the last 12 months who subsequently become engaged in meaningful social activities.	Audit to be conducted at end of July and baseline set.	Sustain 5% based on accurate baseline.	Sustain 5% based on accurate baseline.	Sustain 5% based on accurate baseline.	Social Care & Inclusion	Adult Social Services
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Aim: 3.6 Tackle domestic violence

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 32	Repeat incidents of domestic violence	Baseline to be created 2008/09	Target to be set subject to baseline.			Housing & Community Safety	Regeneration
NI 34	Domestic violence murder rate		Police yet to set up collection system.			Housing & Community Safety	Regeneration

Aim: 3.7 Tackle all forms of alcohol and drug induced harm

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department	
NI 38	Drugs offending rate	Measured for 08/09 through the proxy measure below (LOCAL 8431)					Social Care & Inclusion	Regeneration
LOCAL 8431	Rate of drug related offending	47.50%	45%	National Indicator (NI 38) will be implemented from 2009/10				
NI 39	Alcohol harm related hospital admission rates	2220 (2006/07)	3004.06	3449.06	3926.45	Social Care & Inclusion	Adult Social Services	
NI 40	Drugs users in effective treatment	2195	2239	2284	2330	Social Care & Inclusion	Adult Social Services	
NI 115	substance misuse by young people	Tellus 3 survey					Social Care & Inclusion	Children & Young People
NI 41	% of people who perceive people being drunk or rowdy in public places to be a problem in their local area	To be established in 2008/09 New Place Survey					Housing & Community Safety	Regeneration

Strategic Objective: 4. To raise the aspirations of young people

Aim: 4.1 Raise overall educational attainment, particularly lower achieving young people (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 92	Narrow gap in lowest 20% early years test	34.3	31.5	30.2		Children's Services & Lifelong Learning	Children & Young People
NI 102	Achievement gap school meals KS2 & 4		22.8			Children's Services & Lifelong Learning	Children & Young People
NI 99	Attainment of children in care - attainment KS2 English	41.30%	n/a	44%		Children's Services & Lifelong Learning	Children & Young People

NI 100	Attainment of children in care - attainment KS2 Maths	51.70%	n/a	44%	Children's Services & Lifelong Learning	Children & Young People
NI 101	Attainment of children in care - attainment KS4 English and Maths	7.90%	n/a	7.40%	Children's Services & Lifelong Learning	Children & Young People
NI 104	SEN gap - attainment KS2 English and Maths		50		Children's Services & Lifelong Learning	Children & Young People
NI 105	SEN gap - attainment 5 A*-C GCSEs	Awaiting targets - recalculation required			Children's Services & Lifelong Learning	Children & Young People
NI 107	KS2 attainment BME			71%	Children's Services & Lifelong Learning	Children & Young People
NI 108	KS4 attainment BME	No BME groups for KS4			Children's Services & Lifelong Learning	Children & Young People
NI 72	Achievement of at least 78 points across early years foundation	46.10%	54%	56%	Children's Services & Lifelong Learning	Children & Young People
NI 73	Achievement at level 4+ English / Maths KS2	72%	n/a	77%	Children's Services & Lifelong Learning	Children & Young People
NI 74	Achievement at level 5+ English / Maths KS3	72	n/a	77	Children's Services & Lifelong Learning	Children & Young People
NI 75	Achievement of 5+ A*-C GCSEs inc. English + Maths	48.4	52	55.2	Children's Services & Lifelong Learning	Children & Young People
NI 83	Achievement at level 5+ Science KS3	75	n/a	80	Children's Services & Lifelong Learning	Children & Young People
NI 87	Secondary school persistent absence rates	7.1	n/a	6.4	Children's Services & Lifelong Learning	Children & Young People
NI 93	Progression by 2 levels in English between KS1 + KS2	78.9	n/a	86	Children's Services & Lifelong Learning	Children & Young People
NI 94	Progression by 2 levels in Maths between KS1 + KS2	72.3	n/a	79	Children's Services & Lifelong Learning	Children & Young People
NI 95	Progression by 2 levels in English between KS2 + KS3	26.5	n/a	35	Children's Services & Lifelong Learning	Children & Young People
NI 96	Progression by 2 levels in Maths between KS2 + KS3	59.9	n/a	66	Children's Services & Lifelong Learning	Children & Young People
NI 97	Progression by 2 levels in English between KS3 + KS4	60	n/a	65.7	Children's Services & Lifelong Learning	Children & Young People
NI 98	Progression by 2 levels in Maths between KS3 + KS4	29	n/a	35	Children's Services & Lifelong Learning	Children & Young People

NI 89	Special measures school	0	0	0	0	0	Children's Services & Lifelong Learning	Children & Young People
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Aim: 4.2 Reduce numbers not in employment, education or training

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 148	Care leavers in employment, education or training					Children's Services & Lifelong Learning	Children & Young People
NI 91	Participation of 17 year olds in education or training	191 (2008)	Targets set by DIUS			Children's Services & Lifelong Learning	Children & Young People
NI 117	16 - 18 year olds not in education, employment or training	9.5% (2007)	7.4% (current reward target)	7.10%	6.90%	Children's Services & Lifelong Learning	Children & Young People

Aim: 4.3 Safely reduce the numbers of looked after children (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 61	Stability of LAC adopted		Baseline to be set at Q1			Children's Services & Lifelong Learning	Children & Young People
NI 62	Stability of LAC: number of moves	11	11	10	9	Children's Services & Lifelong Learning	Children & Young People
NI 63	Stability of LAC: length of placement		Baseline to be set at Q1			Children's Services & Lifelong Learning	Children & Young People
NI 68	Referrals to child social care	71.90%	71%	75%	83%	Children's Services & Lifelong Learning	Children & Young People

Aim: 4.4 Reduce childhood obesity

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 55	Obesity in reception	9.1% (2006/07)	9.23%	9.37%	9.50%	Children's Services & Lifelong Learning	Children & Young People
NI 56	Obesity in year 6	19.5	19.9	20.4	20.9	Children's Services & Lifelong Learning	Children & Young People
NI 57	CYP participation in high quality PE and sport		Indicator starts in 2009/10			Children's Services & Lifelong Learning	Children & Young People

Aim: 4.5 Increase numbers going to university, especially from disadvantaged communities

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
NI 90	Take up of 14-19 learning diplomas		Indicator starts in 2009/10			Children's Services & Lifelong Learning	Children & Young People
NI 106	Young people from low income backgrounds progressing to HE		Awaiting targets - DIUS are the accountable body for this target			Children's Services & Lifelong Learning	Children & Young People

Strategic Objective:

5. To be an excellent Council

Aim: 5.1 Improve the use of the Council's land and assets (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
LOCAL	Cost of managing council assets	Currently developing baseline			£1m Reduction	Corporate Services	Corporate Services

Aim: 5.2 Create a sustainable and stable budget, providing value for money (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
LOCAL 2068	Section 25 report from S151 Officer	No baseline available	YES	YES	YES	Finance & Best Value	Finance
NI 179	Total net value of ongoing cash releasing VFM gains	£10m (3% of net budget)	£10m	£10m	£10m	Finance & Best Value	Finance
Local	Efficiencies gained through procurement	£1m	£2.2m	£1m	£1m	Corporate Services	Finance
NI 180	Changes in Housing Benefit and Council Tax Benefit	To be baselined 08/09	*1.08	*1.08	*1.08	Finance & Best Value	Finance
NI 181	Time taken to process Housing Benefit and Council Tax Benefit	Closest PI 78a/ 78b/ 2000 and HB verification performance measure PM10	16.4	15.9	15.4	Finance & Best Value	Finance
Local 9	% of Council Tax collected	96.3	96.6	96.7	96.8	Finance & Best Value	Finance

Aim: 5.3 Improve the Council's budgeting process to fully reflect its priorities (Priority for 2008/09)

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department

No indicator needed to measure this priority.

Aim: 5.4 Improve the accountability, accessibility and openness and involve those who use our services in their design and deli

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
Local 2004	Service complaints	1037	933	908	883	Community & Customer Engagement	Finance
Local	Level of equality standard achieved	3	3	3	4	Social Care & Inclusion	Corporate Services
Local 2063	% of calls answered by call centre / abandonment rate	84%	95%	95%	95%	Community & Customer Engagement	Finance

Local 2069	Number of hits on council website	718,068	6% increase	8% increase	10% increase	Community & Customer Engagement	Corporate Services
NI 14	Avoidable contact	More guidance expected in June 08 from DCLG	Targets to be set subject to further guidance - PI begins in October 2008			Community & Customer Engagement	Finance

Aim: 5.5 Improve partnership working with the public, private and voluntary sectors

PI No.	Title	Baseline	Target 2008/09	Target 2009/10	Target 2010/11	Portfolio holder	Department
This aim is measured by 2 key projects but no performance indicators.							

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

GENERAL FINANCIAL MATTERS

1. EXECUTIVE SUMMARY

- 1.1. This report provides information on the Council treasury management position, monitoring of the prudential indicators, the position regarding Council Tax, National Non Domestic Rate, general debt and cash income collection and the payment of Benefits.

2. FINANCIAL IMPLICATIONS

2.1. Current Economic Environment

- 2.1.1 The recent financial data continues to paint a gloomy picture for the UK economy both now and in the near future. House prices continue to fall along with the number of mortgage approvals and economic growth is slowing.
- 2.1.2 Inflation figures released in July 2008 show the Consumer Price Index (CPI) increasing to 4.2%, its highest level since the Bank of England (BoE) independence in 1997. The Retail Price Index (RPI) also rose, to 4.9%.
- 2.1.3 The rise in inflation rates has increased the pressure on the Bank of England to increase interest rates. Currently the base rate stands at 5%. The BoE has the dilemma that an increase in rates may help reduce inflation back to the 2% (CPI) target but it would also harm the, already slowing, growth in the economy. Maintaining economic growth is important in ensuring that the UK does not fall into a recession.
- 2.1.4 The credit crunch continues to affect the banking system with interbank lending rates remaining significantly higher than the BoE base rate. This means that Council investments are able to earn significantly higher returns than was initially expected as the banks are keen to borrow money from secure and credit worthy Local Authorities. Throughout July 2008 banks have paid up to 5.9% for 3 month money and up to 6.4% for 1 year money although towards the end of the month rates did begin to fall off slightly.
- 2.1.5 The downside to the credit crunch is that the rates at which the Council can borrow money have also increased. Borrowing from the PWLB is more expensive in the first quarter of this financial year compared with the last quarter of 2007-08.

2.2. Investments

2.2.1 The Treasury Management Team invests surplus money for periods varying from 1 day to 10 years, in accordance with the Treasury Management Strategy, to earn interest until the money is required by the Council. This surplus money occurs for a number of reasons including;

- General Fund Balances – money available to fund future expenditure
- Provisions and Reserves – earmarked money for future spending plans
- Grants received in advance of expenditure
- Money borrowed in advance of capital expenditure

2.2.2 As at the 31 July 2008 the Council held investments of £90.5m. The table below details these investments;

Table 1: Investments as at 31 July 2008

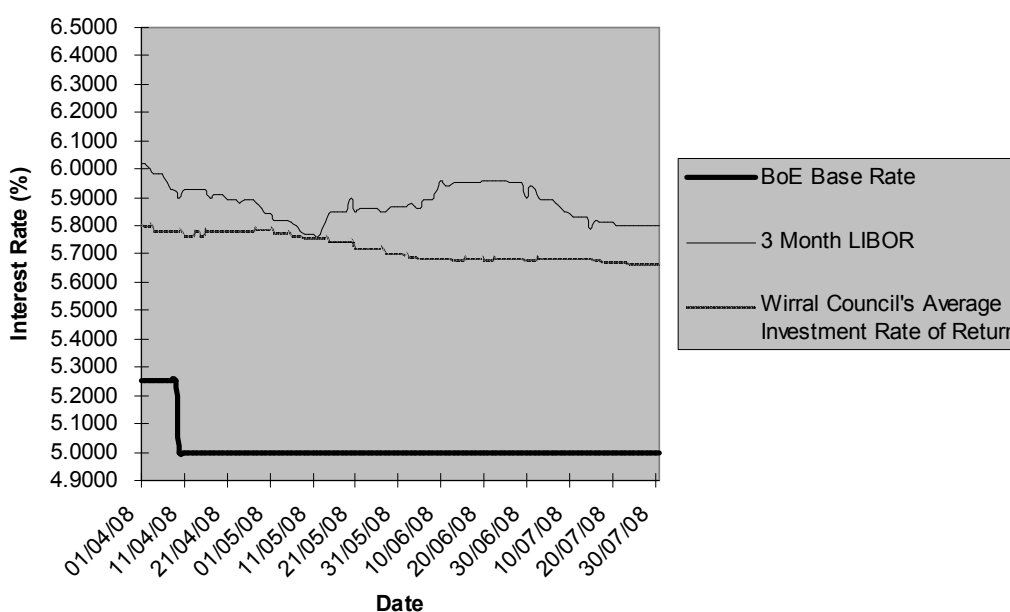
Investments with:	£m
Banks	30.8
Building Societies	44.2
Money Market Funds	14.7
Other Unit Trusts	0.1
Gilts	0.7
TOTAL	90.5

* all of the above figures are measured at nominal values.

2.2.3 Of the above investments £14.7m is invested in instant access funds, £63.5m is invested for up to 1 year, £7.8m is invested for up to 2 years and £4.5m is invested for up to 5 years.

2.2.4 The average rate of return on investments as at 31 July 2008 was 5.72%. The graph below shows the rate of return against the Bank of England base rate and the 3 month LIBOR (the inter bank lending rate);

Chart 1: Rate of Return in 2008/09



- 2.2.5 The 3 month LIBOR rate is a guide to the interest rates the banks are paying for money invested for 3 months. The Council invests money for varying periods and places more emphasis on the security of investments than the returns which can be earned. For these reasons it would be unlikely that the Council will earn an investment rate of return above 3 month LIBOR, it is merely to be used as an indication of market conditions.
- 2.2.6 The 2008/09 budget for investment income is £2.7m. Investment Income is currently forecast to produce a surplus of £1m in 2008/09. This is due to a number of factors:
- The prevailing money market rates of interest have been higher than expected primarily due to the credit crunch which has benefited new deposits made during the year.
 - Following the Treasury Management restructure in 2007/08 the Council has become more proactive in finding the best investment opportunities and thereby earn better returns.
- 2.2.7 Against the backdrop of these increased returns I have been working with the Treasury Management consultants to ensure that the investments are only made with credit worthy financial institutions. The security of the Council investments always takes priority over the returns.

2.3 Borrowing

- 2.3.1 The Council undertakes borrowing to help fund capital expenditure. To date no additional borrowing has been undertaken in 2008-09. The table below shows the total borrowing of the Council as at 31 July 2008.

Table 2: Borrowing as at 31 July 2008

Borrowing	£m
PWLB	113.8
Market Loans	173.6
TOTAL	287.4

- 2.3.2 The Council is able to borrow from two main sources, either from the Public Works Loan Board (PWLB), which is effectively borrowing from the Government, or from the Market, i.e. direct from the banks.
- 2.3.3 The Council currently has no temporary borrowing. Temporary borrowing is used to finance unexpected short term cashflow deficits. The Treasury Management Team maintains an accurate cash flow forecast to minimise the risk of unexpected cashflow deficits. This work generated savings in 2007-08 of £350,000 and it is hoped that it will generate further savings in 2008-09.

2.4 Monitoring of the Prudential Code Indicators

- 2.4.1 The introduction of the Prudential Code in 2004 gave Local Authorities greater freedom in making capital strategy decisions. The prudential indicators allow the Council to demonstrate that it is complying with the statutory requirement of establishing prudence and affordability within its capital strategy.

2.4.2 Below is a selection of prudential indicators which demonstrate that the treasury management decisions are in line with the capital strategy, which is prudent and affordable.

Net External Borrowing and Capital Financing Requirement (CFR) Indicator

2.4.3 The CFR measures the underlying need to borrow money to finance capital expenditure. The Prudential Code stipulates that net external borrowing should not exceed the CFR for the previous year plus the estimated additional CFR requirement for the current and next two financial years. Table 3 below shows the cumulative CFR and net borrowing of the Council.

Table 3: Net External Borrowing compared with CFR

	£m
CFR in previous year (2007-08)	312.3
additional CFR in current year (2008-09)	23.6
additional CFR in 2009-10	9.4
additional CFR in 2010-11	10.7
Accumulative CFR	356.0
External Borrowing as at 31 July 2008	287.4

2.4.4 Net external borrowing does not exceed the CFR and it is not expected to in the future. This is a key indicator of prudence.

Authorised Limit and Operational Boundary Indicators

2.4.5 The Authorised Borrowing Limit is the amount determined as the level of borrowing which, while not desired, could be afforded but may not be sustainable. It is not treated as an upper limit for borrowing for capital purposes alone since it also encompasses temporary borrowing. An unanticipated revision to this limit is considered to be an exceptional event and would require a review of all the other affordability indicators.

2.4.6 The Operational Boundary is the amount determined as the expectation of the maximum external debt according to probable events projected by the estimates and makes no allowance for any headroom. It is designed to alert the Authority to any imminent breach of the Authorised Limit.

Table 4: Authorised Limit and Operational Boundary Indicator

	May 08 £m	June 08 £m	July 08 £m
Authorised limit	445	445	445
Operational Boundary	435	435	435
Total Council Borrowing	287	287	287

2.4.7 The table above shows that neither the authorised limit nor the operational boundary was breached between May and July 2008. This is a key indicator of affordability.

Interest Rate Exposures Indicator

- 2.4.8 The Prudential Code also requires Local Authorities to set limits for the exposure to the effects of interest rate changes. Limits are set for the amount of borrowing/ investments which are subject to variable rates of interest and the amount which is subject to fixed rates of interest.
- 2.4.9 To give the Authority flexibility during the current unsettled market conditions the upper exposure limits have been set at 100% for both fixed and variable. Table 5 shows the interest rate exposure as at 31 July 2008.

Table 5: Interest Rate Exposure:

Interest Rate Exposure	Fixed Rate of Interest £m	Variable Rate of Interest £m	Total £m
Borrowing	277	10	287
Investments	11	79	90
Net Borrowing	266	-69	197
Proportion of Total Net Borrowing	135%	-35%	100%
Upper Limit	100%	100%	

- 2.4.10 The 135% exposure to fixed rates breaches the indicator limits for the year. The figure demonstrates that the Council's net borrowings are largely at fixed interest rates. This is considered to be a good position currently, as while interest rates have been rising, due to the credit crunch, the cost of existing borrowing has remained stable. Conversely, the investments, at variable rates of interest, have generated increasing levels of income.
- 2.4.11 The risk is that a future fall in interest rates might make the current borrowing seem relatively expensive and investment returns would decrease as interest rates fall. The Treasury Management Team has begun work to reduce this risk as the market expectations of an interest rate fall increase. This can be done by investing in more long term fixed rate deals, to maintain investment returns into the future, and by looking to restructuring debt to benefit from cheap interest rate payments.

Maturity Structure of Borrowing Indicator

- 2.4.12 The maturity structure of the borrowing has also been set to achieve maximum flexibility with the Authority able to undertake all of its borrowing with a short maturity date or a long maturity date. Table 6 shows the current maturity structure of all of the borrowing.

Table 6: Maturity Structure of Borrowing

Maturity Structure of Borrowing	£m
Under 12 months	3
12 months and within 24 months	14
up to 5 years	43
5 years and within 10 years	57
10 years plus	170
Total	287

3. REVENUES COLLECTION

- 3.1. The following statement compares the amount collected for **Council Tax** in the period 1 April 2008 to 31 July 2008 with the amount collected in the same period in 2007/08.

	Actual 2008/09 £	Actual 2007/08 £
Cash to Collect	119,421,040	114,914,771
Cash Collected	45,828,791	43,460,297
% Collected	38.4%	37.8%

- 3.2. The following statement compares the amount collected for **National Non-Domestic Rates** in the period 1 April 2008 to 31 July 2008 with the amount collected in the same period in 2007/08.

	Actual 2008/09 £	Actual 2007/08 £
Total Collectable (including arrears)	68,492,222	61,223,781
Amount Outstanding	43,202,502	36,131,751
% Outstanding	63.08%	59.02%
Amount Collectable 2007-08	64,485,403	57,907,305
Net 2007-08 Cash Collected	22,277,412	23,334,198
% Collected	35.82%	40.30%

- 3.3. The improved situation in Council Tax collection is due to the increased take up and prompt administration of Direct Debit and ongoing prompt recovery. The year on year disparity in National Non-Domestic Rates is due in part to the delayed internal transfer of Committee payments, which will now be made in August. However the major reason is as predicted the much higher level of delayed and non-payment of Empty Rates which was introduced on 1 April 2008. Given this is only the first four months of the year I am at the initial stage of recovery work in this area. I will give a more detailed picture on collection of Empty Rates in the next report.

- 3.4. The following statement provides information concerning collection of local taxes from 1 April 2008 to 31 July 2008.

	Council Tax	Business Rates
Reminders/Final Notices	28,574,	2,234
Summonses	9,090	852
Liability Orders	7,591	489
Recovery action in progress		
Attachment of Earnings	501	-
Deduction from Income Support	3,400	-
Accounts to Bailiff	2,374	163
Pre-Committal Warning Letters	1,207	-
Committal Orders Issued	4	0
Debtors Committed	0	0

Current Status of Agent Work in respect of Committals for 1 April 2008 to 31 July 2008.

Warrants of Arrest issued by Court (Bail and No Bail)	59
Warrants of Arrest (Bail) to Warrant officer	55
Warrants of Arrest (No Bail) to Warrant officer	22
Returned successful (Bail)	33
Returned successful (No Bail)	36
Returned other reasons (Bail)	0
Returned other reasons (No Bail)	0

3.5. Insolvency cases to 31 July 2008

The following information concerns Council Tax recovery work which involves cases where Insolvency action or charging orders against properties are used.

Bankruptcy cases	239
Charging orders	61
Winding up orders	2

New cases from 1 April 2008 to 31 July 2008

Bankruptcy	3
Charging orders	9
Winding up orders	0
	<u>314</u>

Status of Insolvency cases at 31 July 2008

Winding up	1
Winding-up paid	1
Charging orders granted	30
Winding up Order	1
Supporting other petitions	5
Cases paid	78
Bankruptcy orders	84
Cases closed	73
Ongoing cases	41
	<u>314</u>

3.6. **Fees and Charges**

3.6.1. The following budgets and income received relate to other sources of cash income generated by the Council:-

	2007/08 Budget	Income to 31-Jul-07	2008/09 Budget	Income to 31-Jul-08
i. School Meals	£1,404,000	£374,594	£1,578,400	£508,675
ii. Sports Centres	£3,457,100	£887,848	£3,579,300	£888,791
iii. Golf Courses	£859,800	£383,565	£885,600	£396,372
iv. Burials and Cremations	£2,344,600	£595,478	£2,429,200	£791,601
v. Building Control Fees	£876,700	£218,497	£796,700	£238,075
vi. Land Charges	£464,600	£115,790	£470,100	£39,183
vii. Car Park (Pay and Display)	£2,591,500	£577,791	£2,424,200	£756,735
viii. Car Park (Penalty Notices)	£1,116,300	£352,680	£1,149,800	£326,905

3.6.2. Further explanation on the above budgets and income collection performance is provided below:

- (i) Schools Meals: Currently it is expected that the budgeted income will be achieved.
- (ii) Sports Centres: Currently it is expected that the budgeted income will be achieved.
- (iii) Golf Courses: Currently it is expected that the budgeted income will be achieved
- (iv) Burials and Cremations: Currently it is expected that the budgeted income will be achieved.
- (v) Building Control Fees: The 2008-09 Building Control Fees budget has been adjusted to reflect the 2007-08 shortfall and currently it is expected that the budgeted income will be achieved.
- (vi) Land Charges: Land Charges income is declining and there is likely to be a deficit in 2008-2009 in the region of £200,000. A Cabinet Report is currently being prepared by the Director of Technical Services to consider the budget implications arising from this. The housing market is continuing its downturn and new buyer enquiries have slipped as buyers are now biding their time. A decline in the local housing market is a principal factor in the reduction in the number of Land Charge searches being received.
- (vii) Car Parks Income (Pay and Display Tickets): Currently it is expected that the budgeted income will be achieved
- (viii) Car Parks Income (Penalty Notices): Currently it is expected that the budgeted income will be achieved.

3.7. Sundry Debtors

3.7.1.	Actual 2008/09	Actual 2007/08
Amount Billed in last 12 months as at 31.07.08	£86,475,288	£57,812,834
Total outstanding as at 31.07.08	£37,350,944	£18,611,235
Arrears at 31.07.08	£12,144,999	£12,188,301
Number of invoices in arrears at 31.07.08	11,940	9,708
Number of reminders 01.04.08 to 31.07.08	12,026	14,666

3.7.2. The increase in sums billed reflects the increase in Adult Social Services accounts now being issued. However it is important to note that the total outstanding includes the sum still within the normal settlement period. The arrears sum reflects debts over one month old and this has remained constant despite the overall increase in accounts.

4. HOUSING BENEFITS

- 4.1. The following statement details the number of claimants in respect of benefit and the expenditure for Private Tenants and those in receipt of Council Tax Benefit up to 31 July 2008. The Council Tax expenditure includes postings at the start of the year for main billing.

	2008/09	2007/08
Number of Private Tenant recipients	26,161	25,780
Total rent allowance expenditure	£32,674,121	
Number under the Local Housing Allowance scheme (included in the above)	1,037 £ 1,223,191	-
Number of Council Tax Benefit recipients	35,033	34,816
Total Council Tax Benefit expenditure	£26,152,796	
Total expenditure on benefit to date	£58,826,917	

- 4.2. The following statement provides information concerning the breakdown according to client type as at 31 July 2008.

	Private Tenants	Owner Occupiers
Working age and in receipt of J.S.A.	13,290	1,741
Elderly and in receipt of J.S.A.	6,974	5,550
Working age and not receiving J.S.A.	3,980	820
Elderly and not in receipt of J.S.A.	<u>1,917</u>	<u>3,004</u>
Total	26,161	11,115

There are **37,276** Benefit Recipients in Wirral as at 31 July 2008.

4.3. Housing Benefit Fraud and Enquiries

	01.04.08-31.07.2008
New Cases referred to Fraud team in period	792
Cases where fraud found and action taken	45
Cases investigated, no fraud found and recovery of overpayment may be sought	134
Cases under current investigation	116
Surveillance Operations Undertaken	0
Cases where fraud found and action taken;	
Administration penalty	12
Caution issued and accepted	24
Successful prosecution	9
Summons issued for prosecution purposes	6

4.4. Discretionary Housing Payments

- 4.4.1 Discretionary Housing Payments (DHP) may be awarded to provide short term financial assistance to Housing and Council Tax Benefit claimants who are experiencing difficulty meeting a shortfall in their rent or Council Tax because maximum benefit is not being paid.

4.4.2 DHP is not a payment of Housing/Council Tax Benefit and is funded separately from the main scheme. The Government contribution for 2008/09 is £266,185 with an overall limit of £665,462 which the Authority must not exceed. To date I have paid £111,872.

5. STAFFING IMPLICATIONS

5.1. There are none arising from this report.

6. EQUAL OPPORTUNITIES IMPLICATIONS

6.1. There are none arising directly from this report.

7. HUMAN RIGHTS IMPLICATIONS

7.1. There are none arising directly from this report.

8. LOCAL AGENDA 21 IMPLICATIONS

8.1. There are none arising directly from this report.

9. COMMUNITY SAFETY IMPLICATIONS

9.1. There are none arising directly from this report.

10. PLANNING IMPLICATIONS

10.1. There are none arising directly from this report.

11. LOCAL MEMBER SUPPORT IMPLICATIONS

11.1. There are none arising directly from this report.

12. BACKGROUND PAPERS

12.1. None were used in the preparation of this report.

13. RECOMMENDATION

13.1. That the report be noted.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/205/08

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

PROJECTED BUDGETS 2009-2011

1. EXECUTIVE SUMMARY

- 1.1. This report presents the projected budgets for 2009-2011 to coincide with the period of the Comprehensive Spending Review 2007 (CSR).

2. BUDGET 2008-09

- 2.1. The summary budget for 2008-09 as agreed by the Council on 3 March 2008 is as follows:

Base Budget	£m 302.6
Resources	
Formula Grant	147.4
Area Based Grant	28.4
Council Tax	123.2
Collection Fund	- 0.5
Use of Balances	<u>4.1</u>
	302.6

3. COMPREHENSIVE SPENDING REVIEW

- 3.1. The Comprehensive Spending Review (CSR) 2007, was announced on 9 October 2007. An initial report on the Pre Budget Statement by the Chancellor of the Exchequer including the CSR was presented to the Cabinet on 1 November 2007. The Department for Communities and Local Government (DCLG) announced the three year provisional Local Government Finance settlement on 6 December 2007 and the final settlement on 24 January 2008.

4. **VARIATIONS IDENTIFIED FOR 2009-2011**

- 4.1. **Inflation** – Provision is included for pay and prices at 2% and for income at 3% for 2009-2011.
- 4.2. **Capital Financing** – Cabinet on 12 December 2007 agreed the capital programme for 2008-2011 at an additional financing cost of £3.1m for each year.
- 4.3. **Highways Maintenance** – provision is included for the transfer of highways expenditure of £3.7m to the revenue budget from the capital budget.
- 4.4. **Waste Disposal** – The waste disposal levy is projected to increase by 15.4% per annum.
- 4.5. **Pension Fund** - The Pension Fund has been actuarially revalued as at 31 March 2007. The phased implementation of the revised contribution rates over three years was agreed by the Cabinet on 12 December 2007.
- 4.6. **Merseytravel** – The Merseytravel levy is projected to increase by 4% per annum.
- 4.7. **Invest to Save Schemes** – The Cabinet has agreed a number of invest to save schemes which will reduce expenditure by £0.8m in 2009-10 and by a further £0.4m in 2010-11.
- 4.8. **Private Finance Initiative** – Increase in PFI payments of £0.4m in 2009-10 and a further £1m in 2010-11 as the PFI reserve reduces.
- 4.9. **Benefits Subsidy** – The Department for Work and Pensions has announced that benefits subsidy will be reduced by 3% per annum in real terms, 5% per annum in cash for certain elements of the subsidy, a reduction of £0.7m per annum.
- 4.10. **Local Area Agreement** – The revenue element of the Reward Grant receivable has been calculated at £3m over 2009-2011.
- 4.11. **Energy** – The increased cost of fuel and energy has been estimated at £9m in 2009-10 as reported to Cabinet on 9 July 2008.
- 4.12. **Other Unavoidable Growth** – A number of relatively minor items of unavoidable growth of less than £0.2m will arise. These should total less than £1m.

5. OTHER DEVELOPMENTS

5.1. There are a number of other developments which are likely to impact on the financial position of the Authority over the period 2009 to 2011. The impact of these issues will be reported to the Cabinet as and when they are resolved. Some of the potentially most important issues are:-

- (a) Implementation of Local Housing Allowance from 1 April 2008 which was reported to Cabinet on 12 December 2007.
- (b) Revised Local Government Pension Scheme introduced from 1 April 2008.
- (c) Review of the calculation of the Minimum Revenue Provision which was reported to Cabinet on 16 April 2008.
- (d) Review of the Local Authority Business Growth Incentive Scheme. A consultation paper on a revised scheme to commence in 2009 was reported to the Cabinet on 29 November 2007
- (e) Review of Planning Delivery Grant which is likely to be retitled Housing and Planning Delivery Grant.
- (f) Review of Supporting People Grant to be undertaken in 2009 with the grant to be absorbed into the Area Based Grant from 2009-10.
- (g) A Bill has been introduced to implement supplementary business rates following the White Paper which was reported to Cabinet on 29 November 2007.
- (h) Review of the Area Cost Adjustment to be implemented in 2009-10.
- (i) Review of the population statistics to include the effects of recent migration, which was reported to the Cabinet on 16 April 2008.
- (j) Review of the funding of social care with proposals to be released in 2009.

5.2. Many of these developments could impact on the grants receivable for 2009-2011. The grants announced by the DCLG as part of the three year financial settlement are only indicative.

6. BALANCES

6.1. The balances for 2008-09 have been set at £5m but the Audit Commission has restated its view that balances should be a minimum of 2% of the net revenue budget which for Wirral would be £6m.

- 6.2. The financial out-turn for 2007-08 was reported to Cabinet on 26 June 2008 indicating a net underspending of £1.6m, and additional late grant notifications totalling £0.6m.
- 6.3. Increased energy and fuel costs for 2008-09 estimated to total £3.5m were reported to Cabinet on 9 July 2008.
- 6.4. The Insurance Fund annual report was presented to Cabinet on 9 July 2008 incorporating a transfer of £3.0m from the Insurance Fund to the General Fund.
- 6.5. The receipt of additional Local Authority Business Growth Incentive grant totalling £1.3m was reported to Cabinet on 23 July 2008.

	£m
Balances as at 1 April 2008	5.0
Out-turn 2007-08	1.6
Additional Grants	0.6
Insurance Fund	3.0
Energy and Fuel	- 3.5
LABGI	<u>1.3</u>
	8.0

7. EFFICIENCY REQUIREMENTS

- 7.1. The gap between projected expenditure and anticipated resources will need to be bridged by a combination of savings and/or increased Council Tax.
- 7.2. Cabinet on 13 March 2008 agreed the following efficiency targets for 2009-11 but reserved the right to vary these targets during the year.

Department	Target 2009-10	Target 2010-11
	£000	£000
Adult Social Services	4,620	3,780
Children and Young People	2,350	1,920
Corporate Services	710	580
Finance	740	600
Regeneration	3,060	2,500
Technical Services	1,620	1,320
	13,100	10,700

- 7.3. As can be seen in the Appendix the efficiency requirement for 2009-10 is now significantly in excess of £13.1m.
- 7.4. The efficiencies agreed in preparing the budget for 2008-09 included £0.9m in Adult Social Services which will become effective from 2009-10.

7.5. Cabinet on 9 July 2008 agreed an invest to save scheme in energy conservation involving capital expenditure of £355,500 to produce annual revenue savings of £89,300. This is the only invest to save scheme which has been proposed during 2008-09.

7.6. I am assuming an annual Council Tax increase of 4%.

7.7. The CSR states that the Council Tax capping limit will remain at 5%.

8. FINANCIAL IMPLICATIONS

8.1. The indicative budgets for 2009 to 2011 are compiled from the base budget for 2008-09 approved by Council on 3 March 2008, the Medium Term Financial Strategy 2009-2012 agreed by the Cabinet on 23 July 2008, and updated for the issues outlined in this report. The indicative budgets are shown in the Appendix.

9. STAFFING IMPLICATIONS

9.1. There are none arising from this report.

10. EQUAL OPPORTUNITIES IMPLICATIONS

10.1. There are none arising form this report.

11. HUMAN RIGHTS IMPLICATIONS

11.1. There are none arising from this report.

12. LOCAL AGENDA 21 IMPLICATIONS

12.1. There are none arising from this report.

13. COMMUNITY SAFETY IMPLICATIONS

13.1. There are none arising from this report.

14. PLANNING IMPLICATIONS

14.1. There are none arising from this report.

15. LOCAL MEMBER SUPPORT IMPLICATIONS

15.1. There are none arising from this report.

16. **BACKGROUND PAPERS**

- 16.1. Comprehensive Spending Review – Treasury – October 2007
Medium Term Financial Strategy – 2009-2012 – July 2008
Formula Grant Settlement 2008-09 – DCLG – January 2008
Estimates 2008-09 – March 2008

17. **RECOMMENDATION**

- 17.1. That the projected budgets continue to be reported to the Cabinet in line with the agreed financial and performance management timetable.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/192/08

WIRRAL COUNCIL
PROJECTED BUDGETS 2009-2011

	2009-2010	2010-2011
	£m	£m
Base Budget	299.6	322.0
Pay Inflation	3.4	3.4
Price Inflation	3.6	3.6
Income Inflation	- 1.0	- 1.0
Capital Financing	3.1	3.1
Highways	3.7	-
Waste Disposal	2.2	2.5
Pension Fund Revaluation	0.5	0.5
Merseytravel	1.0	1.0
Private Finance Initiative	0.4	1.0
Benefits Subsidy	0.7	0.7
Energy and Fuel	9.0	-
Area Based Grant	2.5	- 0.4
Local Area Agreement	- 1.5	-
Supporting People	10.3	-
Unavoidable Growth	1.0	1.0
Invest To Save	- 0.8	- 0.4
Efficiencies	- 0.9	-
Efficiency Investment Fund	5.3	5.3
Forecast Expenditure	<u>342.1</u>	<u>342.3</u>
Resources		
Formula Grant	152.7	157.9
Area Based Grant	41.2	40.7
Council Tax	123.2	128.1
Forecast Resources	<u>317.1</u>	<u>326.7</u>
Shortfall	25.0	15.6
Council Tax Increase	4.9	5.1
Efficiency Plan	20.1	10.5

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WIRRAL COUNCIL

CABINET 4 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES

TRANSFORMING ADULT SOCIAL SERVICES- ACHIEVING A STABILISED AND SUSTAINABLE BUDGET

1. EXECUTIVE SUMMARY

- 1.1 Across the country, Adult Social Services are struggling to cope financially with the increased level of demand for services and higher personal expectations of what should be available. Wirral is no exception to this trend. In order to deliver preventive care and maintain individuals in their own homes as long as possible, within the restrained budgets available to local authorities, a radical change is needed to the way services are provided, with a move to a much more individualised approach.
- 1.2 The Transformation of Adult Social Services in Wirral is the focus of a major change programme. The direction of travel was approved by full Council on 21 April 2008, with Cabinet receiving reports in March, June and July. The change process will deliver personalised services and support the Council's strategic objective: **To improve health and wellbeing for all, ensuring people who require support are full participants in mainstream society.** In particular the transformation programme gives focus to the improvement priority to **Promote Greater independence and Choice.**
- 1.2. This report outlines the work underway to achieve a stabilised and sustainable budget during this period of transformation. Noting the pressures facing the department, the report provides details of action being taken across all service areas. Key efficiencies in the plan will require further decisions to be made by cabinet.
- 1.3. This report asks Cabinet to note the potential need for bridging finance of £3.4m in year one of the three year budget stabilisation plan in order to allow savings in place time to take full effect.

2. BACKGROUND

- 2.1 Over recent years the changes in local demography and public expectations have led to a steady increase in the numbers and complexity of need of people seeking support. This trend can reasonably be expected to continue. The Council has a statutory duty under "Fair Access to Care" to meet identified need. This needs to be done in a way which offers preventive care and support to keep people in their own homes as long as possible. Raising eligibility thresholds for care in order to reign in budgets would be a false economy, leaving to more critical and costly interventions later. Wirral's threshold, like that of many Councils, is currently set at "substantial and

critical” but new ways are also needed to support people at an earlier stage than this in order to prevent high costs later.

- 2.2 These pressures are well documented and face most councils with adult social services responsibilities. For this reason, as part of the Comprehensive Spending Review 2007, the Department of Health launched a ‘Transformation Programme’ supported by a ring fenced ‘Reform Grant’ which challenges councils to fundamentally change what they do and how they respond to, presenting need.
- 2.3 Wirral has developed a clear business case for change and this work is supported by a full change programme and is being delivered through a project management approach.
- 2.4 This change programme is integral to the department’s efficiency plan, corporate financial plan and is delivering real, sustainable cost reductions in year, whilst also improving access to services for people.
- 2.5 The key issue is that these changes cannot safely be delivered quickly enough to meet all the efficiencies required in 2008-09. This is therefore an early identification of a ‘high probability’ overspend that cannot be contained in the current financial year. Officers will of course continue to work to reduce costs and deliver as close to a balanced budget as possible; balancing the need for in year efficiency and medium term sustainability.

3. FINANCIAL MONITORING 2008/09

- 3.1 With improvements made over recent years to the department’s core information system (SWIFT) and budget monitoring, it is possible to predict with increased reliability the financial commitments from activity already in the system, attrition, and projected new demand.
- 3.2 As a result the department has identified financial pressures, which includes commitments brought forward and projected slippage of savings targets, which if not addressed would amount to £9.1 million (10.5% above the budget) in 2008/09. However a number of projects within the transformational change programme are set to deliver cashable efficiencies in year, currently estimated to be £5.5m with £3.5 million at risk of slipping into subsequent years. A three year projected budget is shown in the financial implications.
- 3.3 Therefore the projected overspend assuming the projects deliver as planned, and there is no unexpected increase in cost or volume will be £3.5 million in 2008-09. This figure has previously been reported to Cabinet and members of the Social Care, Health and Inclusion Overview and Scrutiny Committee.

4 BUDGET STABILISATION PROJECTS

- 4.1 The following section provides detail of progress being made against specific projects that are set to deliver cashable efficiencies and outlines where there may be options to accelerate progress to further reduce the overspend

4.1.1 Staffing Reductions - Fieldwork Teams (Access & Assessment)

The work being advanced within Access and Assessment Branch recognises the need for a new mix of skills, increased multi agency team work and a new approach to assessment. These changes also recognise the fundamental changes which include the development of self assessment, which has been taken up by 25% of people approaching the department, since it was introduced in September 2007 This followed work with Care Services Efficiency Delivery (CSED) to change the access and assessment business process. It is also integral to the development of an integrated approach, including the implementation of Wirral Integrated Services Programme, (WISP).

Within the budget approved by Cabinet for 2007-08, a savings target of £250,000 was agreed which was bridged to 2008-09. The revised structure has now been finalised. Overall there is a reduction of 4 full time equivalent posts; however the change in skill mix, means there will be a greater proportion of staff with vocational rather than professional qualifications. In turn the increase in HART, see 4.1.5 below, will enhance the capacity of the branch. It is estimated that actual savings will be £50,000 in 2008-09 with the remainder in 2009-2010 as staff affected are redeployed or find employment elsewhere. This process may be accelerated if there is a significant take-up of EVR and funds are made available from the efficiency budget to accommodate it.

4.1.2 Staffing Reductions - Management & Support (All Branches)

Cabinet, at its meeting of 21st February 2008, agreed savings from the re-organisation of the department's management structure of £425,000 in a full year. Much of the new structure is already in place on an interim basis. A number of people will be placed on the redeployment register for a period of up to six months; therefore a prudent estimate of the cashable savings in the current financial year is £100,000, with the rest delivered in 2009/10.

4.1.3 Staffing Reductions - Turnover Target

The budget includes a savings provision for turnover and vacancies of £452,000. As the shift of in-house provider services to the independent sector is progressed, the capacity for achieving this target becomes more limited. An action plan to limit enhanced payments, overtime and the use of agency staff has been implemented which will deliver £302,000 towards this target in a full year. This was not fully operational until August 2008 so a prudent estimate of £150,000 has been included in the projected overspends. The impacts of these measures will be closely monitored for the remainder of the year. The remainder of this target is to be delivered through staff turnover; however as the branch reduces in size as activity is transferred to the independent sector this, will become increasingly difficult.

4.1.4 Service re-provision - Residential Care

Cabinet in 2007 agreed the closure of Mendell Lodge and Rosewarne and on the 9th July 2008 agreed to consult on the earlier closure of Feltree House. Mendell Lodge closed in March 2008 saving £200,000 in 2008-09. It will now be developed by Housing 21 to provide 49 extra care housing units. Rosewarne has also since closed and is projected to deliver a further £200,000. The report to Cabinet scheduled for October 2008 will show continued under use of respite beds and may suggest the need for earlier consolidation of provision. Therefore an estimate of £550,000 is included in the plan (£350,000 more than the original target) the implications for staff will require careful consideration given the planned reduction in directly provided services.

4.1.5 Service re-provision - Domiciliary Care

On 12th June 2008 Cabinet agreed a consultation process aimed at developing the HART (re-ablement) service and transferring the remainder of in-house home care to the independent sector. This will produce a full year saving of £1.295 million. Consultation is underway and all staff in home care and their trade unions have been consulted on the proposal. If agreed by Cabinet transfer of services will commence in October 2008 and is expected to take 8 weeks to manage effectively. This is estimated to deliver £550,000 in 2008-09) with the remainder achieved in 2009/10. The staffing implications will again require close and careful monitoring.

4.1.6 Service re-provision - Out-of-home reform

Cabinet in February 2008 agreed an additional savings target of £700,000 on top of the £350,000 saving agreed in 2006-07 through the reform of day services. This change in service is linked to the development of Individual Budgets. The development of Individual Budgets is on target with the first pilots planned for December 2008. It will not be clear of the exact shape of services people want during the day until after these pilots are rolled out across all service user groups. Therefore short term efficiency savings are required in year to meet the savings target set by cabinet. A number of actions have been agreed including setting cash limits on day centre budgets that managers are being required to manage within set limits. This will be achieved through more flexible deployment of staff; creating capacity by reducing service provision for some, enabling people placed in private day care to be accommodated in-house; and good housekeeping on supplies and services budget. Detailed monitoring is required to evaluate the impact of these measures and further consideration may need to be given in the second half of the year as to whether the Council can continue with current service levels and deliver this efficiency.

4.1.7 Joint Funding with Wirral PCT

Cabinet agreed a target of £200,000 in respect of increased funding from Wirral PCT for joint packages of care where people have both social care and

health needs. Through an effective Panel process this target has been achieved and is likely to be exceeded in 2008-09. The outcome of Panel process is not driven by the efficiency target but rather the needs of the individual being presented. The only risk to this target is if people who are currently joint funded leave and are replaced by people with lower health needs and greater social care needs.

4.1.8 Corporate Procurement Savings Apportionment to DASS

Cabinet agreed a corporate savings target of £2.2m which was apportioned to departments. DASS share of this is £545,000. These savings are reported as being achieved with the support of the corporate procurement group.

5 Other Variations

A number of other budget heads are projecting a variance. These are:-

5.1 Increase in Utility Costs (£250,000)

Cabinet have previously been informed of the rising costs of energy across Council services. The impact on provider services. In previous years this has resulted in an overspend of £200,000. The projection this year is an unavoidable overspend of £250,000 which may increase further if prices continue to rise. This is likely to require a supplementary budget. Similar pressures are being reported by independent providers and it is likely the contract clause for inflation will trigger a higher than planned price increase in April 2009.

5.2 Transport Overspend (£200,000)

The Transport Budget is forecast to overspend by £200,000. Actions have been agreed to manage this by reducing the number of vehicles in use from December 2008. In order for the corrective action to have an impact in 2008-09 a number of staff may need to be redeployed and the remaining vehicles in the fleet will need to be used over an extended productive time, potentially impacting on the times people arrive and leave their destination. There are clear links here with the out-of-home reform project.

5.3 Staff Travel Expenses (£92,000)

If present trends continue this budget is set to overspend by £92,000. A management instruction has been issued to reduce the number of avoidable journeys. This is expected to be recovered by the year end.

5.4 Specific Grants (-£480,000)

A number of specific grants were increased in 2008-09 as they were distributed via area based grants formula and a new 3-year ring-fenced grant (Reform Grant) was announced to create capacity for the transformation. The latter has been used to create capacity in the form of a reform unit. 11 posts

have been seconded into the unit for up to 3 years and a decision has been taken to minimise their backfill.

5.5 Community Care

The projected net overspend on purchased services, including the forecast £1m demand pressure from an ageing population and young people with complex needs transferring from Children's Services is £3.75 million. 15 specific projects have been developed within access & assessment to manage these commitments. In recent weeks there has been an increase in activity from older people, this mirrors activity in the acute sector. The current assessment is that £1.75m will be recovered in year, a further £1m in 2009-10 and 2010-11 respectively.

Cabinet are also alerted to the financial pressures arising from increased fuel prices and interest rates that are affecting costs in externally provided services. Providers are already making representation about the impact of these, asking the council to give consideration under the terms of the contract. This will be closely monitored and reported to cabinet if the pressure threatens the stability of the market and continuity of supply requiring a supplementary budget.

6 FINANCIAL AND STAFFING IMPLICATIONS

6.1 As a result of the financial pressures of £9.1 million the department has identified actions that will reduce the likely overspend in 2008-09 and 2009-10. Additional resources are therefore sought from cabinet of £3,483,000 for 2008-09 and £761,000 for 2009-10.

6.2 Medium Term Budget projections

Para Ref.	Description	2008-09 £000	2009-10 £000	2010-11 £000
	Financial Pressure	9,100	3,483	761
4.1.1	Fieldwork Teams	-50	-150	-
4.1.2	Management & Support	-100	-325	-
4.1.3	Staffing turnover	-150	-152	-
4.1.4	In-house Residential Care	-550	-	-
4.1.5	In-house Domiciliary Care	-550	-745	-
4.1.6	Out of Home Reform	-700	-350	-
4.1.7	Joint Funding with PCT	-200	-	-
4.1.8	Corporate Procurement	-545	-	-
5.5.1	Energy costs	-250	-	-
5.5.2	Transport Efficiencies	-200	-	-
5.5.3	Staff Travel costs	-92	-	-
5.5.4	Grants	-480	-	-
5.5.5	Community Care	-1,750	-1,000	-1,000
	Sub-total Efficiencies	-5,617	-2,722	-1,000

Annual deficit =	3,483	761	-239
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6.3 No account is taken of any efficiency the department is expected to make towards the Council's budget deficit in 2009-10 and beyond. This is a separate issue and any proposals offered to cabinet will be those that can be delivered with confidence.

6.4 Apart from any revenue consequences falling directly to the department this report makes no assumptions about the capital receipts likely to come to the Council as a consequence of the transformation of adult social care.

6.5 This scenario is also based on there being no further increases in demand. Such increases would therefore be considered as growth in future years' budgets.

6.6 All staff in the department are affected by the current financial position and required to make efficiency gains where ever possible

7 EQUAL OPPORTUNITIES IMPLICATIONS

7.1 There are none arising directly from this report.

8 COMMUNITY SAFETY IMPLICATIONS

8.1 There are none arising directly from this report.

9 LOCAL AGENDA 21 IMPLICATIONS

9.1 There are none arising directly from this report.

10. PLANNING IMPLICATIONS

10.1 There are none arising from this report.

11 ANTI POVERTY IMPLICATIONS

11.1 There are none arising from this report.

12 SOCIAL INCLUSION IMPLICATIONS

12.1 There are none arising from this report.

13 LOCAL MEMBERS SUPPORT IMPLICATIONS

13.1 There are no specific implications for any member or ward.

14 BACKGROUND PAPERS

14.1 None used in the preparation of this report.

15 RECOMMENDATIONS

- 15.1 Cabinet notes the continuing efforts of officers to manage within resources, recognising the high probability of overspends of £3.483m in 2008-9 and £0.761m in 2009-10, which are likely to require funding from balances.
- 15.2 Cabinet requests the Director of Adult Social Services to present a further report to its meeting of 6th November 2008 on options to stabilise the department's medium term budget and deliver further efficiencies towards the corporate target.

John Webb
Director of Adult Social Services

Mike Fowler
Head of Service (Finance & Performance Branch)
Tel. 3662
8th August 2008

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

USE OF RESOURCES 2009

1. EXECUTIVE SUMMARY

- 1.1 This report provides details of two documents recently published by the Audit Commission which will affect the Use of Resources (UoR). The Use of Resources 2009 Response to Consultation details the results of the consultation process undertaken in early 2008 relating to the 2008/09 assessment. The Use of Resources 2008/09 Overall Approach and key lines of enquiry details changes to the key lines of enquiry (KLOE) applicable for the 2008/09 assessment.

2. BACKGROUND

- 2.1 The Comprehensive Performance Assessment (CPA) succeeded the 'Best Value' regime during 2001/02 and provided an overall assessment of local authorities' performance as well as an assessment of service performance. Single tier authorities received their first CPA assessment scores in December 2002. In April 2005 the Audit Commission Code of Audit Practice gave auditors a specific responsibility to scrutinise local authority use of resources.
- 2.2 Local authorities are currently scored over a number of service areas which are combined with an annual Use of Resources and a triennial Corporate Assessment to produce an overall score. The Audit Commission also produces a 'Direction of Travel' assessment to indicate the scale of progress the Authority is making. The various scores are publicised via the Audit Commission website and press releases.
- 2.3 The service, UoR, Corporate Assessment and overall scores are based upon a standard scale as follows:

Score	Standard Scale
1	Inadequate Performance
2	Adequate Performance
3	Performing Well
4	Performing Strongly

2.4 The Use of Resources score is currently assessed over five themes.

Theme	Theme
1	Financial reporting
2	Financial management
3	Financial standing
4	Internal control
5	Value for money

These themes are further analysed over Key Lines of Enquiry with a series of individual criteria assessed by the Audit Commission.

2.5 In 2009 the Comprehensive Performance Assessment will be replaced by a new regime entitled the Comprehensive Area Assessment. CAA is intended to incorporate a wider assessment based more upon outputs and value for money than on processes. The new assessment will be area based and pick up on partnership working across the area and link with the new Performance National Indicator Set and Local Area Agreement. The Use of Resources judgement criteria are being amended to fit in with these changes.

2.6 The CPA will cease after the 2007/08 year with these final results published early in 2009. CAA will assess performance in the 2008/09 year. Final guidance is only expected to be received early in 2009 with the first results due to be published in November 2009

2.7 The Audit Commission issued two consultation documents in late 2007 on the CAA and proposed UoR changes. Cabinet on 7 February 2008 considered the UoR consultation paper and agreed a response. The responses to these consultations and some further UoR guidance have been published in May 2008. These documents are:

- Audit Commission Use of Resources 2009. Response to Consultation
- Audit Commission Use of Resources 2008/09. Overall Approach and key lines of enquiry
- Audit Commission Comprehensive Area Assessment. Consultation feedback and next steps

3. **USE OF RESOURCES 2009 RESPONSE TO CONSULTATION**

3.1 The 2009 Use of Resources is an assessment of the current year 2008/09. The proposed changes outlined in the original consultation and a proposed response were reported to Cabinet on 7 February 2008. This report described the intention to move towards a three theme assessment model, which was to be widened to include non-financial resources, and with an increasing emphasis on value for money.

3.2 In the summary of responses received the Audit Commission has restated its intention to move the UoR to fit in with the CAA framework. Following responses the three proposed theme titles have been renamed to better reflect the new approach as follows:

- Managing Finances (proposal was Managing Money)
- Governing the Business (proposal was Managing the Business)
- Managing Resources (proposal was Managing Other resources)

3.3 Following the consultation responses the original thirteen key lines of enquiry proposed have been reduced to ten. This is mainly a result of merging themes together but the proposed KLOE relating to ‘Leadership’ has been removed as it is too similar to the criteria within the Corporate Assessment.

3.4 The key lines of enquiry are now as follows:

	Managing Finances
1	Planning For Financial Health
2	Understanding Costs and Achieving Efficiencies
3	Financial Reporting
	Governing the Business
4	Commissioning and Procurement
5	Use of Information
6	Good Governance
7	Risk Management and Internal Control
	Managing Resources
8	Natural Resources
9	Strategic Asset Management
10	Workforce

3.5 As a result of the consultation the scoring regime has been amended. In future, not all KLOEs will be annually assessed. The Audit Commission will select on a sector or authority type basis which KLOEs will be assessed each year. For 2008/09 it is intended that nine out of ten KLOEs will be assessed. The workforce KLOE is excluded for 2008/09. The current 1 to 4 scoring system will be maintained. Any authority scoring a 1 in a KLOE will automatically have this KLOE re-assessed the following year. Further consultation is awaited as to the scoring rules to be applied on how the overall use of resources score will be determined.

3.6 The new KLOEs will result in a ‘wider’ assessment of use of resources. Increased emphasis on environmental, staffing, and data quality management will feature within the new assessment regime. The assessment covers much more than financial resources and will encompass all departments. The new KLOE will apply for 2008-09 but further detailed guidance on the criteria within the KLOEs is still awaited.

3.7 The current UoR action plan will require updating to reflect the changes to the KLOEs and the revised guidance when it is issued.

4. **USE OF RESOURCES 2008/09 OVERALL APPROACH AND KEY LINES OF ENQUIRY**

4.1 The Use of Resources 2008/09 overall approach and key lines of enquiry covers many of the points mentioned above including the wider definition of resources, increased emphasis on value for money and on outputs. It also confirms the three themes and ten key lines of enquiry to be examined as part of the annual UoR assessment process.

4.2 The document explains that the UoR assessment is designed to measure how well organisations are managing and using their resources to deliver value for money and better and sustainable outcomes for local people. The three themes are further explained as covering the following:

- Managing Finances: the importance of sound and strategic financial management
- Governing the Business : examines strategic commissioning and good governance
- Managing Resources: examines the effective management of natural resources, assets and people

4.3 The Use of Resources assessment by the Audit Commission will utilise a risk based approach. Authorities deemed on past experience to have good practices in place will have less work undertaken by the Commission than other authorities. Increased emphasis each year will also be placed on areas of significant change.

4.4 The scoring regime will continue as under the current arrangements with scores of between 1 and 4 which equate to performance which is either inadequate, adequate, performing well or performing strongly. Final details of the scoring rules for the overall UoR score are still to be determined. The Audit Commission has stated that in broad terms it expects evidence to show performance at each level which incorporates all of the features of the level below plus additional standards of performance as follows:

- Level 2: Arrangements are consistent with professional practice, meet statutory guidance and sufficiently address the KLOE
- Level 3: Level 2 plus implemented arrangements which are forward looking and effective, include sophisticated measuring and assessment techniques and where outputs and outcomes demonstrate arrangements which are effective and consistently provide benefits above minimum standards for value for money

- Level 4: Levels 2 and 3 plus demonstrating innovation or best practice, demonstrating strong outcomes for the community and achieving excellent value for money

4.5 The Audit Commission will be using the overall approach across the public sector. Detailed guidance is to be provided to each sector. This guidance is still awaited. The Audit Commission has however stated that auditors will make 'a rounded judgement against each KLOE' and that any guidance or evidence or characteristics detailed should not be treated as a rigid checklist. Although this approach may have some benefits there is a danger that it could also open up the auditor's judgement to become more subjective.

5. **FINANCIAL AND STAFFING IMPLICATIONS**

5.1 There are no direct financial or staffing implications arising out of this report.

6. **EQUAL OPPORTUNITIES IMPLICATIONS**

6.1 There are none arising directly from this report.

7. **HUMAN RIGHTS IMPLICATIONS**

7.1 There are none arising directly from this report.

8. **LOCAL AGENDA 21 IMPLICATIONS**

8.1 There are none arising directly from this report.

9. **COMMUNITY SAFETY IMPLICATIONS**

9.1 There are none arising directly from this report.

10. **PLANNING IMPLICATIONS**

10.1 There are none arising directly from this report.

11. **LOCAL MEMBER SUPPORT IMPLICATIONS**

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

12. **BACKGROUND PAPERS**

12.1. Audit Commission Use of Resources 2009. Response to Consultation – May 2008.

12.2 Audit Commission Use of Resources 2008/09. Overall Approach and key lines of enquiry – May 2008.

12.3 Audit Commission Comprehensive Area Assessment. Consultation feedback and next steps - May 2008.

13. **RECOMMENDATION**

13.1 That the Use of Resources action plan be updated to reflect the changes being made when the detailed guidance is received.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/183/08

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

COMPREHENSIVE PERFORMANCE ASSESSMENT (CPA) - USE OF RESOURCES

1. EXECUTIVE SUMMARY

- 1.1 This report provides details of progress against the 2008 Comprehensive Performance Assessment Use of Resources action plan. The report also outlines future activity against the plan including activities which will contribute towards the 2009 Use of Resources element of the Comprehensive Area Assessment.

2. BACKGROUND

- 2.1 The Use of Resources (UOR) assessment consists of a judgement made over five themes of financial activity which are further divided into key lines of enquiry (KLOE). There are a series of separate criteria within each level for which compliance has to be evidenced of which a large number have essential status. Failure to meet one of these essential criteria will result in automatic failure to achieve that particular level. The five themes are listed in the table.

Theme	Theme
1	Financial reporting
2	Financial management
3	Financial standing
4	Internal control
5	Value for money

- 2.2 The Use of Resources score is based upon a standard scale as follows:

Score	Standard Scale
1	Inadequate Performance
2	Adequate Performance
3	Performing Well
4	Performing Strongly

- 2.3 There are a number of sub components within the five themes, which are also awarded scores using the standard scale. An overall Use of Resources score is then determined from the theme scores.

- 2.4 The current overall Use of Resources score is 2. Under the CPA scoring regime the Use of Resources is classed as a level 1 assessment. Level 1 areas have the highest weighting in contributing to the overall CPA score. The next UoR assessment is currently being undertaken by the Audit Commission and is largely based upon the position as at 31 March 2008. Authorities will receive initial notification of their score from the Audit Commission in December 2008. The results will be published by the Audit Commission in February 2009 following an appeal/review process.
- 2.5 Details of the 2007 UoR assessment, areas for improvement and the new criteria for the 2008 assessment were reported to Cabinet on 7 February 2008. The report also contained an action plan detailing the issues raised by the Audit Commission and proposed actions to deliver improvements.
- 2.6 Cabinet were informed on 26 June 2008 of the new themes and the new key lines of enquiry to be applied for the 2009 Comprehensive Area Assessment (CAA). Further guidance is awaited from the Audit Commission as to the descriptors and requirements within each key line of enquiry. Once this guidance is released the action plan will be revised to fit the new format. The current action plan covers areas still to be assessed under the 2008 assessment together with likely requirements for the 2009 assessment. The themes and titles of the 2009 KLOE are shown below:

	Managing Finances
1	Planning For Financial Health
2	Understanding Costs and Achieving Efficiencies
3	Financial Reporting
	Governing the Business
4	Commissioning and Procurement
5	Use of Information
6	Good Governance
7	Risk Management and Internal Control
	Managing Resources
8	Natural Resources
9	Strategic Asset Management
10	Workforce (applicable from 2009/10 onwards)

- 2.7 There is likely to be a significant overlap between the old and new Use of Resources KLOES. The new regime however places an increased emphasis on non-financial resources. The most significant change is the separate KLOE dedicated to natural resources. The work undertaken on energy efficiency initiatives and in complying with the aims of the 'Nottingham declaration' amongst other activity will hopefully assist in meeting the requirements of this KLOE.

3. RECENT PROGRESS

3.1 Significant further progress has been made since activities against the action plan were last reported to Cabinet on 22 May 2008. Details of the plan and actions are included within Appendix A. The most significant achievements across each key line of enquiry area and a description of the major areas covered in each theme are summarised as follows.

(a) Financial Reporting

This will be assessed in relation to the Statement of Accounts as at 31 March 2008 and the current audit of these statements by the Audit Commission. The audited accounts will be submitted along with the Audit Commission report to the Audit and Risk Management Committee on 30 September 2008. In addition the assessment includes a judgement as to how well the Authority reports its financial information externally. Activities recently undertaken include:

- Annual Statement of Accounts produced, submitted and approved by Audit and Risk Management Committee on 30 June 2008
- Statement of Accounts published on internet site
- Submission to Audit Commission of supporting working papers to the Statement of Accounts and on-going assistance in audit process
- Production of summary Statement of Accounts leaflet for distribution to all Members and at customer information points and on the internet
- Revenue, capital outturns and balances, reserves and provisions position reported to Cabinet on 26 June 2008

(b) Financial Management

This incorporates the Corporate Plan and Medium Term Financial Strategy, performance against budgets and the management of the Authority asset base. Additional detail has been built into the plan following the report on Property Performance Management submitted to Cabinet on 13 March 2008. Recent activity undertaken includes:

- Series of strategies and plans reported to Cabinet on 23 July 2008:-
 - Medium Term Financial Strategy
 - Capital Strategy
 - Capital Investment Programme Guidance
 - Asset Management Plan 2008-2011
 - Risk Management Strategy
 - Customer Access Strategy
 - People Strategy

- Information and Communication Technologies Strategy
- Change Programme

- New LAA commenced with revised financial arrangements in place
- Revised arrangements for asset management introduced. New department with Chief Officer and Head of Asset Management
- Production of monthly financial monitoring reports to Cabinet Members and committee chairs

(c) Financial Standing

This relates to the management of spending within resources, the level of balances maintained, and income collection arrangements. Recent activity includes:

- Production of Statement of Accounts and outturn reports (as per financial reporting)
- Continuation of income review as part of the change programme

(d) Internal Control

The Authority was assessed as performing well (3 star) within this theme in the 2007 assessment. This assessment covers risk management, internal control arrangements and general probity and propriety of systems and processes. Activities recently undertaken include:

- Annual Governance Statement produced, agreed and reported within the annual Statement of Accounts in June 2008
- Revised Corporate Risk Management Strategy completed and reported to Cabinet on 23 July 2008
- Review of Corporate Risk Register undertaken by Corporate Improvement Group
- Risk management training for Members on 24 July 2008.
- Annual review of constitution approved by Cabinet on 9 July 2008
- Internal Audit Annual Report submitted to Audit and Risk Management Committee on 30 June 2008

(e) Value For Money (VFM)

The assessment of this theme is based on whether the Authority is judged to provide good value for money for its population and whether it actively manages and improves value for money within its activities. Recent activity includes:

- Analysis and report to Cabinet on 23 July 2008 on the 2007/08 Audit Commission Value For Money Profiles.
- Revised Customer Access Strategy to Cabinet on 23 July 2008
- Report to Cabinet on 23 July 2008 on progress against the Change Programme agreed by Cabinet on 7 February 2008
- Submission of 2007/08 Annual Efficiency Statement
- Report on Strategic Asset Review to Cabinet on 9 July 2008 and establishment of geographical asset review teams

4. FORTHCOMING ACTIVITY

4.1 A series of activities are scheduled to be undertaken over the next quarter and are included within the updated action plan included within Appendix A. Guidance is expected to be issued by the Audit Commission on the CAA Use of Resources key lines of enquiry in autumn. Once this is produced the existing Use of Resources action plan will be re-written and converted to match the new key lines of enquiry. A summary of the major tasks undertaken against the existing plan format is shown below again broken down across the five CPA key lines of enquiry:

a. Financial Reporting

- Completion of audit of Annual Statement of Accounts and submission of audited accounts to Audit and Risk Management Committee for approval on 30 September 2008
- Production of Annual Report containing summary financial and performance information
- Analysis of likely future changes to reporting requirements under International Financial Reporting Standards regime

b. Financial Management

- Quarterly report including update on revenue, capital, performance and risk information to Cabinet on 4 September 2008
- Production of monthly financial monitoring reports to Cabinet Members and committee chairs

- Reports on procurement strategy and procurement efficiencies
- c. Financial Standing
- Presentation of audited Statement of Accounts and outturn reports (as per financial reporting)
 - Continuation of income review as part of the change programme.
- d. Internal Control
- Review of Corporate Risk Register undertaken by Corporate Improvement Group and to be reported to Cabinet.
 - Review of risk management arrangements to ensure they are fit for purpose within the Comprehensive Area Assessment criteria
 - Review of partnership register to be completed by 31 October 2008.
- e. Value For Money
- Update to Cabinet on progress on delivering the projected budgets for 2009-2011 on 4 September 2008.
 - Further consolidated report to Cabinet on 25 September 2008 on explanations behind any 2007/08 Audit Commission Value For Money Profiles 'high cost' areas.
 - Regular reporting to Cabinet on progress against the Change Programme agreed by Cabinet on 7 February 2008
 - Report on progress of Strategic Asset Reviews to Cabinet on 25 September 2008.

6. FINANCIAL AND STAFFING IMPLICATIONS

- 6.1 There are no direct financial or staffing implications arising out of this report.

7. EQUAL OPPORTUNITIES IMPLICATIONS

- 7.1 There are none arising directly from this report.

8. HUMAN RIGHTS IMPLICATIONS

- 8.1 There are none arising directly from this report.

9. LOCAL AGENDA 21 IMPLICATIONS

- 9.1 There are none arising directly from this report.

10. **COMMUNITY SAFETY IMPLICATIONS**

10.1 There are none arising directly from this report.

11. **PLANNING IMPLICATIONS**

11.1 There are none arising directly from this report.

12. **LOCAL MEMBER SUPPORT IMPLICATIONS**

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

13. **BACKGROUND PAPERS**

13.1. Audit Commission Use of Resources Auditor Judgements – December 2007

13.2 Audit Commission Use of Resources Guidance for Councils – March 2008

13.3 Audit Commission Use of Resources 2008/09 Overall approach and key lines of enquiry – May 2008

14. **RECOMMENDATIONS**

That

- (1) the progress against the Use of Resources action plan be noted; and
- (2) regular reports be brought to Cabinet on progress against the action plan which will be revised in line with forthcoming Audit Commission guidance

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/187/08

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USE OF RESOURCES – ACTION PLAN

1. FINANCIAL REPORTING

Objectives	KLOE Criteria/ Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>1. The council produces annual accounts in accordance with relevant standards and timetables, supported by comprehensive working papers</p>	<p>1.1. The accounts submitted for audit presented fairly and contained only a small number of non-trivial errors</p>	<ul style="list-style-type: none"> Review Audit Commission 2006/07 Statement of Accounts report and implement recommendations. 	<ul style="list-style-type: none"> February 2008 	<ul style="list-style-type: none"> Jenny Spick 	<p>Complete Feb 2008. Detailed session on action points on reserves, provisions, creditors, debtors and other areas Timetable has built in reviews of specific items at key points e.g. accruals Also action on specific actions such as equal pay, community assets</p>
		<ul style="list-style-type: none"> Compare SORP and current procedures Update relevant parts in the Closedown Procedure Manual and issue further guidance on treatment of reserves, provisions, debtors and creditors. 	<ul style="list-style-type: none"> February - March 2008 	<ul style="list-style-type: none"> Jenny Spick 	<p>Complete. SORP Changes have been determined. Guidance issued.</p>
		<ul style="list-style-type: none"> Monitoring of closedown against timetable and additional qualitative reviews before accounts submission. 	<ul style="list-style-type: none"> March –June 2008 	<ul style="list-style-type: none"> Jenny Spick 	<p>Complete: Monitoring is taking place through weekly meetings April-June</p>

Objectives	KLOE Criteria/ Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>2. The council promotes external accountability.</p>	<p>2.1 The council can demonstrate that it is considering the views of a range of stakeholders in making its decision whether to publish an annual report.</p>	<ul style="list-style-type: none"> • Further identification of 'stakeholders' • Explore the use of the Citizens Panel survey and the Wirral website to obtain input from stakeholders. 	<ul style="list-style-type: none"> • April - June 2008 • April - June 2008 	<ul style="list-style-type: none"> • Peter Molyneux • Peter Molyneux 	<p>Complete Annual report to be published and reported to Cabinet 25 September As above</p>
	<p>2.2 The council publishes summary financial information that meets the need of a range of stakeholders.</p>	<ul style="list-style-type: none"> • Continue production of summary accounts leaflet and make available via internet and customer contact points. 	<ul style="list-style-type: none"> • June 2008 	<ul style="list-style-type: none"> • Jenny Spick 	<p>Complete: Leaflet produced</p>

2. FINANCIAL MANAGEMENT

Objectives	KLOE Criteria/ Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>3. The council medium-term financial strategy, budgets and capital programme are soundly based and designed to deliver its strategic priorities.</p>	<p>3.1 Finalise Corporate plan and ensure it drives MTFS and resource allocation</p>	<ul style="list-style-type: none"> Agreement of Members and report to Cabinet 	<ul style="list-style-type: none"> Feb-May 2008 	<ul style="list-style-type: none"> Jim Wilkie/Russ Glennon 	<p>Complete: New Corporate Plan agreed by Cabinet 13 March 2008 supported by departmental service plans</p> <p>e.g. DASS there is a clear link between the Corporate Plan & DASS Business Plans - driving corporate & Departmental MTFP (reported at Virtual Cttee)</p> <p>Complete: MTFS submitted to Cabinet July 2008</p>
	<p>3.2. Develop the MTFS, in the context of an agreed corporate and efficiency plan, and ensure it clearly reflects the resource implications of other strategies, and measures to address any identified funding gaps.</p>	<ul style="list-style-type: none"> Annual update to rolling 3 year plan and report to Cabinet 	<ul style="list-style-type: none"> July 2008 	<ul style="list-style-type: none"> Tom Sault 	<p>Complete. Reported to Cabinet 23 July 2008</p>

Objectives	KLOE Criteria/ Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>4. The council manages performance against budgets.</p>	<p>4.1 The Councils budget monitoring is related to operational activity indicators that are lead indicators of spend and are informed by a risk assessment.</p>	<ul style="list-style-type: none"> • Regular monitoring reports to Cabinet to highlight these areas. • Further work to illustrate key operational activity indicators within monitoring reports 	<ul style="list-style-type: none"> • On-going • On-going 	<ul style="list-style-type: none"> • Chief Officers • Chief Officers 	<p>In Progress Monthly highlight report to Cabinet members. Budget reports to every Scrutiny cycle.</p> <p>In progress e.g. New quarterly monitoring report format and DASS developing Balanced scorecard relating financial performance to activity monitoring & target setting</p>
	<p>4.2. Finalise plans for delivering the Council efficiency plan targets</p>	<ul style="list-style-type: none"> • Update report to Members 	<ul style="list-style-type: none"> • Feb-May 2008 	<ul style="list-style-type: none"> • Jim Wilkie 	<p>Complete: Efficiency targets now subsumed within Projected Budget 2008-2011 report to cabinet</p>

Objectives	KLOE Criteria/Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
	<p>4.3. Fully embed arrangements for reviewing the financial performance of significant partnerships</p>	<ul style="list-style-type: none"> Update to identification of significant partnerships. Report to Cabinet 	<ul style="list-style-type: none"> Summer 2008 On-going 	<ul style="list-style-type: none"> Ian Coleman 	<p>In Progress</p> <p>New arrangements for Greater Merseyside Connexions commenced April 2008 with Wirral acting as Lead Body</p> <p>Regular reports to LAA Board and Cabinet on LAA financial issues</p> <p>(DASS) monthly overview of relative financial performance of PCT and DASS</p>
<p>4.4. Informative profiled financial monitoring reports are received by all budget holders soon after the month end enabling managers to respond to issues in a timely way.</p>		<ul style="list-style-type: none"> Review content of monitoring report information 	<ul style="list-style-type: none"> On-going 	<ul style="list-style-type: none"> Bob Need 	<p>Complete:</p> <p>Content reviewed and profiled budget reports created</p> <p>DASS. Commitment Accounting reports sent out to budget managers within 5 days of accounting period. Distributed via Digital Dashboard alongside operational & HR performance indicators in format agreed with Budget Managers.</p>

Objectives	KLOE Criteria/Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
	<p>5.2 Members are aware of the level of backlog maintenance and have approved a plan to address it as appropriate</p>	<p>Report on Property Performance Management approved by Cabinet 13.03.08.</p> <ul style="list-style-type: none"> Current status of programme condition surveys National PI PMI – no properties in category D, 68% in category A Information from condition surveys used to prioritise PPM budget expenditure 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Jim Wilkie/Kevin Adderley 	<p>Report on Property Performance Management approved by Cabinet 13.03.08.</p>
	<p>5.3 The Council has developed a set of local performance measures in relation to assets that link asset use to corporate objectives.</p>	<p>Note: No longer a criteria within 2008 Use of Resources criteria. But flagged up by the Audit Commission as an improvement area within its 2007 assessment report.</p>	<ul style="list-style-type: none"> N/A 	<p>N/A</p>	<p>N/A</p>
	<p>5.4 The Council makes investment and disposal decisions based on thorough option appraisal and whole life costing.</p>	<p>Reports produced on investment and disposal options</p>	<p>Ongoing</p>	<ul style="list-style-type: none"> Jim Wilkie/Kevin Adderley 	<p>Disposal Options for Sale of Assets Report approved by Cabinet 24.01.07. Cabinet report on Property Performance Management 13.03.08 – Appendix 1 appraisal matrix for administrative buildings prioritised for disposal.</p>

Objectives	KLOE Criteria/Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
	5.5 The Council maintains a record of all of its land and buildings that contains accurate data on its efficiency, effectiveness, asset value and running costs which can be used to support decision making on investment and disinvestment in property(new criteria)	.Asset register and supporting systems are kept up to date with relevant information	Ongoing	<ul style="list-style-type: none"> Jim Wilkie/Kevin Addeley 	<p>Continuous updating of Premise system to collate comprehensive property data. Cabinet report on Property Performance Management 13.03.08 – performance information on maintenance and running costs. All Council assets revalued on a 5 year rolling programme</p>

3. FINANCIAL STANDING

Objectives	KLOE Criteria/Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
6. The council manages its spending within the available resources.	6.1 The approved level of balances is adhered to, the council's financial standing is sound and supports the achievement of long term objectives.	<ul style="list-style-type: none"> Regular budget monitoring reports to Cabinet and where necessary corrective action made 	<ul style="list-style-type: none"> On-going 	<ul style="list-style-type: none"> Ian Coleman Tom Sault 	<p>Completed. Reports produced to cabinet per timetable of report to cabinet 24 May 2007.In addition monthly financial summaries circulated to Cabinet and Committee Chairs.</p>

<p>Objectives</p>	<p>KLOE Criteria/Improvement Opportunities</p> <p>6.2 The council's targets for income collection and recovery of arrears stretch performance and their achievement is monitored with appropriate corrective action taken during the year to achieve the targets (new criteria)</p>	<p>Actions/Milestones</p> <ul style="list-style-type: none"> • Expansion of financial matters report to cover income targets and performance and effectiveness and costs of debt recovery actions • Review and roll out of accounts receivable system functionality 	<p>Start and End Dates</p> <ul style="list-style-type: none"> • Completed • By March 2008 	<p>Lead Officer(s)</p> <ul style="list-style-type: none"> • Malcolm Flanagan • Malcolm Flanagan 	<p>Progress against Actions and Milestones</p> <p>Completed. Additional information incorporated within reports.</p> <p>AR review has resulted in a number of on-going actions</p> <ul style="list-style-type: none"> - E>Returns rollout -Income review project as part of the Change Programme 2008/09 (Cabinet Feb 2008) <p>(DASS) Additional capacity agreed by Council to focus on organizational debt recovery. New Locality structures agreed to improve assessment & collection of charges for services.</p>
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4. INTERNAL CONTROL

Objectives	KLOE Criteria/ Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>7.The council manages its significant business risks.</p>	<p>7.1 The risk management process is reviewed and updated at least annually</p>	<p>Embed risk management strategy via:</p> <ul style="list-style-type: none"> • regular update of risk register reporting to Members • review of key decision reports to Cabinet <ul style="list-style-type: none"> • Risk management is embedded in all processes – linked to training programme. 	<ul style="list-style-type: none"> • On going • On going <ul style="list-style-type: none"> • On going 	<ul style="list-style-type: none"> • Mike Lane 	<p>Revised Corporate Risk Register put before Cabinet (13 March 2008) Results of the review of the Corporate Risk Management Strategy to be reported to Cabinet September 2008 and then on-going quarterly updates</p> <p>Further risk management training session run for Members (July 2008) Further sessions to be scheduled</p>

Objectives	KLOE Criteria/Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>8. The council has arrangements in place to maintain a sound system of internal control</p>	<p>8.1 The risk management process specifically identifies risks in relation to partnerships and provides for assurances to be obtained about the management of those risks.</p>	<ul style="list-style-type: none"> • Examination of partnership risks covered in risk management training programme. • Partnership risk management training for LAA • Guidance for officers on identifying and managing partnership risks to be developed. • Regular review of risk management considered as a matter of course for all partnerships and significant partnerships reviewed. 		<ul style="list-style-type: none"> • Chief Officers • Mike Lane • Mike Lane • Simon Goacher 	<p>Completed Individual meetings between Mike Lane and Chief Officers to identify relevant risk issues</p> <p>Partnership risk training to LAA Development Group (13 February 2008)</p> <p>Partnership Risk 'Toolkit' made available through the Wirral Intranet (April 2008)</p> <p>1. Review of outside bodies (partnerships) to which Councillors are appointed took place ahead of Annual Council. Further review to be undertaken</p> <p>2. The member Training Steering Group approved a training programme for members appointed to partnerships on their roles /responsibilities, working with other authorities</p> <p>3. Partnership Toolkit developed.</p>

<p>Objectives</p> <p>9. The Council has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business</p>	<p>KLOE Criteria/ Improvement Opportunities</p> <p>9.1 The Whistleblowing policy is publicized and demonstrates the council's commitment to providing support to whistleblowers.</p>	<p>Actions/Milestones</p> <ul style="list-style-type: none"> • Ensure periodic reviews are undertaken and report to Members 	<p>Start and End Dates</p>	<p>Lead Officer(s)</p> <ul style="list-style-type: none"> • Paul Bradshaw 	<p>Progress against Actions and Milestones</p> <p>Complete: The policy has been reviewed and revised. This was reported to and agreed by Cabinet on 3 April 2008 and is to be reported to Employment Committee on 16 June 2008. Attention drawn to policy in "harmonized" condition documentation circulated to employees July/August 2008</p>
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5. Value For Money

Objectives	KLOE Criterial Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>10. The Council currently achieves good value for money</p>	<p>10.1 Overall costs, including unit costs for key services demonstrate best value compared to other councils providing similar levels and standards of services and allowing for the local context</p>	<ul style="list-style-type: none"> • Report on Audit Commission Value for money profiles submitted to Cabinet • Chief Officers reporting to Cabinet on perceived 'high cost' areas. 	<ul style="list-style-type: none"> • Nov 2007 and July 2008 • Feb 2008 	<p>Ian Coleman</p> <p>Chief Officers</p>	<p>Further report to Cabinet September 2008</p> <p>Will be incorporated into above report to Cabinet September 2008. DASS) Value for Money report presented to Cabinet. Clear links to Efficiency Plan proposals. VFM consideration in re-structure proposals</p> <p>Reports to Cabinet 7 February 2008 and 23 July 2008</p> <p>Further report scheduled for September 2008</p>
	<p>10.2 Areas of higher spending are in line with stated priorities and the investment results in improved services.</p>	<ul style="list-style-type: none"> • Reports from Chief Officers on VFM profiles. 	<ul style="list-style-type: none"> • Feb 2008 	<ul style="list-style-type: none"> • Chief Officers 	
		<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 		

Objectives	KLOE Criteria/Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
<p>11. The council manages and improves value for money</p>	<p>11.1 There is clear information on costs and unit costs, and how these compare to the quality of services. Such information includes comparatives with other councils as well as measuring trends over time. Members and managers routinely use this information to review and challenge VFM throughout services and corporately</p>	<ul style="list-style-type: none"> Report on Audit Commission Value for money profiles submitted to Cabinet Chief Officers reporting to Cabinet on perceived 'high cost' areas 	<ul style="list-style-type: none"> Nov 2007 and July 2008 Feb 2008 	<ul style="list-style-type: none"> Ian Coleman Chief Officers 	<p>Completed</p> <p>Reports to Cabinet 7 Feb 2008 on areas identified in November report from Directors of Finance, Children and Young People and Adult Social Services. Further reports in September on 2007/08 profiles</p>
	<p>11.2 The council collects information on the needs and impact of its services, policies and strategies on different community groups and is using this information to improve VFM, outcomes and access to services</p>	<ul style="list-style-type: none"> Reflected in new LAA and in strategy documents Reflected in reports from Chief Officers 	<p>Completed</p> <p>On-going</p>	<ul style="list-style-type: none"> Russ Glennon and Chief Officers 	<p>New LAA with priorities based on business case with input of LAA partners of priorities/needs and a 'story of place' agreed</p> <p>Also reflected in Corporate Plan</p> <p>Revised customer access strategy agreed 23 July 2008</p>

Objectives	KLOE Criteria/Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
	<p>11.3 There are clear policies and effective processes for reviewing and improving VFM. The scope for improving VFM is kept under review and scrutiny.</p>	<ul style="list-style-type: none"> MTPS is reviewed annually for VFM linkages Regular reviews and reporting within performance reports by Departments 	July 2008	<ul style="list-style-type: none"> Tom Sault Chief Officers 	<p>Complete: to Cabinet 23 July 2008</p> <p>(DASS) VFM assessment of voluntary sector agreements and tender evaluation</p>
	<p>11.4 There are clear improvements in VFM particularly in priority areas in recent years</p>	<ul style="list-style-type: none"> Regular reporting Chief Officer reports Gershon returns and National Indicator 	Feb 2008	<ul style="list-style-type: none"> Chief Officers Tom Sault 	<p>Reports to Cabinet 7 Feb 2008 on areas identified in November report from Directors of Finance, Children and Young People and Adult Social Services. Further reports in September 2008</p> <p>LPSA efficiency target met.</p>
	<p>11.5 The council has evaluated its use of partnerships to improve VFM. It has an understanding of total resources at the disposal of its significant partnerships which it is using to support clearly identified outcomes</p>	<ul style="list-style-type: none"> Review Partnership Register Review of LAA arrangements 	September 2008	<ul style="list-style-type: none"> Simon Goacher Peter Molyneux 	<p>In progress</p> <p>Review of partnership register for completion by the end of September 2008</p> <p>Regular reports to LAA board during 2007/08 of LAA financial issues and changes to funding regime</p>

Objectives	KLOE Criteria/ Improvement Opportunities	Actions/Milestones	Start and End Dates	Lead Officer(s)	Progress against Actions and Milestones
	<p>11.6 The council uses IT to drive and enable business process change to improve both its own VFM and access to services to uses.</p>	<ul style="list-style-type: none"> • Review Information Strategy Group • Business cases for investment • Change Programme 		<ul style="list-style-type: none"> • Jim Wilkie • John Carruthers • Jacqui Roberts 	<p>Review of Corporate improvement Group undertaken</p> <p>Business cases used for 2008/09 IT development programme</p> <p>4 change projects underway</p> <ol style="list-style-type: none"> 1. Efficiency review of common support services functions 2. GIS/LLPG project 3. Agile working 4. Transport Review

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

CHANGE PROGRAMME 2008-09

1 EXECUTIVE SUMMARY

- 1.1. This report presents the updated change programme agreed by the Cabinet on 23 July 2008.

2. BACKGROUND

- 2.1 On 7 February, 2008 Cabinet approved the coordination and management of programmes through the Corporate Improvement Group (CIG). Four of these programmes were integrated into a single Change Programme comprising:-
- Change Team Programme
 - Integrated Financial System Programme
 - Customer Access Programme (CAS)
 - ICT (Information Communications Technology) Developments.
- 2.2 The programmes have been evaluated so that the resources required, timescales, ICT implications, project ownership and outcomes have been established for each project. A standard approach has been taken that makes effective use of fundamental project management techniques in a simple, pragmatic manner. The intention is to extend such a standard approach to any project that CIG oversees.
- 2.3 This approach is enabling CIG to deal with the task of coordinating the programmes and provides the means to manage the complexities of over 100 individual projects. This initial assimilation and review of projects has taken some time to accomplish but has not prevented progress on key projects. There is now a need to prioritise these projects to enable effective management.
- 2.4 Cabinet on 23 July 2008 noted the report and the progress made on the Change programme. The Strategic Asset Review presented to Cabinet on 9 July 2008 may impact on this programme.

- 2.5 The report therefore covers the following topics:-
- Governance,
 - Change Team Programme,
 - Integrated Financial System Programme
 - Customer Access Programme 2008-09 (CAS)
 - ICT (Information Communications Technology) Developments 2008-09

3 **GOVERNANCE**

- 3.1 CIG has received the details of over 100 project scopes comprising the four programme areas of the Change Programme. These projects vary considerably in complexity, impact and resource requirements.
- 3.2 CIG is in the process of reviewing the projects, focusing on those that will have most impact and is developing a coordinated plan. Consideration is being given to introducing a project management system for minor projects that will ensure control whilst leaving CIG to concentrate on significant activities. A further report outlining this approach should be presented to Cabinet in September 2008.
- 3.3 Elsewhere on this agenda is the outcome of the review of the HR and Payroll requirements as requested by Cabinet on 1 November 2007. Should Cabinet agree the recommendations then the project will be managed by the Head of Human Resources who will report to CIG in respect of Governance and project assurance issues. This project will facilitate many of the changes concerning support services and is possibly the most significant project on the timetable with an impact on all employees and managers through changes to administrative processes.

4. **CHANGE TEAM PROGRAMME**

- 4.1 The progress of the Change Team Programme as approved by Cabinet on 7 February 2008 is as follows:-
- (a) Agile Working: Working is ongoing to identify projects within the Children and Young People, Regeneration and Adult Social Services Departments. A project scope centring on Regeneration is to be considered by CIG on 31 July 2008. The Strategic Asset Review agreed by Cabinet on 9 July 2008 will use Agile Working as one element of a sub-review of the use of 37 administrative buildings.
- (b) Transport: The resources needed to provide a project team were not available to start in line with the dates reported to Cabinet on 7 February 2008. The anticipated June 2008 completion has therefore been revised to January 2009.

(c) Support Services Review: An initial paper showing baseline data of some key HR processes was considered by CIG alongside a presentation on self service HR processes by Oracle to a special meeting of CIG on 17 June 2008. CIG concluded that the need for a HR and Payroll system is best met by completing the implementation of the integrated ERP system. Cabinet on 23 July 2008 approved this proposal and so a joint team will now develop a project plan with details of costs, benefits and related implications by October. The project will address three key areas of Council activity:-

- Payment processes: Expenses and payroll.
- People processes: Recruitment, development and management processes,
- Corporate processes: HR strategy, controls, intelligence.

The HR processes will integrate with the work being piloted in the Children and Young Peoples Department on using the Content Management System (CMS) to hold employee records. The benefits of employing CMS for this are in removing the need for storing manual records, standardising HR case data, controlling access and ensuring records are held in accordance with retention policies.

- 4.2 The Change Team has also taken on Geographical Information System (GIS) project. Progress to date includes, installation and training on the software, design of a pilot scheme, and some data imports from departmental systems. The immediate tasks are to complete workshops on the use of the system and produce a development plan by October 2008.

5. **INTEGRATED FINANCIAL SYSTEM PROGRAMME**

- 5.1 The progress of the Integrated Financial System Programme as approved by Cabinet is as follows:-

(a)Income Review: CIG has received a report on accounting for cash and cheques received into around 220 establishments and a proposal for using ICT to speed the receipt of money into the relevant account, reduce dual keying and eliminate manual processes. This is the first part of the project which should be going live in November 2008. An investigation into debt management has started.

(b) Procure to Payment Processes: The reduction of manual invoice processing has been started with the reduction of some 3,800 BT invoices being managed electronically using the BT One Bill system. This has eliminated late payment penalties and will reduce processing time once the initial teething problems are overcome. Water bills are being investigated as the next phase in introducing single submission of invoice data. The use of procurement cards, scanning and self billing are being investigated and a report is due to be made in August.

(c) Supplier Engagement: An initial report is being evaluated on using ICT to provide a single database of procurement activity.

(d) Managing the Supplier Base: Procurement staff have been re-organised to enable categories of activity to be dealt with by specific lead officers. This re-focusing of the team is seen by the Procurement Unit as the first step in supplier management.

(e) Review Procurement Activity: CIG has reviewed the current state of catalogue and non-catalogue activity and approved the method for monitoring progress. Initial work on reducing non-catalogue activity needs to further development before detailed proposals can be made.

(f) High Risk Procurement: An initial report identifying high risk activities has been prepared and the implications of this report will be considered further by CIG.

(g) Shared Services: Work has been undertaken in collaboration on a pan Merseyside basis on various contracts including; procuring desk top stationery, office furniture, IT hardware and fuel. It is estimated that savings across the sub region will amount to £7m over four years of which Wirral represents approximately £2m. A project manager funded by the North West Improvement and Efficiency Partnership (NWIEP) has been employed to produce a three year strategy for the Merseyside Procurement Group focusing on opportunities available through collaboration.

(h) Training: Proposals have been completed and approved by CIG. Implementation will be conducted as part of the day to day work of the Procurement Unit without any further report to CIG.

6. CUSTOMER ACCESS PROGRAMME

- 6.1 The Customer Access Strategy (CAS) is underpinned by the CAS Development Programme reported to Cabinet on 7 February 2008. The progress of the 33 individual projects in this development programme is reported to CIG. The last report makes specific reference to progress on the following:-

- a) Abandoned vehicles: User requirements being compiled for evaluation to introduce this new service to CRM.
- b) Alarm Responses and Monitoring: The migration of the CCTV monitoring activities to the Call Centre is now live.
- c) Alternate formats: Customer access channels for language, documents and information went live in July 2008. This is prompted as part of the Call Centre and One Stop Shop front of house routine and creates the work stream for dealing with the request to replace the current random activity.
- d) Blue Badges applications online: Further enhancements to the proposal are completed and went live in July 2008.
- e) CADT review: The results of the review are being evaluated and its impact for IT Resources is being assessed.
- f) Pest Control: Additional changes are now live.
- g) SMS Text messaging: A business case is being compiled for evaluation.
- h) Streetscene waste service: Extension of services will shortly include the exchanging of bins and clearing up syringes. Several technical enhancements to the system are being introduced to overcome issues with the bulky Item service.

6.2 Work has also started on reviewing the broader issues of the CRM system development and support. This includes work to enhance the original implementation in conjunction with Oracle.

6.3 An integral part of the Customer Access Strategy depends upon development of the Web content and functionality. There are a number of issues that require addressing some of which may be solved by installing revised software in September 2008.

7 ICT DEVELOPMENT PROGRAMME

7.1 In addition to projects already detailed that may have an ICT element to them, over 50 further projects, including both infrastructure and departmental developments have been identified. Work is in progress to rationalise these projects in order to support the wider Customer Access and Change Programme.

8. **FINANCIAL AND STAFFING IMPLICATIONS**

- 8.1 There are no direct financial and staffing implications of this review. The implications of specific projects as the programme develops, are brought to Cabinet for consideration.

9. **EQUAL OPPORTUNITY IMPLICATIONS**

- 9.1 There are none arising directly from this report.

10. **HUMAN RIGHTS IMPLICATIONS**

- 10.1 There are none arising directly from this report.

11. **COMMUNITY SAFETY IMPLICATIONS**

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

12. **LOCAL MEMBER SUPPORT IMPLICATIONS**

- 12.1 There are no specific implications for any Member of Ward.

13. **LOCAL AGENDA 21 IMPLICATIONS**

- 13.1 There are no specific implications arising directly from this report.

14. **PLANNING IMPLICATIONS**

- 14.1. There are no specific implications arising directly from this report.

15. **BACKGROUND PAPERS**

- 15.1 Change Programme – February 2008
15.2. Customer Access Strategy – February 2008
15.3. ICT Strategy – February 2008.

16. **RECOMMENDATION**

- 16.1 That the progress on the Change Programme be noted.

IAN COLEMAN
DIRECTOR OF FINANCE

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

MEDIUM TERM FINANCIAL STRATEGY

1. EXECUTIVE SUMMARY

1.1 This is the annual update of the Medium Term Financial Strategy which was agreed by Cabinet on 23 July 2008. The aim is to give Members a strategic overview highlighting the significant issues to be considered for use in financial planning and informing future priorities. It has been refined to reflect the Government Comprehensive Spending Review 2007 and the Vision for Wirral as expanded upon in the revised Corporate Plan agreed in March 2008.

2. BACKGROUND

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

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

3. PROGRESS MADE AT WIRRAL

3.1. Financial and Performance Management

3.1.1 The approach to corporate planning is based upon a hierarchical framework that seeks to integrate national and local priorities into a series of clear objectives. This ensures clear links from the Community Strategy to the Corporate Plan and Departmental Plans identifying how the objectives are to be achieved. There are close links between the Service Plans and budget-setting as the priorities identified in the plans should indicate the resource issues and principles that shape the Council budget. By identifying current issues and any potential developments / related issues the Plans inform future revenue and capital budgets.

3.2 Reporting and Monitoring

3.2.1 For 2008/09 Cabinet on 3 April 2008 agreed the further integration of the financial and performance management arrangements. Processes for planning and monitoring performance underpin the cycle of continuous improvement. The planning element provides the framework for the Council to identify its priorities and targets for the future, whilst the monitoring element measures progress in relation to meeting the priorities and targets agreed for the current year. Equally the monitoring reports inform the ongoing planning process as it is by monitoring and reviewing performance, and the associated implications of that performance, that information is provided to develop future plans.

3.3 Annual Reports

3.3.1. The annual Statement of Accounts is a legal requirement and has to be published by 30 June and is then subject to External Audit inspection the results of which have to be concluded before 30 September. The Statement is supported by additional reports on the revenue and capital finances for the year. In previous years a summary Statement of Accounts leaflet has been made available and from 2007/08 the intention is to produce an Annual Report.

3.4. Monitoring Reports

3.4.1. From 2008/09 a summary report is being presented to Cabinet each quarter that will cover the areas of finance, capital, performance and risk. To this will be appended more detailed reports on each of the areas with the financial and risk reports also being presented to Finance & Best Value Overview & Scrutiny Committee and Audit & Risk Management Committee as appropriate.

- (a) Financial monitoring compares spend against the approved budget. Effective financial management ensures that spend remains within available resources and that resources are used in the manner intended.
- (b) Capital monitoring summarises progress made on the schemes/projects approved as part of the capital programme.
- (c) Performance monitoring provides an overview of performance against the key issues identified in the Corporate Plan.
- (d) Risk monitoring identifies the progress made on delivering the actions stated in the Corporate Risk Register and on any recently identified risks.

3.5 Planning Reports

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

3.5.2 The Cabinet agreed the Vision for Wirral on 14 November 2007 and the Corporate Plan was agreed on 13 March 2008. The latter sets the overall strategic direction and identifies the aims and objectives of the Council and whilst covering three years will be refreshed annually. The same applies to the other strategies including the Customer Access Strategy and the resource strategies covering Human Resources, IT, Capital and Asset Management.

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

3.6 Re-allocation of Resources to Priorities

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

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

3.6.3. When setting the Council Tax for 2008/09 the agreed increase was 3.66% which was below the maximum level set by the Government of 5%. Following the Vision for Wirral this enabled the Council to deliver further improvements in priority areas.

3.7 CONCLUSION

3.7.1 Wirral continues to improve performance management and service planning and to re-direct resources towards meeting the identified objectives. In terms of Council Tax and value for money the Wirral Band D Tax, which was the fourth highest amongst the 354 Metropolitan, London, Unitary and District Authorities in 2000/01 is now rated 242nd.

4. MEDIUM TERM FINANCIAL STRATEGY

4.1 The Appendix contains the Strategy and encompasses:-

- National issues including the Comprehensive Spending Review.
- At a local level the agreed Council objectives and priorities are stated, progress reviewed, and key issues during the period highlighted.
- The Medium Term Financial Plan for the period which is regularly updated in reports to Cabinet and the Finance and Best Value Overview and Scrutiny Committee.

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

5. FINANCIAL AND STAFFING IMPLICATIONS

5.1 The financial implications are within the Financial Strategy.

6. LOCAL MEMBER SUPPORT IMPLICATIONS

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

7. LOCAL AGENDA 21 STATEMENT

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

8. PLANNING IMPLICATIONS

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

9. EQUAL OPPORTUNITIES IMPLICATIONS

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

10. COMMUNITY SAFETY IMPLICATIONS

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

11. HUMAN RIGHTS IMPLICATIONS

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

12. BACKGROUND PAPERS

- 12.1 Medium Term Financial Strategy 2008/2011 - September 2007
- 12.2 Departmental Service Plans

13. RECOMMENDATIONS

- 13.1 That the Medium Term Financial Strategy be noted.
- 13.2 That regular updates of the financial projections for the period of the Strategy be reported to Cabinet and to Finance & Best Value Overview & Scrutiny Committee.

IAN COLEMAN
DIRECTOR OF FINANCE

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WIRRAL COUNCIL

MEDIUM TERM FINANCIAL STRATEGY

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**CABINET
JULY 2008**

1.0 EXECUTIVE SUMMARY

1.1 Introduction

- 1.1 The Council operates in an increasingly complex and challenging environment. Future improvements in service delivery require actions from a range of agencies with the Council and partners in the public, private, voluntary and community sectors all having a key role.
- 1.2 The Council Vision is for a more prosperous and equal Wirral enabling all communities and people to thrive and achieve their full potential. The Corporate plan details the objectives and aims for a five year period to deliver the Vision.
- 1.3 The national priorities of the Government compete with local priorities for available resources requiring difficult decisions to be made. Wirral is committed to maximising the use of scarce resources and directing these towards priority areas whilst keeping Council Tax at an affordable level as evidenced by recent Council Tax rises.

1.2 Statement of aims

- 1.2.1. This Strategy aims to support the delivery of the Council Vision and the Corporate Plan. It seeks to indicate the resource issues and principles that shape the Council budget; to identify current issues and to consider potential developments / related issues that are likely to provide the basis for future budgets.
- 1.2.2 With insufficient resources to meet all aspirations the Medium Term Financial Strategy guides and shapes spending to maximise achievement of the Council's priorities, and seeks to achieve this, by:-
- Providing a framework for the management of financial resources to support the Annual Budget.
 - Redirecting resources towards meeting the Council objectives.
 - Subjecting spending plans to regular review to ensure that they are aligned with need and promote value for money and service improvement.
 - Applying an overall risk assessment together with controls to ensure any impact is controlled.

1.3 Review

- 1.3.1 Whilst the Strategy will be valid at least until 2012 it will be annually reviewed to ensure it remains relevant. For 2008 the main changes reflect the outcome of the Government Comprehensive Spending Review 2007 and the Vision for Wirral and updated Corporate Plan agreed in March 2008. The annual Budget provides the detail of what is being done to implement this Strategy.

2.0 NATIONAL ISSUES

2.1 Local Government Finance Settlement

- 2.1.1 The Government announced the first Settlement covering three years following the Comprehensive Spending Review 2007 (CSR). This set out the level of Government Grant for 2008/09 to 2010/11 and is to be reviewed each year.
- 2.1.2 The grant allocation comprises a series of elements based upon needs and resources that is adjusted to ensure that all authorities receive a minimum level of increase each year. It is available to support all Council services.
- 2.1.3 The next Government CSR is due in 2010 and will inform the level of Government Grant from 2011/12.

2.2 Comprehensive Spending Review

- 2.2.1 The Chancellor of the Exchequer published a combined Comprehensive Spending Review (CSR) and Pre-Budget Report (PBR) on 9 October 2007. The Chancellor's 2008/09 budget was presented on 12 March 2008. These contained a number of economic forecasts:-

The macro-economic forecast for growth in 2008 was reduced from 2%-2.5% in the PBR to 1.75%-2.25% in the actual budget and reflected the current economic downturn. Consumer price inflation was forecast in the budget to be 2.5% during 2008.

The CSR outlined the three year Settlement for local government and claimed that local authorities would receive increased funding on average 0.9% per annum above inflation over the life of the CSR. £5 billion of specific grants being 'mainstreamed into Revenue Support Grant or a newly created Area Based Grant would provide greater flexibility of use for authorities. In return future Council Tax increases were expected to be 'substantially below 5%'.

A Value for Money delivery plan was published in conjunction with the CSR setting a national target for local government of £4.9 billion of cashable savings per annum by 2010/11. This compares with a £3 billion annual target under the previous CSR period. Savings generated are being reinvested into the Government priorities including Education (real term growth of 2.8% per annum) Adult Social Care, Transport (concessionary fares scheme) and a Working Neighbourhood Fund.

2.3 Other influences

- 2.3.1 Strong and Prosperous Communities

The White Paper built upon the early conclusions from the Lyons Inquiry promoting greater devolution to local government with formal recognition of local government's role in place-shaping and offering strategic leadership. The

Local Area Agreement is seen as a means of achieving this with reductions in the performance bureaucracy.

2.3.2 Sir Michael Lyons Inquiry

The final report issued in March 2007 re-affirmed local government as being an essential part of the system of government. It called for more joint working with Government allowing more room for local discretion giving local authorities a greater role in their local area. He also proposed increases to local government revenue sources through a series of additional charges and changes through a revaluation of properties for Council Tax purposes and to the tax bands.

2.3.3 Sub-National Review of Economic Development and Regeneration

Published In July 2007 the review placed significant emphasis on the strategic importance of economic development and the role local authorities have in place shaping their areas. The focus of the review was on devolution and empowerment to regions and local authorities with upper tier authorities having a duty to undertake an economic assessment of their areas. The review also promoted Multi-Area Agreements between authorities to aid co-operation and maximise the impact of resources and closer ties with the private sector including consideration of the use of local supplementary business rates.

2.3.4 Supplementary Business Rates

Published in October 2007 the White Paper proposes the introduction of new powers for top-tier local authorities to raise, and retain, a Supplementary Business Rate. This can be used to fund projects that promote economic regeneration and will be a maximum of 2p in the £. This is subject to a number of conditions the details of which are to be finalised by the Government during 2008/09.

2.3.5 Raising expectations

The White Paper was published in March 2008 and followed the Sub-National Review. The government has indicated that authorities will take control of the money spent by the Learning & Skills Council on colleges and sixth forms. Further details of the responsibilities for the training of young people up to the age of 19, and funding, are expected during 2009/10.

3.0 LOCAL ISSUES

3.1 Facts and Figures

- 3.1.1 The Borough is one of contrast and diversity in both its physical and social demographics comprising rural areas and townships in a peninsula of 60 square miles.
- 3.1.2 The total population of 312,000 comprises a relatively high ageing population and a relatively low proportion of people in their twenties and thirties compared to England and Wales. Just over 1% are non-white people compared to the 9% non-white population in England and Wales.
- 3.1.3 There are some extremely deprived areas, mainly in the east where 75% of the population live and in 2007 Wirral was ranked as the 48th most deprived of the 354 districts in the country but there are areas of affluence.
- 3.1.4 The availability of employment in the borough is lower than the national average with a significant number travelling outside for jobs and in January 2007 the unemployment rate was below the Merseyside average.

3.2 The Wirral priorities

- 3.2.1 The approach to corporate planning integrates national and local priorities into a series of objectives and the Council's Corporate Plan contains the five corporate objectives set to achieve the Vision of a more prosperous and equal Wirral, enabling all communities to achieve their full potential which are:-
- To create more jobs, achieve a prosperous economy and regenerate Wirral.
 - To create a clean, pleasant, safe and sustainable environment.
 - To improve health and well-being for all, ensuring people who require support are full participants in mainstream society.
 - To raise the aspirations of young people.
 - To create an excellent Council.
- 3.2.2 The Corporate Plan is supported by a series of annual priorities which are refreshed on an annual basis.

3.3 Local Area Agreement (LAA)

- 3.3.1 The Vision for Wirral is reflected in the Local Area Agreement which commenced in 2008/09 and seeks to increase the efficiency and effectiveness of local agencies in delivering public services. The Council acts as accountable body working with Government Departments and local health organisations.

3.4 Allocation of resources to priorities

- 3.4.1 The agreed Council Tax increase for 2008/09 was 3.66% showing the Council's commitment to continuously improving services whilst keeping Council Tax affordable through the securing of value for money. Wirral's

Council Tax the 4th highest in the country in 2000/01 and has now dropped to 242nd highest.

- 3.4.2 In creating more jobs and regenerating Wirral the Council continues to invest in working with private sector partners and Wirral Partnership Homes. This includes the Investment Strategy, NewHeartlands, New Brighton, Hoylake / West Kirby and the Wirral Docklands.
- 3.4.3 In creating a clean, pleasant, safe and sustainable environment improvements as part of the streetscene contract and the Material Recycling Facility at Bidston were realised with improvements in the recycling rates and reductions in waste sent to landfill. Actions over climate change and sustainability saw investment in energy conservation measures that reduce the burden of future price rises, focussed on leisure centres and a programme for street lighting.
- 3.4.4 In improving health and well-being for all and in providing support for vulnerable people there was increased investment in Adult and Children Services. By responding to the pressures faced earlier intervention is essential to success, with the Children and Young People Plan key in delivering the Every Child Matters agenda.
- 3.4.5 In raising the aspirations of young people there is the continued capital investment into children's centres and schools. This is supported by targeting funding to the needs of children in deprived communities.
- 3.4.6 In creating an excellent Council continuing increasing community involvement through Area Forums, the Parliaments for younger and older people allied with Participatory Budgeting, improving customer access to Council services with the providing of effective and value for money services key.

3.5 Comprehensive Performance Assessment (CPA)

- 3.5.1 The Audit Commission provides an external assessment of the Council against a national framework that considers the quality of services, the use of resources and the overall ability of the Council to improve and provide better services in the future.
- 3.5.2 In 2007 Wirral was assessed as a score of 2, adequate performance, for the overall Council and for the 2007 judgement on the Use of Resources. In terms of the more specific service assessments the majority scored 3 out of 4.
- 3.5.3 From 2009 the CPA is to be replaced by the Comprehensive Area Assessment. The Government continues to consult on the approach which will reflect the place shaping role of authorities by focussing on local issues and will include other local service providers.

4.0 CAPITAL PLAN

4.1 Introduction

- 4.1.1 The Government allocates funding based upon what the Council is expected to invest in the areas of education, transport and social services. Under the Prudential Code for Capital Finance for Local Authorities additional spend on capital investment can be incurred as long as the plans are affordable, prudent and sustainable. This is measured by a series of indicators integral to the Treasury Management policy of which the key is the revenue cost.
- 4.1.2 The agreed Investment Strategy for Wirral sees the Council and our partners committed to encouraging focused and dynamic development while maintaining and enhancing Wirral's unique character and high quality of life. The Strategy will ensure Wirral continues to be a prosperous and sustainable place to invest in, live, work and visit.
- 4.1.3 Underpinning this are the Full Employment Strategy for Wirral, which provides a framework for improving employment rates, and An Enterprise Strategy for Wirral, the plan for increasing self-employment and business starts.
- 4.1.4 The Council will increasingly work with the private sector to maximise resources in the continued regeneration of Wirral. The Capital Strategy identifies the links with the Corporate Plan and informs the programme of investment. With resources insufficient to meet all of the aspirations the programme is prioritised based upon criteria that take account of the priorities.

4.2 Capital Programme

- 4.2.1 The three year Capital Programme is agreed each December and any schemes considered for approval are subject to a Business Case submission and evaluated against the agreed priorities of the Council.
- 4.2.2 Under regeneration and housing the NewHeartlands initiative is a long term project, primarily focussed upon housing, to regenerate the east side of Wirral and is part of the wider area encompassing parts of Sefton and Liverpool and is again government grant funded. This funding is subject to regular review by Government and future allocations depend upon the progress being achieved.
- 4.2.3 The Local Transport Plan details the programme in respect of maintaining local transport routes and improving community safety. A major scheme in the coming years is Bidston Viaduct to which the Council makes a contribution. Whilst Wirral is the waste collection authority, the Merseyside Waste Disposal Authority provides the disposal facilities, investing in Bidston, with further initiatives planned as part of the Merseyside Waste Management Strategy. The costs of these initiatives are met by the constituent authorities through the Waste Disposal Authority levy.
- 4.2.4 Improving facilities available for use by the people of Wirral, includes the refurbishment works at the Oval Sports Centre. The Council 'Invest-To-Save'

projects include improvements to residential care arrangements and the continuing energy efficiency programme reducing our energy use and CO₂ emissions in Council buildings and street lighting.

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

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

Programme	2009/10 £million	2010/11 £million	2011/12 £million
Corporate Services	2.8	3.8	3.0
Children & Young People	30.5	27.6	27.0
Regeneration	20.1	20.2	20.0
Transport Services	11.4	12.3	13.0
Total programme	64.8	63.9	63.0

4.3 Resources

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

4.3.2 Government Grants are specific to schemes and are allocated in accordance with the terms of the grant approval. Primarily within the areas of educational development and regeneration this includes NewHeartlands as well as employment/regeneration projects. Opportunities for other forms of assistance such as from the Lottery Fund are explored.

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

Resource	2009/10 £million	2010/11 £million	2011/12 £million
Borrowing	26.1	28.6	28.0
Government Grants	34.7	31.3	31.0
Capital Receipts	4.0	4.0	4.0
Total resources	64.8	63.9	63.0

5.0 REVENUE PLAN

5.1 General

- 5.1 As with capital there will never be sufficient resources to meet all of our service delivery ambitions. In recognition of this the Corporate Plan identifies the main priorities to direct, and provide a focus for, the allocation of Council resources.
- 5.2 The Revenue Plan has been prepared at a strategic level and is not intended to replace the detailed budget process that will continue within the existing time-scales. Assumptions have been made regarding future Government funding with projections based upon the contents of the other related plans.
- 5.3 Throughout the year reports are provided to Cabinet on the projected budget for the period of the Comprehensive Spending Review with these providing a regular update on the issues identified in the Medium Term Financial Strategy.

5.2 Government Plans

- 5.2.1 The speech of the Chancellor of the Exchequer on the Comprehensive Spending Review 2007 targeted new resources towards Government priorities. Whilst meeting Government objectives the Council must also have regard to its other statutory duties. The next CSR is due in 2010 and will cover the period from 2011/12 onwards.
- 5.2.2 The Local Government Finance Settlement saw Wirral receive an increase in formula grant of 4.8% for 2008/09, 3.7% for 2009/10 and 3.4% for 2010/11. The minimum increases for similar authorities to Wirral were set at 2%, 1.75% and 1.5% for these years. Amendments to the allocation formulas saw restrictions on the social services allocations removed although there is an overall limit placed on grant changes to limit the impact upon authorities. Wirral has received funding above the minimum level for the first time in a number of years.
- 5.2.3 As part of the Settlement there have been significant changes to the specific grants allocated by Central Government. From 2008/09 many have been incorporated into the Area Based Grant which has been made available to authorities as a general grant and not specific to the delivery of any particular services. In the coming years further specific grants will be transferred into this Area Based Grant.
- 5.2.4 The government is expecting local authorities to deliver annual efficiency improvements of 3% which should all be 'cashable'. Council tax increases are expected to be substantially below 4% in future years with capping powers employed for those authorities who breach this limit. For indicative purposes the plan assumes a Council Tax rise of 4%.

5.3 Influences

- 5.3.1 Securing investment and financing

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

The timing of the Government financial support for the schools PFI scheme is such that the grant received in the early years is greater than the actual spend and these sums are held in reserve to meet the annual commitments. As time progresses there is an increasing responsibility upon the Council to meet the financing costs. In 2010/11 the funding gap is £1.4 million when the reserve is fully used.

5.3.2 Council Balances

The Local Government Act 2003 and CIPFA consider that the Director of Finance should recommend the level of general balance. This is maintained at an appropriate level having regard to the financial management and control framework taking into account risk management and the risks identified in the budget process. The balance should be set at 2% of the net revenue budget and will rise to £6 million by 2009/10, and to £7 million by 2011/12, which is in line with recommendations from the Audit Commission.

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

5.3.3 Inflation

Pay awards and price inflation have been assumed at 2% over the next three years whilst income inflation has been included at 3%. A general amount for non-specific growth is included in the projections to fund smaller items of up to £0.2 million resulting from legislative changes. The Merseyside Waste Disposal Authority levy is projected to rise by 15.4% per year and the Merseytravel levy by 4% per year.

5.3.4 Links to other resource strategies

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

Human Resources: Wirral is implementing the local pay review, originally agreed as part of the 1996 pay award, with any decisions to be effective from

April 2007. Whilst expected to be resolved in 2008 the sum of £4.5 million per year is available to meet the on-going commitments.

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

5.3.5 Value for money

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

5.3.6 Income

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

5.3.7 Insurance

The Council has been pro-active in risk management and in the treatment and defence of insurance claims. This was again recognised in the annual external assessment of potential liabilities arising from past and predicted claims enabling the amounts set-aside for outstanding claims to again be reduced in 2008. When renewing the contracts in 2008 the option was taken to extend the scope of the insurance cover.

5.3.8 Pension Costs

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

5.4 Council priority area issues

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

In order to deliver the Investment Strategy the departmental structure of the Council has been enhanced separating responsibilities for Strategic and Asset Management. Underpinning this are the additional infrastructure to work with the development partners in the New Brighton, Woodside and Wirral Docklands schemes.

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

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

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

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

Major capital investment is required to achieve the recycling target. The Merseyside Waste Disposal Authority has opened a Material Recycling Facility at Bidston and is pursuing a Private Finance Initiative scheme for residual waste treatment facilities across Merseyside. This will see the levy increasing by 15.4% over the next few years.

The Council invested in a revised Environmental Streetscene Services contract covering waste collection, recycling and street cleansing services. As the range of services expands this will realise environmental and cash benefits through increased recycling and reduced landfill costs (via the levy).

The Council is presently reviewing the arrangements for the procurement of highways and related maintenance services that will be the subject of a revised contract from 2009/10.

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

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

Adult Social Services face demand pressures through the demographic changes on Wirral and an increasingly ageing population. As with Children's

Services further resources have been allocated to Adult Social Services over recent years and there has been closer working with Wirral Primary Care Trust to better use the resources available locally.

The Children and Young People Plan and the Every Child Matters agenda see resources being directed towards the safe reduction in the numbers of looked after children, earlier intervention and the countering of the impact of deprivation. Foster care demands, pressures on services for children with learning disabilities, increased residential care costs and legal fees for looked after children cases all require resources.

5.4.4 To raise the aspirations of young people.

Education remains a key Government priority. The Dedicated Schools Grant and three-year budgets for schools further guarantee schools funding being ring-fenced and the indications are that this grant will rise above inflation over the next three years. The national distribution of the grant is to be reviewed in the coming years with any changes becoming effective from 2011.

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

5.4.5 To create an excellent Council.

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

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

The Council is undertaking a Strategic Asset Review to identify opportunities for improved service delivery by examining all operational buildings on a geographic basis. This seeks to realise financial benefits through operational efficiencies whilst identifying areas for investment in accord with the Capital Strategy.

The purchasing of goods and services for the best price available was strengthened through the adoption of a Procurement Strategy and the

establishment of a Procurement Unit. By using the opportunities afforded by the changing systems this will continue to provide additional benefits.

5.5 Financial projections

- 5.5.1 The financial projections are based upon the preceding sections and indicate a shortfall between spend and income. The Council Tax figures assume a Council Tax rise of 4% per year and the shortfall will be made up from efficiency savings identified throughout the period.
- 5.5.2 It should be noted that these projections are based upon assumptions regarding the future Local Government Finance Settlements and financial assessments made based on the latest information available. As further information is received this will be reported in the regular updates to Cabinet.

WIRRAL COUNCIL

GENERAL FUND PROJECTIONS

	2009/10	2010/11	2011/12
	£ million	£ million	£ million
BASE BUDGET	299.6	322.0	331.8
PLUS: IDENTIFIED CHANGES			
Inflation – Pay	3.4	3.4	3.4
Inflation – Prices	3.6	3.6	3.6
Inflation – Income	-1.0	-1.0	-1.0
Capital financing	3.1	3.1	3.1
Invest-to-save	-0.7	-0.4	-
Waste disposal costs	2.2	2.5	2.8
Pension costs	0.5	0.5	0.5
Merseytravel levy	1.0	1.0	1.0
Highways	3.7	-	-
Private Finance Initiative	0.4	1.0	-
Benefits Subsidy	0.7	0.7	-
Area Based Grant	2.5	-0.4	-
Local Area Agreement	-1.5	-	-
Supporting People	10.3	-	-
Efficiency Investment Fund	5.3	5.3	5.3
Unavoidable growth	1.0	1.0	1.0
Contribution to balances	1.0	-	1.0
Efficiency Plan / savings	-13.1	-10.5	-11.1
FORECASTED BUDGET	322.1	331.8	341.4
RESOURCES			
Formula Grant	152.7	157.9	161.0
Area Based Grant	41.2	40.7	41.9
Council Tax	128.1	133.2	138.5
RESOURCES	322.0	331.8	341.4
GENERAL BALANCE	6.0	6.0	7.0

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

In terms of resources a Council Tax increase of 4% per year has been assumed and with the outcome of the CSR 2010 unknown the Grant has, at this stage, be increased by 2% for 2011/12.

6.0 RISK ASSESSMENT

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

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

WIRRAL COUNCIL

FINANCE & BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

CORPORATE RISK AND INSURANCE MANAGEMENT

1. EXECUTIVE SUMMARY

- 1.1 This report provides information to Members on recent progress made against the objectives for these services and the anticipated developments in the coming months.

2. INSURANCE MANAGEMENT PROGRESS

- 2.1 Detailed liability claim statistics up to the end of June 2008 have been compiled and the account continues to perform well. Repudiation rates remain at a high level and the volume of new claims reported has remained at a historically low level.
- 2.2 Of the three liability cases listed for trial between the start of June and the end of August 2008 one was won, another was lost and the third was conceded prior to trial. One case scheduled for trial later in the year was discontinued.
- 2.3 As reported to Cabinet on 22 May 2008 the Property Insurance contract was awarded to Zurich Municipal under a 5 year Long Term Agreement. This showed that savings have been achieved. Cabinet also agreed to increase the scope of the existing cover.
- 2.4 The result of the annual actuarial investigation was provided by Aon Limited and reported to Cabinet on 9 July 2008 as part of the Insurance Fund Annual Report. This confirmed that the sustained improvements in the ability to defend claims and the low level of new claims effectively contributed to a surplus in the Insurance Fund which has enabled £3 million to be released back to the General Fund in 2008/09.
- 2.5 A competitive tender was also held for the provision of Personal Accident and Business Travel insurance to the Authority with the lowest tender from Aon Protect for £6,001 being accepted on the basis of a 5 year Long Term Agreement commencing 30 June 2008.
- 2.6 Work has begun on developing the specification and award criteria for a tender for the Motor and Engineering Insurance contracts which expire on 31 March 2009.

2.7 A planned quality audit of the Zurich Municipal claims handling was postponed because problems arising from the introduction of a new computer system could have unfairly prejudiced the findings of any investigation undertaken at present. The audit will be carried out later in the year.

2.8 Council officers have held several meetings with the insurers' loss adjusters in connection with the fire at Rock Ferry High School on 16 September 2003. Confirmation is awaited as to whether the insurers are satisfied with the proposals.

3. CORPORATE RISK MANAGEMENT - PROGRESS

3.1 An entry was submitted to the ALARM (Association of Local Authority Risk Managers) 2008 Awards in respect of the Department of Adult Social Services' Load Management Training programme. The submission was highly commended in the awards ceremony on 30 June 2008.

3.2 The Risk & Insurance Officer attended the 2008 ALARM Conference in Birmingham on 30 June / 1 July 2008. Seminars and workshops covered partnership risks, Comprehensive Performance Assessment, benchmarking risk management and integrating risk management into business planning. Ideas from the sessions will inform reviews of the corporate risk management arrangements.

3.3 The Risk Management Strategy was reviewed and reported to Cabinet on 23 July 2008. Constructive comments were received from Members which will be considered for incorporation into future versions of the Strategy. Managers have been alerted to the revised document through a news item on the Wirral Intranet.

3.4 Cabinet on 3 April agreed the timing and content of the Financial and Performance Management reports for 2008/09 which included the regular monitoring of the Corporate Risk Register. The first quarterly review and update was incorporated into the Financial and Performance Monitoring Report to Cabinet on 4 September 2008 and which is also included elsewhere on this agenda.

3.5 A further risk management training session for Members was held on 24 July 2008. This was attended by eight Members.

3.6 A Merseyside Public Sector Risk Managers group has been formed and held an initial meeting on 11 July 2008 to discuss the implications of the Comprehensive Area Assessment (CAA) and how the organisations might assist each other. The Risk & Insurance Officer has been working with the Corporate Services Policy and Performance Division over planning for the introduction of CAA in April 2009.

4. INSURANCE MANAGEMENT – ISSUES FOR NEXT PERIOD

4.1 Liability claims statistics to September 2008 will be compiled.

- 4.2 There are currently five claims scheduled for initial court hearings between the start of September and the end of November 2008.
- 4.3 The 2009/10 Insurance Fund budget will be compiled and reported to Cabinet in November 2008.
- 4.4 Work will continue on the procurement exercise for Motor and Engineering Insurance contracts including advertisement of the contract.
- 4.5 Negotiations will be held with Aon Limited for renewal of the Marine Insurance policy.

5. RISK MANAGEMENT – ISSUES FOR NEXT PERIOD

- 5.1 The annual review of the Corporate Risk Register will be carried out taking account of the update of the Corporate Plan - the 2009/10 Priorities for Improvement.
- 5.2 The next quarterly review of the Corporate Risk Register will be undertaken and will inform the Risk Monitoring section of the Financial and Performance Monitoring report to be presented to Cabinet in November 2008.
- 5.3 The Risk & Insurance Officer will continue to work with the Corporate Services Policy and Performance Division on preparation for the introduction of the Comprehensive Area Assessment.
- 5.4 Work on the sustainability appraisal of the current Local Area Agreement Priorities for Improvement will continue and should be concluded.

6. FINANCIAL IMPLICATIONS

- 6.1 There are none arising directly from this report.

7. STAFFING IMPLICATIONS

- 7.1 There are none arising directly from this report.

8. EQUAL OPPORTUNITIES IMPLICATIONS

- 8.1 There are none arising directly from this report.

9. ENVIRONMENTAL IMPACT STATEMENT

- 9.1 There are none arising directly from this report.

10. LOCAL MEMBER SUPPORT IMPLICATIONS

- 10.1 There are none arising directly from this report.

11. **BACKGROUND PAPERS**

11.1 Agendas and minutes of meetings with Aon Limited and data from the Figtree claims database.

11.2 Liability claim statistics.

12. **PLANNING IMPLICATIONS**

12.1 There are none arising directly from this report.

13. **RECOMMENDATIONS**

13.1 That the report be noted.

13.2. That a further report be presented to the next meeting.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/194/08

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT) STRATEGY 2008-2011

1 EXECUTIVE SUMMARY

1.1 This report presents an updated draft of the rolling three year Information and Communication Technologies (ICT) Strategy. The strategy is continuously reviewed and was approved by Cabinet on 23 July 2008.

2 BACKGROUND

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

- The Corporate Plan and Vision for Wirral
- Corporate priorities, aims and objectives
- The Medium Term Financial Plan Strategy
- The Change Programme
- Other Corporate strategies, e.g. the Customer Access Strategy.

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

- ICT Security Policy
- Core IT Systems programme
- Central server and storage strategy
- Corporate ICT Unit (IT Services)

2.3 The ICT Strategy 2007-10 was approved by Cabinet on 6 September 2007.

2.4 The ICT Strategy 2008-11 was considered by the Corporate Improvement Group (CIG) at its meeting on 25 June 2008.

3 THE ICT STRATEGY

3.1 The Strategy addresses the following areas:

- What is meant by and included in “ICT”
- Fundamental principles for ICT developments
- Objectives for investment in ICT
- Existing strategic framework
- ICT governance
- Security policies for the use of ICT
- ICT funding
- Business continuity and disaster recovery
- Members’ ICT provision
- Corporate systems and infrastructure
- Green ICT

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

3.3 The Strategy will be supported by an ICT work plan which will be submitted annually along with other related strategies as part of the budget process.

3.4 When the Strategy is published electronically, links to relevant documents will be included.

4 CHANGES TO THE STRATEGY

4.1 Section 6, Governance, has been updated to reflect the enhanced roll of CIG in managing the Change Programme and the revised role of the Information Strategy Group.

4.2 A new Section 11, Green ICT has been introduced.

4.3 With regards to the HR/ Payroll system, the decision of CIG of 17 June 2008 to recommend the implementation of the Oracle Human Capital Management system is reflected in section 12, Principal Business Applications and section 13, Actions. This is the subject of a separate report elsewhere on this agenda.

4.4 *Other changes to the Strategy are in italics.*

5 FINANCIAL AND STAFFING IMPLICATIONS

- 5.1 The gross budget of IT Services is £12.5m which excludes the cost of departmental PC purchases met from departmental budgets and estimated at a further £1m per year.
- 5.2 While the cost of desktop equipment is falling due to competition, manufacturing improvements and better procurement, there is a trend away from desktop pc's towards laptop and tablet type devices, for use in mobile working, which are more expensive.
- 5.3 IT Services will investigate further achievable economies through elimination of overlap and duplication and through adoption of Council wide best practice.

6 EQUAL OPPORTUNITIES IMPLICATIONS

- 6.1 There are none arising directly from this report.

7 HUMAN RIGHTS IMPLICATIONS

- 7.1 There are none arising directly from this report.

8 LOCAL AGENDA 21 IMPLICATIONS

- 8.1 There are none arising directly from this report.

9 COMMUNITY SAFETY IMPLICATIONS

- 9.1 There are none arising directly from this report.

10 PLANNING IMPLICATIONS

- 10.1 There are none arising directly from this report.

11 LOCAL MEMBER SUPPORT IMPLICATIONS

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

12. BACKGROUND PAPERS

- 12.1. ICT Strategy 2007-10 – September 2007.

13 RECOMMENDATION

- 13.1 That the Information and Communication Technologies Strategy 2008-2011 be noted.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/179/08

WIRRAL COUNCIL
DRAFT ICT STRATEGY
2008

ICT STRATEGY 2008

1 INTRODUCTION

1.1 The Council

- 1.1.1 Wirral Council is a complex organisation providing to a borough of 320,000 citizens – and beyond.
- 1.1.2 We are a large Metropolitan Authority with a gross annual budget of £1bn. At the last count, we provided over 500 identifiable services – often in partnership with other organisations – and we deliver those services throughout our communities from over 200 separate buildings.
- 1.1.3 We aim to improve the quality of life for Wirral people by working with our partners to deliver the best services we can, in the most efficient and effective way. We want to provide our services in a manner convenient to those who need them – for example, via our website, through our Call Centre or locally in our One Stop Shops. To do this successfully, requires significant investment in Information and Communications Technologies (or ICT).

1.2 Why we need an ICT Strategy

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

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

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

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

- 1.2.3 We need to be clear that we:

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

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

- 1.2.5 This document deals with these issues as follows:

ICT STRATEGY 2008

Section	Title	What it does
2	What is ICT?	<ul style="list-style-type: none"> • Explains what we mean by ICT.
3	Fundamental Principles	<ul style="list-style-type: none"> • Lays down fundamental principles which underpin all ICT development in this Council.
4	Our ICT Objectives	<ul style="list-style-type: none"> • Explains why we invest in ICT.
5	Existing Strategic Framework	<ul style="list-style-type: none"> • Explains how we have been implementing our Fundamental Principles.
6	Governance	<ul style="list-style-type: none"> • Describes how we manage ICT corporately. • Defines responsibilities.
7	Security Policies and the Use of ICT	<ul style="list-style-type: none"> • Explains why we need to have and enforce policies and procedures regarding use of ICT.
8	ICT Funding	<ul style="list-style-type: none"> • Explains how we fund our ICT investment. • Defines our Corporate Systems and ICT Infrastructure.
9	Business Continuity and ICT Disaster Recovery	<ul style="list-style-type: none"> • Explains what Business Continuity and Disaster Recovery mean and why they are important. • Defines responsibilities.
10	Provision of ICT to Members	<ul style="list-style-type: none"> • Describes how we support Members through ICT provision.
11	Green ICT	<ul style="list-style-type: none"> • How we will manage and reduce the environment impact of ICT.
12	Corporate ICT Systems and Infrastructure	<ul style="list-style-type: none"> • Defines what we mean by Corporate ICT Systems and Infrastructure. • Identifies on-going strategic development for improvement.

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

ICT STRATEGY 2008

1.2.7 We expect that this strategy will be valid at least until 2011 – but as ICT changes constantly we will continuously review it, to make sure it is relevant. There is a work plan, which will be agreed by the Council in the autumn of each year, which details what we are going to do to implement this strategy.

Stephen Foulkes – Leader

Wirral Council

Stephen Maddox – Chief Executive

Wirral Council

ICT STRATEGY 2008

2 WHAT IS ICT?

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

- networks
- computers
- telephones
- systems or applications (see Section 11)
- email
- websites (internet, external and intranet, internal)
- staff and client authentication (identification for secure access)

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

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

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

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

- promote efficiency and accuracy in the transactions,
- support workflows (automating the flow of information), and
- ensure appropriate record storage.

3 FUNDAMENTAL PRINCIPLES

3.1 ICT investment is guided by the following key principles.

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

Therefore:

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

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

Therefore:

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

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

This sets out our forecast of the Council's available resources, in order to assist in how we deliver our objectives and priorities.
- Customer Access Strategy
 - This is a framework for the development of all Wirral's access channels, making information and services more accessible.
 - We will be heavily reliant upon ICT to achieve this.
- People Strategy
 - This is a framework within which we plan for, and develop, our staff to meet service needs.

ICT STRATEGY 2008

- Accommodation Strategy
 - This addresses how the Council manages its office accommodation needs, to ensure maximum efficiency whilst enabling the delivery of high quality services.
 - Any accommodation change impacts upon ICT, be it to support staff or public directly or in the infrastructure we use to supply the information.
- 3.4 The Council's ICT needs are delivered by an in house team, IT Services, which is responsible for:
- identifying appropriate ICT standards,
 - monitoring adherence to this principle, and
 - reporting variations to this principle in accordance with Section 6.
- 3.5 Chief Officers' Management Team is responsible ensuring the co-ordination of all strategies so that the corporate priorities are most efficiently met.

ICT STRATEGY 2008

4 OUR ICT OBJECTIVES

4.1 We invest in ICT to achieve the following objectives:

Objective		How
1	To enhance the democratic process.	<ul style="list-style-type: none"> • Provision of modern communication and information tools to support Wirral Members and citizens.
2	To support the provision of services organised around the recipient.	<ul style="list-style-type: none"> • Implementation of Customer Access Strategy. • Implementation of secure authentication.
3	The support of flexible, effective, efficient and economical service delivery.	<ul style="list-style-type: none"> • Development of standard work processes using technology to support One Stop Shops, the Call Centre and web site. • Development of an 'agile workforce' (the ability to work outside the boundaries of the office – to suit the needs of the Council, employee and service recipient).
4	To provide a primary source of information to Staff, Members and the public to enable the provision of relevant, timely and correct information in a format the recipient can use.	<ul style="list-style-type: none"> • Development of Internet/intranet and associated systems. • Development of integrated systems. • Development of secure communications channels.
5	To provide a Council-wide resource planning tool.	<ul style="list-style-type: none"> • Development of integrated systems including Human Resources and Payroll.
6	To ensure that the decisions taken and actions made within Wirral are based on accurate data.	<ul style="list-style-type: none"> • Ensuring all developments accord with a standard data quality framework. • Development of integrated systems.
7	To ensure that our staff have the skills and confidence to use the systems available to them in their role in Wirral Council.	<ul style="list-style-type: none"> • Implementation of effective training in the use of ICT systems.

ICT STRATEGY 2008

4.1 ICT Investment Objectives (continued)

Objective		How
8	To ensure that Staff who manage and use information have appropriate security systems and awareness.	<ul style="list-style-type: none"> • Implementation of effective training in the use of ICT systems and knowledge of security policies. • <i>Development of an encryption policy to secure data.</i>
9	To provide ICT support as economically as possible.	<ul style="list-style-type: none"> • Implementation of a standard configuration and remote support for personal computers (PC's) and a Council wide solution to software management. • Development of single, integrated, appropriately staffed ICT service.
10	To enable the secure transfer of data to external bodies/ agencies, ensuring information can be shared between all involved.	<ul style="list-style-type: none"> • Development of integrated systems. • Development of secure communications channels. • Implementation of secure authentication.

ICT STRATEGY 2008

5 EXISTING STRATEGIC FRAMEWORK

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

	Decision	Reason	Reference
1	The adoption of a security framework	To keep the Council's data and systems secure from misuse and attack.	Cabinet 16 October 2002 and 1 December 2005
2	The acquisition or replacement of our Core IT systems	To implement corporate integrated systems.	Cabinet 23 October 2003
3	The Central Server and Storage Strategy	To host our critical services.	Cabinet 19 February 2004
4	Strengthening the ICT staffing structures	To strengthen corporate roles.	Cabinet 6 May 2004
5	The Print Strategy	To identify the most economical method for printing and photocopying.	Cabinet 18 August 2004
6	The creation of a corporate IT unit (IT Services)	To provide economies of scale and the consistent application of standards.	Cabinet 1 December 2005
7	The commitment to the Government Connect Programme	To facilitate the secure exchange of data and emails with partners.	Cabinet 8 February 2007 <i>and</i> 22 May 2008
8	Agreed to the creation of the posts for Knowledge, Web and <i>Land and Property Systems</i> Managers	To enhance the development of appropriate services.	Employment and Appointments Committee 11 September 2006
9	<i>The ICT Strategy 2007</i>	<i>To set out the future direction of ICT.</i>	<i>Cabinet 6 September 2007</i>
10	<i>The ICT Development Programme</i>	<i>To agree priorities.</i>	<i>Cabinet 7 February 2008</i>

ICT STRATEGY 2008

6 GOVERNANCE

- 6.1 The Council decides how to allocate the Council's available resources.
- 6.2 Within the overall constraints the Executive, the Council's Cabinet, determines ICT policy and investment and approves security policy.
- 6.3 The Chief Officers Management Team (COMT) recommends policy options and implications to Cabinet and is responsible for implementing Cabinet decisions.
- 6.4 *COMT delegates responsibility for the:*
- *development and co-ordination of the Council's Change Programme, and*
 - *development of ICT investment strategies in support of the Change Programme*
- to the Corporate Improvement Group (CIG).*
- 6.5 *CIG is chaired by the Deputy Chief Executive and comprises of Heads of Service from each of the Council's Departments.*
- 6.6 *COMT delegates responsibility for the:*
- *control and co-ordination of ICT investment programmes, and*
 - *development of related policies*
- to the Information Strategy Group (ISG).*
- 6.7 *ISG comprises a senior officer from each of the Council's departments together with representatives from IT Services and meets at least six times a year.*
- 6.8 *ISG is chaired by the Head of Information Technology Services who reports to CIG or COMT as appropriate on all relevant issues. This includes the:*
- *options for ICT developments*
 - *implications of ICT developments*
 - *implications of other Council developments on ICT*
 - *ICT resource issues*
 - *security issues.*
- 6.9 ISG ensures that we manage ICT projects in accordance with industry best practice.
- 6.10 ISG receives a business case for each new proposal together with a technical evaluation by IT Services.

ICT STRATEGY 2008

- 6.11 The Director of Finance is responsible for the Council's ICT Services, and identifies appropriate resources to ensure that the ICT provision reflects our agreed corporate needs.
- 6.12 IT Services manages the service to the Council through Service Level Agreements (SLAs) and support contracts.

ICT STRATEGY 2008

7 USE OF ICT

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

7.2 The Council has therefore agreed the following policies and procedures:

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

ICT STRATEGY 2008

8 ICT FUNDING

- 8.1 The total corporate budget for ICT provision by IT Services in 2007/08 is £12.8m.
- 8.2 This covers service provision to all Council Departments and the majority of schools, and includes:
- all Staff whose principal role is ICT
 - all Corporate ICT Systems
 - the Corporate ICT Infrastructure.
- 8.3 Desktop equipment (e.g. PCs and printers) is not included in this ICT budget and financing is the responsibility of the service departments. Future ICT needs therefore must form an integral part of departments' business planning processes.
- 8.4 Departments are charged via the system of Central Establishment Charges based on time recording for Staff, use of the main computers and data storage. The service is defined in Service Level Agreements (SLAs).
- 8.5 The service provided by IT Services to schools is governed by SLAs and funded from within the individual schools budgets. Schools are able to obtain their ICT requirements from either IT Services or external providers.

Note: For a greater understanding of what we mean by our corporate ICT systems and infrastructure, see Section 12.

ICT STRATEGY 2008

9 BUSINESS CONTINUITY AND ICT DISASTER RECOVERY

- 9.1 The Council requires cost-effective, risk-based, disaster recovery arrangements to ensure that we can continue to meet the needs of our citizens.
- 9.2 Individual service managers are responsible for developing business continuity plans, regardless of the cause of interruption to service
- 9.3 IT Services is responsible for business continuity and disaster recovery plans for the Council's corporate ICT systems and infrastructure.
- 9.4 IT Services is responsible for ensuring that:
 - the infrastructure is developed in accordance with industry best practice to reduce the likelihood and impact of an ICT failure
 - back-ups of all corporate systems are taken in accordance with industry best practice
 - an appropriate ICT disaster recovery plan in accordance with industry best practice is in place
 - plans and procedures are continuously reviewed to ensure that they are effective and meet our changing business needs
 - liaison takes place with suppliers and partner organisations to align plans.

ICT STRATEGY 2008

10 PROVISION OF ICT TO MEMBERS

- 10.1 Elected Members need the opportunity to access to the Council's communication and information systems to fulfil their role.
- 10.2 The Council provides Members with appropriate hardware and furniture together with network access to relevant applications for home use.
- 10.3 First line and day to day support and training are provided by a specific liaison post in Corporate Services. Second line support is provided by IT Services between 07.00 and 24.00 excluding Christmas Day.
- 10.4 The requirements for renewal are discussed at the Member Equipment Steering Group, a regular support forum attended by senior politicians and officers, and agreed by Cabinet.
- 10.5 Currently, the equipment is reviewed and renewed on a 4 year cycle and the next installation is taking place in 2008.

ICT STRATEGY 2008

11 GREEN ICT

- 11.1 IT Services, in line with the Council's corporate objective to create a clean, pleasant, safe and sustainable environment, will actively manage the environmental impact of its ICT delivery.
- 11.2 Ensure compliance with the Waste Electrical and Electronic Equipment (WEEE) Regulations for disposal of equipment. Redundant equipment is recovered and reused by an external contractor
- 11.3 IT Services staff receive environmental awareness training in the implementation of the Council's Environmental Management system.
- 11.4 Staff are encouraged to ensure unused equipment is turned off and to print only what is required.
- 11.5 The Council's Print Strategy leads to a reduction in the number of printers in use, resulting in reduced procurement and energy consumption. Major print tasks are delivered by a central print unit.
- 11.6 When purchasing equipment the Authority chooses energy saving devices that have been manufactured in an environmentally-conscious fashion.
- 11.7 Corporate programmes such as the delivery of services via the web and the agile working will reduce the occurrence of unnecessary travel on Wirral.

12 CORPORATE ICT SYSTEMS AND INFRASTRUCTURE

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

12.2 Corporate ICT Systems

Corporate ICT Systems include:

System	Description	Current Position	Future Developments
e-mail	An electronic messaging system for internal and external communication.	Wirral Council's email system is provided using Microsoft Exchange 2003. There are currently approximately 4,000 users.	<ul style="list-style-type: none"> • <i>E-mail resilience is being reviewed and will be considered by ISG.</i>
ERP (Enterprise Resource Planning)	An integrated system which supports services such as Financials, Human Resources, Procurement, Payments and Receivables.	With the exception of HR/ Payroll, Oracle ERP is live and awaiting the formation of a development plan.	<ul style="list-style-type: none"> • Further integration into the Council's business processes. • <i>CIG has agreed to selection of an external implementer for the HR/ Payroll element.</i>
CRM (Customer Relationship Management)	A system which records customer contact and can replace many smaller administrative systems.	Live since June 2005, Oracle CRM is awaiting the formation of a development plan.	<ul style="list-style-type: none"> • Integration with other systems and business processes.

ICT STRATEGY 2008

12.2 Corporate ICT Systems (continued)

System	Description	Current Position	Future Developments
Content Management or Electronic Document and Records Management (EDRM)	A system which allows us to store, share, retrieve and manage documents electronically with appropriate levels of security and which integrates with business processes.	Documentum, live since November 2005 with the introduction of Electronic Social Care Records and used since July 2007 for web publishing.	<ul style="list-style-type: none"> • Implementation of the Integrated Children's System, HR records and property related documents in Technical Services. <i>Will be the corporate generic case management system document store linked to specialist front-ends.</i> • <i>Development is being lead by the Knowledge Manager.</i>
HR/ Payroll	The system which records details of our staff relevant to employment and payment.	Northgate is a mature system capable of further development and integration into business processes.	<ul style="list-style-type: none"> • <i>No further non-essential developments. To be replaced by Oracle Human Capital Management system before April 2011.</i>
Internet	The system which provides external access to Council information and services via the website and allows Council access to the world wide web.	A new system implemented July 2007.	<ul style="list-style-type: none"> • <i>Development is being lead by the Web Manager and reported to Cabinet.</i>
Intranet	The system which provides information and services to Members and Council staff.	<i>System requires updating and conversion to Documentum.</i>	<ul style="list-style-type: none"> • Decisions required for ownership and development.
Geographical Information System	The system that provides a single source of all map based information.	<i>System selected and being implemented.</i>	<ul style="list-style-type: none"> • Integration with CRM and other systems and replacement of existing departmental systems.

12.3 Principal Business Applications

Principal Business Applications include:

System	Description	Current Position	Future Developments
Housing Benefits and Council Tax	The integrated system which pays housing and council tax benefits and bills and records council tax liabilities.	The Academy system implemented in November 2006.	<ul style="list-style-type: none"> • Further alignment with business processes.
Business Rates	The system which bills and records income for business rates.	The Anite Pericles system, implemented in 2005.	<ul style="list-style-type: none"> • <i>To be replaced by Academy system 2009.</i> • Further alignment with business processes.
Document Management and Workflow	A system used to manage documents and integrate with applications and business processes.	Civica systems used in separate instances in Revenues and Benefits and the Merseyside Pension Fund - mature systems.	<ul style="list-style-type: none"> • Further alignment with business processes.
Merseyside Pension Fund	The system record member details, calculates entitlement and pays pension benefits.	AXIS, a mature system.	<ul style="list-style-type: none"> • <i>Assessment of General Ledger options by October 2008.</i> • <i>Preparation for new Pensions Administration system by March 2009.</i>

ICT STRATEGY 2008

12.3 Principal Business Applications (continued)

System	Description	Current Position	Future Developments
Adult Services Client Record	The system records client details and includes service functionality.	SWIFT, a mature system.	<ul style="list-style-type: none"> • Integration with ERP. • Alignment of financial modules with business processes.
Integrated Children's System	Records client details and includes service functionality.	<i>In use, based on the SWIFT system and Documentum.</i>	<ul style="list-style-type: none"> • Integration with business processes. • <i>Roll out across Department.</i> • <i>Implementation of further modules.</i> • <i>Integration with ContactPoint (national children's index)</i>

12.4 Corporate Infrastructure

Corporate Infrastructure includes:

System	Description	Current Position	Future Developments
Network	<ul style="list-style-type: none"> • The wide area network is the link between all Council sites. • The local area networks are the links between the PC's, servers and systems within each site. • The network is organised around 2 "core" nodes and 8 "distribution" nodes each of which has 2 links to the core nodes to provide resilience via alternative routing. • The system is based on BT networks and industry standard hardware and fibre optic connections. 	A mature system that meets current requirements.	<ul style="list-style-type: none"> • Continued development to ensure capacity for traffic generated by existing and new high bandwidth applications and those applications requiring quality of service guarantees. • The network will be developed to support greater mobility, security and manageability. • The Council's links to the internet will be reviewed and aggregated as required to meet the needs of the business and citizens. Resilience will be improved to increase reliability and business continuity. • Security will be improved to support the Council's developing external relationships and developing diverse network services including mobile working.

ICT STRATEGY 2008

12.4 Corporate Infrastructure (continued)

System	Description	Current Position	Future Developments
Desktop/Distributed Systems	The PCs and associated servers used throughout the Council to access corporate and business applications.	4,500 PCs some running old operating systems and needing site support.	<ul style="list-style-type: none"> • Central support for hardware. • Central deployment and support of software. • Implementation of upgrade to service desk system.
Central Server and Storage	The processors and data storage used by the corporate and principal business applications and which is based on proprietary Sun hardware and Solaris operating system.	The Council's server and storage requirements were implemented in July 2004 to provide flexible, resilient storage and processing.	<ul style="list-style-type: none"> • The business needs and technology opportunities are being reviewed and a <i>revised strategy developed for replacement of the storage area network in 2009-10.</i> • Alternative sites are being investigated to improve disaster tolerance in line with replacement.
Telephones	Mitel SX 2000 telephone system, used by all main corporate sites. 7,000 unique internal extension numbers. Mobile phones are provided from an Office of Government Commerce contract.	A mature system.	<ul style="list-style-type: none"> • Wirral will join the single non-emergency number initiative for all non-emergency public service enquiries. • Join the national programme for rationalising public sector telephone numbers (0300).
Authentication	The means by which we identify external service users and securely communicate with partners.	<i>Citizen authentication in place for access to Revenues and Benefits on-line. For corporate use awaiting compliance with Code of Connection for</i>	<ul style="list-style-type: none"> • <i>Implementation of Government Connect in 2009.</i>

ICT STRATEGY 2008

		<i>Government Connect/ Government Gateway Local Register.</i>	
<i>Green ICT</i>	<i>Ensuring that ICT provision contributes to the Council's environmental standards.</i>	<p><i>Many application servers for smaller departmental systems.</i></p> <p><i>IT Staff travel by van to remote sites for support calls.</i></p> <p><i>Staff leave desktop equipment on when not in use.</i></p>	<ul style="list-style-type: none"> • <i>Virtualisation of application servers resulting in less servers and reduced energy consumption.</i> • <i>Introduction of remote desktop management will reduce support journeys and enable remote close down of equipment.</i>

13 ACTIONS

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

No.	Paragraph Ref	Action	Responsibility	Timescale
1	6.3, 6.4, 6.8	Continually review process for consideration of competing business needs by CIG.	<i>Deputy Director of Finance</i>	Ongoing
2	1.2.7	Develop investment proposals for annual consideration by Cabinet.	<i>GIG/ ISG</i>	October 2008
3	3.4	Review and maintain ICT standards.	Head of ICT	On going
4	5.1	Continue to rationalise corporate ICT staffing.	Head of ICT	On going
5	11.3	Identify future requirements for central hardware.	Head of ICT	June 2009
6	5.1	Monitor Government Connect as solution for corporate authentication and secure external communication.	Head of ICT	March 2008
7	6.10, 8.4, 8.6	Review and develop Service Level Agreements	Head of ICT	September 2008
8	9	Review business continuity and disaster recovery arrangements.	Head of ICT	September 2008
9	10.5	Review and refresh Members' ICT equipment	Head of ICT	June 2008
10	11.2	Review and report on e-mail resilience.	Head of ICT	October 2008

No.	Paragraph Ref	Action	Responsibility	Timescale
11	11.2	<i>Plan future strategy for HR/ Payroll system and seek Cabinet approval for tendering for implementation services for the Oracle Human Capital Management system.</i>	Director of Corporate Services	July 2008
12	11.2	Deliver requirements of Customer Access Strategy.	Head of Customer Service	2007 -2010
13	11.2	Implement corporate Geographical Information System	<i>Head of Change</i>	November 2007
14	11.3	Implement new administrative systems.	Head of Merseyside Pension Fund	To March 2010
15	11.3	<i>Complete roll-out of Integrated Children's System and integrate with ContactPoint.</i>	Director of Children's Services	2009
16	11.4	Review network infrastructure in support of agile working.	Head of ICT	March 2008
17	11.4	Acquisition of standardise PC's from corporate contract.	Head of ICT	March 2010
18	11.4	Join single non-emergency number initiative.	Head of Customer Service	September 2008
19	11.4	Join national programme for rationalising public sector telephone numbers (0300).	Head of ICT	2010
20	12.4	<i>Implementation of server virtualisation and desktop remote support.</i>	<i>Head of ICT</i>	2009- 2010

WIRRAL COUNCIL

FINANCE AND BEST VALUE OVERVIEW AND SCRUTINY COMMITTEE

22 SEPTEMBER 2008

REPORT OF THE DIRECTOR OF FINANCE

LOCAL GOVERNMENT CHRONICLE (LGC) FINANCE AWARDS 2008

1. EXECUTIVE SUMMARY

- 1.1. This report is to inform Members of the intention to submit an entry for the LGC Finance Awards 2008.
- 1.2. Attendance at the awards ceremony if the Authority is shortlisted should be referred to the Cabinet for approval of duty.

2. BACKGROUND

- 2.1. The awards have been held for a number of years and are intended to celebrate the highest levels of achievement in the world of local government. Members may recall that in 2007, having previously been shortlisted without ever winning, the Council was successful in being declared the winner of the Procurement Initiative Award.
- 2.2. The closing date for submission of entries is 18 September 2008 and I will provide a verbal update on progress at the meeting. If the Authority is shortlisted then Members may wish to attend the awards ceremony.
- 2.3. The awards ceremony for shortlisted entries is to take place on 3 November 2008 at the Dorchester Hotel in London.

3. FINANCIAL IMPLICATIONS

- 3.1. There is no charge for entering the awards competition or for attendance at the awards ceremony. The cost of travel to London and overnight accommodation in London for those attending can be met from within the existing budget provision.

4. STAFFING IMPLICATIONS

- 4.1. There are no staffing implications in this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

- 5.1. There are none arising directly from this report.

6. HUMAN RIGHTS IMPLICATIONS

6.1. There are none arising directly from this report.

7. COMMUNITY SAFETY IMPLICATIONS

7.1. There are no specific implications for any Member or Ward.

9. LOCAL AGENDA 21 IMPLICATIONS

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

10. PLANNING IMPLICATIONS

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

11. BACKGROUND PAPERS

11.1. None used in the preparation of this report.

12. RECOMMENDATIONS

12.1. That Committee is requested to consider the question of attendance at the awards ceremony on 3 November 2008.

12.2. That attendance be referred to the Cabinet for approval of duty.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/ /

WIRRAL COUNCIL

FINANCE & BEST VALUE OVERVIEW & SCRUTINY COMMITTEE 22 SEPTEMBER 2008

REPORT OF THE DEPUTY CHIEF EXECUTIVE/DIRECTOR OF CORPORATE SERVICES

OVERSEAS TRAVEL

1 EXECUTIVE SUMMARY

- 1.1 This report details the approved Overseas Travel for the period 1 January 2007-31 December 2007. Members are asked to note this report.

2 BACKGROUND & PROPOSED POLICY

- 2.1 On the 29 September 1997 the Council agreed a Code of Practice for overseas travel. This code was based on advice received from the District Auditor. One of the requirements of the Code was that an Annual report should be presented to Committee listing visits abroad. The Audit Regularity Memorandum on the subject of overseas travel also required more information on the costs and benefits of overseas travel.
- 2.2 The programme of visits supported the objective of putting Wirral on the map whilst increasing the understanding of different cultures and traditions, and learning best practice in a variety of areas.
- 2.3 Members are advised that there were 9 visits in total at a total cost of £8,514.61. Cllr Rennie and Cllr Hackett attended one visit to Lisbon with officers from Corporate Services.
- 2.4 Full details of the overseas visits are attached as Appendix 1

3 STAFFING & FINANCIAL IMPLICATIONS

- 3.1 There are no specific staffing or financial implications arising out of this report. All expenditure involved has been contained within existing budgets or funded from specific budgets.

4 EQUAL OPPORTUNITIES IMPLICATIONS

- 4.1 Activities undertaken on these visits can help the Council's Officers better understand diverse cultures and hence better enable the Council to embrace diversity and promote equal opportunities.
- 4.2 The twinning links present opportunities for the exchanges of experiences at various levels including civic, officer, young people and community to meet and share experiences.
- 4.3 The European Commission and the Council of Europe encourage local authorities to take a positive lead in international links.

5 HUMAN RIGHTS, COMMUNITY SAFETY, PLANNING, LOCAL MEMBER SUPPORT IMPLICATIONS

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

6 AGENDA 21 IMPLICATIONS

6.1 This is an international issue and exchange of information and best practice helps develop a better understanding of the issue and possible solutions to some of the problems.

7 BACKGROUND PAPERS

7.1 No background papers were used in the preparation of this report.

8 RECOMMENDATION

8.1 That this report is noted

J WILKIE

DEPUTY CHIEF EXECUTIVE/DIRECTOR OF CORPORATE SERVICES

	DEPARTMENT	OFFICER	LOCATION	DATE	PURPOSE	BUDGET	COST
	Corporate Services	Brian Knott	San Sebastian	28-30 March 2007	BRISE Project Steering Group	75% BRISE budget/25%Wirral	£698.90
	Finance	Andrea Bruffell/ Joanne Rosser	Dublin	25/4/07	Contact Centre Planning Conference 2007	Departmental budget	£200
	Corporate Services	Brian Knott	Treviso	21-24 May 2007	BRISE Conference and Inter-Regional Management Meeting	75% BRISE Budget/25% Wirral	£630.27
	Finance - Merseyside Pension Fund	Peter Wallach	Amsterdam	30/5/07 – 1/6/07	IPE Property Conference	Accommodation and travel paid by conference organisers, travel and subsistence allowances	£16
	Finance – Merseyside Pension Fund	Peter Wallach	Copenhagen	12 – 14 June 07	Annual European Summit on Corporate Governance and Responsible Investment conference	Departmental training budget	£20
	Corporate Services	Brian Knott, Kevin Adderley, Cllr Rennie, Cllr Hackett	Lisbon	19-21 September 2007	Inter-Regional Management Meeting	ERNACT /Councillors budgets	£2,182.68
	Finance – Merseyside Pension Fund	Peter Moore	Dublin	15 – 17 Oct 07	12 th Annual European Beneficial Owners Securities Lending and Global Custody Summit	Pension Fund Conferences Budget, travelling and subsistence budget	£399
	Finance – Merseyside Pension Fund	Peter Wallach	Monaco	23 – 25 Oct 07	European Alternative and Institutional Investing Summit	Existing travel and training budget	£125
	Corporate Services	Jim Wilkie Kevin Adderley Emma Degg	Cannes	14-16 March 2007	MPiM	Existing budgets	£4,242.76

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

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