



## Council Excellence Overview and Scrutiny Committee

<b>Date:</b>	<b>Thursday, 18 November 2010</b>
<b>Time:</b>	<b>6.15 pm</b>
<b>Venue:</b>	<b>Committee Room 1 - Wallasey Town Hall</b>

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### AGENDA

**1. MEMBERS' CODE OF CONDUCT - 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 (Pages 1 - 20)**

To receive the minutes of the meetings held on 21 September and 28 October 2010.

**3. FINANCIAL MONITORING STATEMENT (Pages 21 - 26)**

**4. BUDGET PROJECTIONS 2011-2015 (Pages 27 - 34)**

**5. SPENDING REVIEW 2010 (Pages 35 - 42)**

**6. 2010/2011 SECOND QUARTER PERFORMANCE REPORT (Pages 43 - 64)**

Presentation by the Deputy Chief Executive/Director of Corporate Services

7. **GOLF COURSE INCOME (Pages 65 - 68)**
8. **TREASURY MANAGEMENT SECOND QUARTER 2010/2011 PERFORMANCE MONITORING REPORT (Pages 69 - 78)**
9. **REVENUES AND BENEFITS (Pages 79 - 84)**
10. **IT HARDWARE - REPLACEMENT OF CENTRAL SERVERS (Pages 85 - 88)**

The result of the tender process is set out in an exempt appendix to this report at agenda item 22.

11. **CHEQUE USAGE (Pages 89 - 92)**
12. **VALUE FOR MONEY GAINS IN LOCAL SERVICES 2010/2011 (Pages 93 - 98)**
13. **MEDIUM TERM FINANCIAL STRATEGY (Pages 99 - 120)**
14. **MAINSTREAMING COUNCIL ACTIVITIES - STAFF DIVERSITY FORUMS (Pages 121 - 124)**
15. **TRANSFORMING BUSINESS SUPPORT/STRATEGIC CHANGE PROGRAMME (Pages 125 - 132)**

Verbal Update

16. **PAYMENTS OF ALLOWANCES TO STAFF IN ADDITION TO SALARY (Pages 133 - 138)**
17. **OFFICE RATIONALISATION UPDATE (Pages 139 - 142)**
18. **FORWARD PLAN**

The Forward Plan for the period November 2010 to February 2011 has now been published on the Council's intranet/website. Members are invited to review the Plan prior to the meeting in order for the Council Excellence Overview and Scrutiny Committee to consider, having regard to the work programme, whether scrutiny should take place of any items contained within the Plan and, if so, how it could be done within relevant timescales and resources.

19. **REVIEW OF SCRUTINY WORK PROGRAMME (Pages 143 - 152)**
20. **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)**

**21. EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

The public may be excluded from the meeting during consideration of the following item of business on the grounds that it involves 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 item of business, on the grounds that it involves the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A to that Act. The public interest test has been applied and favours exclusion.

**22. EXEMPT APPENDIX (Pages 153 - 154)**

- IT Hardware – Replacement of Central Servers  
(Agenda Item 10 refers)

**23. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 2)**

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# Public Document Pack Agenda Item 2

## COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Tuesday, 21 September 2010

Present:

Councillor P Gilchrist (Chair)

Councillors

A Brighouse

J Keeley

P Davies

P Kearney

B Kenny

A McArdle

D McCubbin

J Stapleton

S Williams

### 41 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

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

Members were reminded that they should also declare, pursuant to paragraph 18 of the Overview and Scrutiny Procedure Rules, whether they were 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.

Councillor Steve Williams declared his personal interest in agenda item 20 (Schools Risk Management) (see minute 60 post), by virtue of his wife's employment.

### 42 MINUTES

**Resolved – That the minutes of the meetings held on 8 July (two meetings), 24 and 26 August 2010, be approved.**

### 43 STRATEGIC CHANGE PROGRAMME UPDATE

The Director of Technical Services reported that at its meeting held on 22 July 2010 (minute 100 refers), the Cabinet had considered a report of the Deputy Chief Executive/Director of Corporate Services, which summarised the findings and recommendations of a review of the Strategic Change Programme. The recommendations had all been accepted by the Cabinet and a Strategic Change Programme Board had been established. The Director of Technical Services had been nominated to undertake the role of Lead Chief Officer and he indicated that a Strategic Change Programme office had been established under his control, which comprised existing staff relocated and/or seconded on a time limited basis, funded initially from the Council's Efficiency Fund.

He commented also that the Chief Executive, in consultation with the Strategic Change Programme Board, had been given delegated authority to take all decisions relating to the Strategic Change Programme, including those related to staffing and resourcing, so far as such decisions were not contrary to the Council's budget.

He reported upon progress that had been made with regard to the implementation of the recommendations agreed by the Cabinet. The aim of the Programme was to identify savings and efficiencies and he commented that there were now potentially 60 projects within the Plan, which would be presented to the Board, to be incorporated into the Strategic Change Programme.

In response to questions from Members in relation to the achievement of significant savings targets, the Director reported that all projects now had to be fully considered by the Project Lead, the relevant Chief Officer and the Director of Finance to confirm that the savings identified and the timescales indicated were deliverable. At this stage, he was not able to set out the extent of savings for future years, as projects had not yet been fully evaluated and accepted by the Board.

**Resolved – That the update report be noted and a further, more detailed report be presented to a special meeting of the Committee, to be held on 28 October 2010.**

#### 44 **FINANCIAL MONITORING STATEMENT**

The Director of Finance provided a summary in tabular format of the position of the revenue accounts and General Fund balances as at 31 July and 31 August 2010. It included a composition of the original 2010/2011 budget by Department including agreed savings and policy options; monitoring against the 2010/2011 budget including the financial implications of any changes agreed through Cabinet decisions; anticipated variances, changes not agreed by the Cabinet, against the original budget; and comments to provide an explanation of variances and other potentially volatile areas within departments, identified as requiring further attention.

He reported that Adult Social services had highlighted pressures within community care, due to increasing demand, especially in learning disabilities, achieving income targets and transport. This had been assessed at £6.1m, however, the Director of Adult Social Services was reviewing the options before declaring a potential overspend as he was looking at ways to keep within the budget allocated. At 31 August 2010, Children and Young People were reporting a potential overspend of £1m, down from £1.8m in July, primarily due to residential care placements and foster care costs. However, the Director of Children's Services was also looking at actions to remain within the budget allocated.

The Director reported that the projected level of balance at 31 March 2011, when setting the budget for 2010/2011, was £6.5m. Changes agreed by the Cabinet increased this to £9.4m although the loss of LABGI/LAA grants saw this fall to £7.8m. He commented that whilst pressures existed within a number of departments, the Directors were looking at actions to enable spend to remain within the budgets allocated. However, the impact of the forecast departmental variations, if realised, would reduce the balance by £0.5m to £7.3m at 31 March 2011, although this presently excluded any variations in respect of Adult Social Services.

**Resolved – That the contents of the financial monitoring statements be noted.**

#### 45 **FIRST QUARTER PERFORMANCE EXCEPTION REPORT 2010/2011**

The Interim Director of Corporate Services presented the First Quarter Performance Exception Report 2010/2011. Performance at quarter one was good, with 71% of the performance indicators and 85% of the projects rated as green, or over-performing. However, the report provided details of a number of performance issues that had been highlighted as not performing as planned at the quarter one stage and set out also the year end forecast position and the corrective action required.

In response to a request from Members with regard to the move to locally based accountability, the Director agreed to present a further, more detailed report to a future meeting in relation to the use of monitoring data gathered for the purpose of national indicators being retained as a local performance measure. He also proposed also to include within his report details of performance against key Economic National Indicators that had not been available for consideration at this meeting.

In response to a further comment from Members in relation to the continued use of benchmarking, the Head of Policy and Performance indicated that Wirral was part of the NWIEP regional benchmarking cohort. She proposed to raise the issue at a forthcoming meeting with a view that benchmarking should continue to be undertaken at a regional level.

**Resolved – That a further, more detailed report be presented to a future meeting of the Committee, to include a shortlist of suggested performance indicators and a list of regional benchmarking comparators, for Members’ consideration.**

46 **REACHING EXCELLENT LEVEL OF THE EQUALITY FRAMEWORK FOR LOCAL GOVERNMENT (EFLG) - QUARTER ONE 2010/2011 CORPORATE PERFORMANCE MONITORING REPORT**

The Interim Director of Corporate Services presented the first corporate performance monitoring report for 2010/2011 for reaching the excellent level of the Equality Framework for Local Government. He reported that as an ‘achieving’ Council (formerly known as level 3), departments should be embedding processes and systems that had been developed over the last two years, for example equality impact assessments, online equality and diversity training, flexible working arrangements, inclusive community engagement structures, etc.

However, as the Council worked towards achieving ‘excellent’ status by November 2011, departments needed to be developing more innovative activities that other organisations could learn from; activities that the Council could demonstrate had encouraged efficiencies as well as improved the quality of life of residents. Therefore, the format of reporting had changed to reflect the themes and expectations of the Equality Framework, the format of departmental action plans, and to present progress in a more informative and useful way.

The report provided a summary of progress and examples of following best practice, innovation and opportunities for evidence case studies (all green milestones) and areas for further improvement (amber and red milestones) against each of the themes of the Equality Framework.

In response to requests from Members, the Director agreed to include within the next monitoring report (i) further information in relation to employee forums and, (ii) the reasons for low levels of Black and Ethnic Minority individuals accessing mainstream services.

**Resolved –**

- (1) That the progress of the Council’s various equality action plans be noted.**
- (2) That the report be submitted to the Corporate Equality and Cohesion Group, the Departmental Equality and Cohesion Groups, and the Performance Management Group, in order to generate ideas for developing more innovative activities and ways of documenting case studies.**
- (3) That the Departmental Equality and Cohesion Groups be requested to review their current action plans in order to identify where examples of innovation and evidence case studies can be developed, to be presented to the Corporate Equality and Cohesion Group by December 2010.**
- (4) That Departmental equality leads be requested to generate more inter-departmental activity, especially where duplication is taking place, e.g. equality and diversity training, monitoring of hate crimes and hate incidents and developing Page 8 dignity at work officers**

Further to minute 32 (24 August 2010), the Director of Law, HR and Asset Management presented his report on Office Rationalisation, which was to be considered by the Cabinet at its meeting on 23 September 2010. The Director referred to the changing context in which future accommodation requirements would be considered, which suggested a limited capacity for major investment in accommodation at the present time, limited priority for investment in administrative accommodation and uncertainty about the future size and shape of the organisation. He commented upon the requirement for further work to clarify which services should be centralised and which should be located in communities for reasons of efficient and effective service delivery. There was also a need for any proposals implemented at this time to offer flexibility to accommodate future change.

He reported also that after the EC Harris report had been considered by the Cabinet, Wirral Partnership Homes (WPH) had informed officers that they were presently evaluating a number of options to consolidate their administrative functions in one location and had sought to work with Council officers to evaluate the option of their buying Westminster House for this purpose. He commented that if that option was to be pursued, upgrading and enhancing both the North and South Annexes in Wallasey would be required to provide the capacity necessary to vacate Westminster House.

The Director outlined the issues that had arisen from the Cabinet's preferred option and referred to the ICT provision that was required to support the administrative estate. He indicated that upgraded ICT provision would be essential to support new ways of working. In order to drive agile working, which in turn would realise ongoing savings in building running costs, staff needed to be able to communicate and work efficiently and effectively in a variety of locations and, where appropriate, to work away from a fixed workstation. Where agile working was a key element in intensifying the use of a building, the Director strongly recommended that, given the nature of the existing infrastructure, the ICT infrastructure should be renewed.

In the light of the changing context and issues that had arisen from the Cabinet's preferred option, the Director indicated that in order to move forward with office rationalisation, the views of the Cabinet would be sought as to whether to intensify the use of Westminster House or to refurbish the North and South Annexes and dispose of Westminster House. He indicated that the options were dependent upon the evaluation being undertaken by WPH in relation to Westminster House and he commented that the evaluation exercise was expected to be completed by 5 October 2010. Nevertheless, he set out the estimated costs of each option and indicated that whichever option was chosen, the comprehensive refurbishment and enhancement of a retained building would create opportunities to improve the sustainability and environmental performance of the building and reduce CO2 emissions. Those opportunities would be addressed in the design of the scheme.

In response to a question from a Member in relation to the savings target of £1m per annum, set out in the EC Harris report, the Director indicated that it would not be achieved by 1 April 2011. However, the position in relation to savings would be clearer in November and he indicated that work undertaken during the current year would result in savings in 2012/2013.

**Resolved – That the Cabinet be advised of the views of this Committee:**

- (a) That there should be an early resolution in relation to the future of Westminster House.**



- (b) That urgent progress should be made in relation to agile working, in order to reduce the occupancy of buildings and to establish ways of working in communities to the benefit of local residents.**

**48 TOTAL PLACE**

The Deputy Chief Executive/Director of Corporate Services reported that "Total Place: A Whole Area Approach to Public Services" was a Communities and Local Government pilot programme that looked at how public money was spent in a local area and how it could be used more efficiently to improve local services. He presented a briefing note as requested by Members on the Total Place pilot that was conducted across 13 pilot areas between April 2009 and March 2010 and commented that the pilots identified and mapped levels of public spending across a specific theme of work in their area and explored ways to overcome organisational and cultural barriers to improvement.

He reported that the Department for Communities and Local Government had not provided any detailed update on Total Place since the change of Government in May 2010. However, the Secretary of State, in a speech in July 2010, referred to place based area budgets or community budgets and implied far more freedoms for local authorities than was ever envisaged under Total Place including a greater emphasis on de-ringfencing funding and providing greater powers of autonomy. Whilst further details about Community Budgets were yet to emerge from Whitehall, he indicated that, in the current climate, there was unlikely to be any prescriptive framework that would govern what councils should do.

In response to comments from Members, the Director indicated that officers were considering effective partnership working across the public sector, in particular shared services with Health.

**Resolved –**

- (1) That the constructive examples of work undertaken in the Total Place pilot areas be noted.**
- (2) That this Committee welcomes ongoing discussions with partners across the public sector with regard to a whole area approach to public services.**
- (3) That, notwithstanding what proposals are introduced by the Government to replace Total Place, this Committee welcomes the continued progress in relation to shared services.**

**49 REVENUES AND BENEFITS**

The Director of Finance provided information on the position regarding Council Tax, National Non Domestic Rate, general debt and cash income collection and the payment of benefits. Members expressed their concern in relation to income from golf courses, which was anticipated to underachieve against the budget by £175,000. Members noted that the budget for golf income had not been achieved for at least the last three years and referred to a commonly held belief that people were using the municipal golf courses without having paid to do so.

**Resolved –**

- (1) That the report be noted.**
- (2) That the Head of Cultural Services be requested to investigate the issues in relation to golf course income, including measures in place to ensure that people paid to play, and present a report to the next meeting of the Committee.**

## 50 BUDGET PROJECTIONS 2011 - 2015

The Director of Finance presented an update of the projected budgets from 2011 to 2015, in line with the decision of HM Treasury to undertake a four year Spending Review. He set out the assumptions which underpinned the budget projections, which indicated a shortfall of £30.5m in 2011/2012, £23.7m in 2012/2013, £27m in 2013/2014 and £27.4m in 2014/2015.

He commented that the Government was consulting upon a range of options regarding the grant settlement for 2011/2015, due to be announced in December 2010. However, there was a possibility that the DCLG would issue a two year settlement covering 2011/2013 with a subsequent two year settlement for 2013/2015, after the completion of the review of Local Government Finance. He reported also that during the course of this budgeting period the results of the Census 2011 would become available and would be incorporated into the grant distribution formulae. The Office for National Statistics had now released the mid 2008 estimated populations and the Director commented that the reduction for Wirral was greater than for any other metropolitan or unitary authority; if this was confirmed in the Census 2011 then the reduction in grant receivable could be significant.

The Director set out also the position in relation to balances and referred to efficiencies that would be required to be delivered for 2011/2015 that were well in excess of the statutory efficiency target.

**Resolved –**

- (1) That the budget projections be kept under review.**
- (2) That further efficiencies be delivered.**

## 51 TREASURY MANAGEMENT QUARTERLY MONITORING

The Director of Finance presented a review of Treasury Management activities during the first quarter of 2010/2011 and confirmed compliance with treasury limits and prudential indicators. It had been prepared in accordance with the revised CIPFA Treasury Management Code and the revised Prudential Code and had been presented to the Cabinet on 22 July 2010 (minute 63 refers).

**Resolved – That the report be noted.**

## 52 DELIVERING EFFICIENCY AND MEASURING AND REPORTING VALUE FOR MONEY GAINS IN LOCAL SERVICES

The Director of Finance presented the Value for Money Gains National Indicator 179 (NI179) which had been submitted to the Department for Communities and Local Government (DCLG) having been approved by the Cabinet on 22 July 2010 (minute 66 refers). He provided an assessment of efficiency gains and commented that the cumulative total of cash releasing efficiency gains at 31 March 2010 was £26.9m against a target of £21.4m. He commented that this placed Wirral as the best performing in the North West and second best in the Audit Commission comparator group.

**Resolved –**

- (1) That the Value for Money Gains National Indicator 179 submission, and the good record of delivering efficiencies, be noted.**
- (2) That a further report be presented on the 2010/2011 NI 179 estimate which will be due for submission in October 2010.**

## 53 CUSTOMER SERVICE FOCUS GROUP

Further to minute 21 (8 July 2010), the Director of Finance reported upon the work undertaken by Customer Services to ensure service standards were maintained and reviewed at the One Stop Shops, the Call Centre, and on the Web. There were a number of methods to do this and the Director provided details on the use of a Customer Focus Group that had been set up by Mott McDonald, an independent market research agency in Liverpool, which included the former Merseyside Information Service. The Group was set up as a one off to assist Customer Services to balance the range of information received and the Director presented a detailed report upon the findings of the Focus Group. He provided a summary of the key outcomes and commented that with regard to the ease of contacting Wirral Council face to face, via telephone or via the web, opinion was generally positive. A number of approaches were suggested by participants to improve customer services and the Director proposed to present a report to a future meeting of the Cabinet with a revised Customer Access Strategy.

**Resolved –**

- (1) That the report be noted.**
- (2) That should it be necessary to run the Focus Group again, it be undertaken via the Council's Marketing Department.**

## 54 PUBLICATION OF EXPENDITURE - WORKLOAD IMPACT

Further to minute 25 (8 July 2010), the Director of Finance reported upon the increased demand on staffing resources as a consequence of implementing the proposal to publish monthly, all Council third party expenditure over £500, from the 1 April 2010, to demonstrate the Council's commitment to be open and transparent with residents.

He commented that a monthly report was published on the Council website which listed the total payments to suppliers, with a value over £500. It was reviewed to establish the reason for the expenditure and to ensure that no grant or personal data was shown. The publication of the data had resulted in over 190 online enquiries that had had to be explained and the Director commented that in order to respond to the complexity of enquiries it was necessary to contact officers within different departments. This had proved to be time consuming and he confirmed that no additional resource had been identified to cover the work which, at present, was being undertaken between the Procurement Manager and an Administrative Officer, in addition to their existing duties. The consequences of this were that other elements of work, such as consolidating and letting contracts, were being delayed.

The Director outlined improvements that were being made in relation to the quality and relevancy of data that was made available on the Council's website and he was also looking at improvements to the usability of information by others. It was hoped that the improvements would reduce the need for contact with the Council and consequently reduce the additional workload. However, he referred to evidence from the Royal Borough of Windsor and Maidenhead Council, which suggested that such improvements in data quality would have little effect on the number of enquiries received.

**Resolved –**

- (1) That the report be noted.**
- (2) That this Committee welcomes the presentation of expenditure data, in the interests of local transparency.**

- (3) That a further report be presented to the Committee in January 2011 to assess whether measures of providing improved information have reduced the staffing impact of the publication of expenditure.**

**55 AUDIT COMMISSION REPORT - MANAGING ATTENDANCE**

The Head of Human Resources and Organisational Development presented the Audit Commission report Managing Attendance, which had been undertaken to support the Council in its work to strengthen organisational arrangements for managing attendance, which would in turn link to the Council's broader objectives of improving the quality of services and securing value for money. The report indicated that preventing people from falling ill at work and getting them back sooner, as well as discouraging abuse of absence, was a key component of public sector cost efficiency and change agendas. However, effective management of sickness absence was not just about reducing costs. Staff sickness also resulted in 'lost time' which could have a particularly negative impact on the quality of frontline services. Employers also had legal duties to protect their staff from work-related stress and illness. It noted that Wirral had struggled to meet its sickness absence targets in the past although the situation was now starting to improve.

The Head of Human Resources and Organisational Development indicated that the Council was working to strengthen its arrangements across the organisation for managing attendance to help achieve further improvements and she commented that at its meeting held on 17 June 2010 (minute 8 refers) the Employment and Appointments Committee agreed to a series of actions to improve the Council's approach to attendance management. Work had also continued on a revised Absence Management Policy which had been produced and on which consultation with the Trade Unions was currently being undertaken. The final proposed improvements to it would be presented to the next meeting of the Employment and Appointments Committee.

**Resolved –**

- (1) That the Committee welcomes the detailed findings and conclusions set out in the Audit Commission report and recognises that they are being acted upon, particularly in relation to guidance for managers being implemented.**
- (2) That the recommendations and action plan be noted.**

**56 FORWARD PLAN**

The Director of Law, HR and Asset Management reported that the Forward Plan for the period October 2010 – January 2011 had now been published on the Council's intranet/website. Members had been invited to review the Plan prior to the meeting in order for the Council Excellence Overview and Scrutiny Committee to consider, having regard to the work programme, whether scrutiny should take place of any items contained within the Plan and, if so, how it could be done within relevant timescales and resources.

**Resolved – That the report be noted.**

**57 REVIEW OF SCRUTINY WORK PROGRAMME**

The Chair provided an update on the current status of the Committee's Work Programme and commented that among the functions of the Committee was to scrutinise the work of the Community and Customer Engagement, Corporate Resources and Finance and Best Value portfolio holders. He invited suggestions

from Members for additions to the work programme, having regard to how scrutiny could be undertaken within relevant timescales and resources.

**Resolved – That the work programme be noted and the following items be added to it –**

- **28 October 2010 (Special Meeting)**
  - **Update to the Strategic Change Programme (see minute 43 ante)**  
**[Director of Technical Services]**
  
- **18 November 2010**
  - **Measures to reduce the numbers of payments by cheque**  
**[Director of Finance]**
  
  - **The issue and use of mobile phones**  
**[Director of Finance]**
  
  - **Payments of allowances to staff in addition to salary**  
**[Director of Law, HR and Asset Management]**
  
  - **Office Rationalisation Update**  
**[Director of Law, HR and Asset Management]**
  
- **31 January 2011**
  - **Total Place Update**  
**[Interim Director of Corporate Services]**

58 **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1) - CONSULTATION TASK FORCES**

The Chair confirmed that he had approved this matter being raised as an item of urgent business. Councillor P Davies referred to the various Consultation Task Forces, which had been set up to assist the Council in formulating a consultation document with a view to achieving budgetary savings. He suggested that the Council's normal structures appeared to have been bypassed through the appointment of Independent Task Forces, which then acted outside the normal range of Council meetings and procedures. He expressed particular concern that –

- The Task Forces were presented with budgetary information on the services they were considering, without those papers being presented either to the Cabinet or to this Committee, where the information could have been questioned.
- No information had been given on the appointment of the members of the Task Forces and the way in which they were selected.
- It was unclear whether or not there was a register of interests of those individuals sitting on the Task Forces, or whether there was any procedure for a declaration of interest on any items discussed.
- The consultation procedure, including the way in which Task Forces would be used, was announced in a press release, and not through the Cabinet, where it could have been called in to this Committee for further examination.
- The questionnaire for public consultation that was drawn up following the initial Task Force meetings was not taken to Cabinet as a draft, which would have allowed it to be questioned or called in to this Committee for further examination.
- The questionnaire itself is fundamentally flawed, for example, in failing to provide any comparative costings, in failing to provide complete lists of alternatives, including the provision of services by the Council, and in failing to make it clear to the public whether questions about the provision of alternative services from the voluntary sector refers to the Council commissioning services

or actually stopping services and hoping the voluntary sector will fill the gap without any extra resources.

- The way in which the subsequent public consultation would be carried out was again announced in a press release, stating the timetable of events, and was not subject to question or scrutiny either from Cabinet or this Committee, which is specifically charged with scrutinising both community engagement issues and issues around public relations.
- It has been made clear that this process, which has not been open to democratic scrutiny, will actually be used to inform Wirral's budget setting.

A member commented that the Task Forces were open to the public and any Councillor could have attended had they wished to do so. In addition, there remained an opportunity to call in any decision of the Cabinet in relation to budgetary savings arising from public consultation. Other Members indicated that they had not seen any public notices as to when or where the Task Forces were to have been held and expressed the view that notice of them should have been given to all Members of the Council.

It was moved by Councillor P Gilchrist and seconded by Councillor P Davies –

“That the matters identified by Councillor Davies in relation to the Task Forces be considered at the special meeting of the Committee to be held on 28 October 2010 and that the officers be requested to provide such information to that meeting as they are able to, both in relation to the process followed in the selection and appointment of Task Force members, and the budgetary implications of the questions contained within the public questionnaire.”

It was moved as an amendment by Councillor J Keeley and seconded by Councillor D McCubbin –

“That the information requested be presented to the Committee as part of a full debrief in December/January, once the outcome of the consultation process is known.”

The amendment was put and lost (4:6)

The Motion was put and carried (6:4)

**Resolved (6:4) – That the matters identified by Councillor Davies in relation to the Task Forces be considered at the special meeting of the Committee to be held on 28 October 2010 and that the officers be requested to provide such information to that meeting as they are able to, both in relation to the process followed in the selection and appointment of Task Force members, and the budgetary implications of the questions contained within the public questionnaire.**

## 59 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

**Resolved – 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. The public interest test has been applied and favours exclusion.**

## 60 SCHOOLS RISK MANAGEMENT

The Director of Finance reported upon the purpose of schools risk ranking, which was a means for improving the management of insurable risk within schools, the being that by improving the standards of risk management, all schools would benefit through reductions in insurance premia and decrease hidden costs such as



disruption to school life and damage to morale. He proposed an extension to the current programme and confirmed the outcome of a recent request for quotations.

**Resolved – That the extension of the risk ranking exercise to all schools and the acceptance of the lowest tender, that submitted by Zurich Municipal, be noted.**

## 61 **CATERING TENDERS**

The Director of Finance reported upon the procurement process that was undertaken for the supply of cold buffet food. He commented that 18 tenders were evaluated and the process determined that a multiple supplier framework of the top six suppliers would provide the overall best value, choice and capacity to the Authority.

He commented that the six successful tenderers were reminded that, in light of the economic climate, the Council was under no obligation to purchase and, accordingly, they should not rely on the levels of spend estimated in the tender documents. Details of the six successful tenderers had been placed on the e-procurement ordering system and user departments had been advised to approach the suppliers in the priority order 1-6 to ensure best value.

**Resolved –**

**That the decision to award the contract for the Supply of Cold Food to the following six suppliers, commencing 1 August 2010, be noted –**

1. **Alleycats**
  2. **Lunch & Judy**
  3. **Working Lunch**
  4. **Forever Green**
  5. **B.E.S.T. (Beaconsfield)**
  6. **Franklin's Deli**
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## COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Thursday, 28 October 2010

Present: Councillor P Gilchrist (Chair)

Councillors A Brighouse B Kenny  
J Keeley A McArdle  
P Davies D McCubbin  
P Kearney J Stapleton

Deputies: Councillors J Hale (In place of S Williams)

In attendance: Councillors J Green S Holbrook

### 62 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

Members were asked to consider whether they had a personal or prejudicial interest in connection with any item on the agenda and, if so, to declare it and to state the nature of such interest.

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

No such declarations were made.

### 63 STRATEGIC CHANGE PROGRAMME

Further to minute 43 (21/9/10) the Director of Technical Services provided an update on the Strategic Change Programme. The report outlined progress made to date including the establishment of the Strategic Change Programme Office (SCPO) under the Director of Technical Services and also of a Strategic Change Programme Board (SCPB).

A corporate project management system (ProjectVision, Cora Systems) had been procured and configured against the delivery arrangements established by SCPB. Training on the use of the system had begun and was due to conclude on 16 November 2010, for key project managers. Additional training for members and Chief Officers would take place as required.

The Director described the "decision gate" approach to programme delivery which had been developed. This approach established a number of decision gates projects had to pass through during the project life cycle. If a project failed to satisfy specific criteria, SCPB would not approve progression to the next stage. An assurance

framework had been agreed and would be delivered by the Director of Finance, providing independent assurance of the programme to SCPB.

The Strategic Change Programme Board had provisionally agreed three delivery channels in which the projects would be categorised:

- Strategic Change Projects – These projects will be managed using the delivery arrangements and assurance framework agreed by SCPB. The progress of these projects will be monitored by SCPB.
- Business as Usual Projects – those projects which will be primarily managed through normal governance processes i.e. Cabinet decides, Executive Team implements, scrutiny monitors. However, some projects will be significant in terms of the efficiencies to be delivered or the risk to the organisation that SCPB will require some oversight.
- DASS Programme - These projects have clear dependencies and linkages to each other and should be managed as a single programme.

The existing programme agreed by Cabinet on 14 January 2010, had been reviewed to establish if projects were still relevant to the Council's objectives, had the ability to be delivered or could be enhanced or stretched to provide additional outcomes. Any new or emerging ideas had also been assessed by SCPB for inclusion.

All projects were awaiting SCPB approval. In some cases this approval was the continuance of an existing project, whilst in other cases it would be approval to start project delivery. There had been a further proposal to group these projects by themes, which might assist in the future development of the programme. These themes were draft at this stage and would be more fully developed following the consultation exercise and refresh of the Council's Corporate Plan. The processes established in restating the change programme and monitoring its delivery allowed for the expansion of the programme, enabling emerging ideas to be developed into new projects under the "project conception" stage. These ideas were received from several quarters including the staff suggestion scheme, response from staff to the Leader's emails, the recent MBA projects and members of the public. This process would also be applied to ideas and recommendations resulting from the recent consultation exercise.

Councillor P Davies expressed concern that the savings target had now gone up to £33m for the next year, although the Strategic Change Programme would not be identifying any savings until November.

The Director responded that it would be foolhardy to try and put figures on savings when all the work had not yet been completed but that he would be happy to provide these figures when they were available.

With the permission of the Chair, the Deputy Leader of the Council addressed the Committee and spoke of the need to make efficiencies across departmental boundaries as these had not been pursued in the past. The previous process had stalled because it was too overcomplicated but there was now more information available and greater transparency to the process.

With the permission of the Chair, the Leader of the Council addressed the Committee and expressed his thanks to the Director for all his work on the Change Programme

in making it deliverable. A strategy was now in place which would deliver savings and the Director of Finance was signing off every project.

The Director stated that the new processes for the Change Programme which were now in place followed tried and tested industry management techniques which were far more robust than previous methods of managing change. A lot of savings would be made through reduced staffing costs and arrangements were in place to make sure these weren't double counted with the current EVR offer.

The Chair referred to the Cabinet resolution of 22 July, 2010 which had given delegated authority to the Chief Executive to take all decisions relating to the Strategic Change Programme in consultation with the Programme Board and of the need for the Committee to be kept 'in the loop'.

The Leader of the Council responded that he would be happy to explore a reporting model to keep Council and the appropriate Overview and Scrutiny Committees informed of decisions taken.

It was moved by the Chair and seconded by Councillor Hale,

"(1) That the officers be thanked for their updated report.

(2) That Committee recognises the adoption and development of robust and rigorous processes now being put forward.

(3) That Committee recognises and welcomes the reported involvement of staff in the process.

(4) That Committee does not accept the categorisation of the Strategic Change Programme as suggested in the Director's report and Committee expects reports back on progress and involvement at key stages in the process."

The Committee voted upon each part of the motion in turn as follows:

The first part was put and carried (10:0).

The second part was put and carried (5:4) (Councillors P Davies, Kenny, McArdle and Stapleton voting against)

The third part was put and carried (6:4) (Councillors P Davies, Kenny, McArdle and Stapleton voting against)

The fourth part was put and carried (10:0).

It was moved as an addition to the motion by Councillor P Davies and seconded by Councillor Stapleton –

"That proper discussions take place with the Trades Unions around the Strategic Change Programme."

This motion was put and carried (10:0).

It was further moved by the Chair and seconded by Councillor Hale that –

“This Committee appreciates the opportunity to look at those issues in the Change Programme, which fall within its remit, at future meetings.”

As an amendment to this further motion it was moved by Councillor P Davies, seconded by Councillor Kenny, that –

“This Committee believes that all projects under the Strategic Change Programme should go through the Council’s normal governance processes. To that end, the Council’s Excellence Overview and Scrutiny Committee is keen to support the change programme by scrutinising all projects referred to in this report and asks the Director to produce a progress report to the next meeting of this Committee.”

The amendment was put and lost (4:6)

The further motion was put and carried (6:4) (Councillors P Davies, Kenny, McArdle and Stapleton voting against)

**Resolved –**

**(1) That the officers be thanked for their updated report.**

**(2) (5:4) (Councillors P Davies, Kenny, McArdle and Stapleton voting against) That Committee recognises the adoption and development of robust and rigorous processes now being put forward.**

**(3) (6:4) (Councillors P Davies, Kenny, McArdle and Stapleton voting against) That Committee recognises and welcomes the reported involvement of staff in the process.**

**(4) That Committee does not accept the categorisation of the Strategic Change Programme as suggested in the Director’s report and Committee expects reports back on progress and involvement at key stages in the process.**

**(5) That proper discussions take place with the Trades Unions around the Strategic Change Programme.**

**(6) (6:4) (Councillors P Davies, Kenny, McArdle and Stapleton voting against) That Committee appreciates the opportunity to look at those issues in the Change Programme, which fall within its remit, at future meetings.**

## 64 CONSULTATION TASK FORCES

Further to minute 58 (21/9/10) the Committee considered a report from the Interim Chief Executive which set out the extensive work undertaken to deliver the Council’s consultation process ‘Wirral’s Future: Be a part of it’. The report documented the different stages of the project, the overall methodology used, and the next steps in the process, highlighting the underpinning commitment to make the process inclusive and accessible to the widest possible audience.

With the permission of the Chair, the Leader of the Council addressed the Committee and expressed his thanks to the project team involved for all their work in helping to deliver the consultation over such a short period of time. He also thanked the

outreach team of over 30 staff who over a seven week period had spoken to over 10,000 people at 140 events and with partner organisations had helped distribute over 40,000 questionnaires, of which over 5,000 had been returned. Additionally he thanked the team responsible for capturing all the data coming back and the importance attached to making sure all those who had contributed had feedback on their ideas.

He emphasised that the whole process was open and transparent, with all the information which was considered by the Task Forces being available to the public on the Council's website.

Responding to comments from the Chair, the Interim Chief Executive stated that after the consultation had closed Task Forces would meet for a fourth time to consider the survey results and review their initial proposals with their recommendations then forming the basis of a report to Cabinet on 25 November.

The Head of Tourism and Marketing, who was leading the core project team, also responded to comments from the Committee including on the length of the questionnaire which had had to strike a balance between being too simplistic and achieving an informed response on the questions posed. Geographical locations could be identified for those responses on the internet and there was also a facility to strip out multiple responses. Every single comment received would be published on the website along with the percentage returns for each question and a detailed evaluation of the responses. All Members would be informed of the dates of the fourth Task Force meetings to be held during the second week in November and invited to attend.

It was moved by Councillor P Davies and seconded by Councillor McArdle that –

“This Committee believes that:

- No account in drawing up the options was taken of the knowledge, experience and skills built up over time and held by councillors elected to represent the public.
- The entire programme has been determined by the Director of Corporate Services in consultation with the Leader and Deputy Leader of the Council without input from Cabinet or Scrutiny.
- The consultation process was therefore put in place without any regard for the checks and balances contained within the Council's Constitution and that, in so doing, the Council and individuals have been put at future risk.
- Proper account was not taken of the professional survey skills required to construct a neutral questionnaire and provide a statistically valid sample which would be representative of the whole of Wirral and the result is an unbalanced and deeply flawed consultation exercise.
- Questions have been fudged so the public cannot be sure whether services from the Council will actually stop, in favour of unfunded voluntary or private sector activity, or simply be replaced by commissioned or outsourced services.
- The lack of any financial information or costings of the options being put forward, and the lack of any options allowing people to choose clearly between internally and externally provided services, renders them meaningless in budget terms.

- This therefore appears not to be a budgetary exercise at all but a way of pushing forward Tory Party ideological propaganda that massive outsourcing of services to create a smaller state is always better, regardless of the cost in financial or human terms.
- The validity of the whole exercise is now rightly being questioned by the people of Wirral.

This Committee also notes that, with little action taken, the budget shortfall has risen again to £33m and is likely to rise still further when the local government settlement is announced.

This Committee therefore recommends to Cabinet that:

- (1) The results of this flawed consultation are treated with extreme caution and not used as a true basis for any budget decisions.
- (2) Any future consultation of this nature using questionnaires is carried out in a neutral and statistically valid way, without political interference, using those professionally skilled in surveying public opinion.
- (3) The full consultation processes are approved through Cabinet and are subject to scrutiny in the normal way.
- (4) Task Forces outside the Council's Constitutional framework are not used but instead independent representatives are co-opted for the purpose onto the relevant Scrutiny Committee to work in conjunction with elected members to provide advice to Cabinet.
- (5) A guide to good practice in consultation is produced, with the appropriate external advice, in order to avoid future problems.
- (6) The Cabinet should take responsibility for decision making and act with all speed to reduce the budget deficit."

The motion was put and lost (4:6).

It was then moved by the Chair and seconded by Councillor Keeley and –

**Resolved (10:0) –**

- (1) That this Committee recognises the dedication of all the staff who have met with and encouraged the public to participate in the consultation, in a large number of locations.**
- (2) That this Committee understands that the Task Forces have undertaken detailed work and thanks them for their input.**
- (3) That this Committee welcomes assurances that recommendations from the Task Forces and future meetings are to be open to the public and advertised and their contributions are to be assessed by Members.**

**(4) That this Committee recognises that the information received from the consultation will be fully reported to Members, accessible to the public and used to contribute to the outcome of the budget process.**

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## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW & SCRUTINY COMMITTEE

18 NOVEMBER 2010

#### REPORT OF THE DIRECTOR OF FINANCE

#### FINANCIAL MONITORING STATEMENT

##### 1. EXECUTIVE SUMMARY

1.1 This report provides a summary in tabular format of the position of the revenue accounts and General Fund balances as at 30 September 2010.

##### 2. MONITORING STATEMENT

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

- Composition of the original 2010/11 budget by Department including agreed savings and policy options.
- Monitoring against the 2010/11 budget including the financial implications of any changes agreed through Cabinet decisions.
- Anticipated variances, changes not agreed by Cabinet, against the original budget.
- Comments providing an explanation of variances and areas identified as requiring further attention.

2.2 The Statement is produced monthly and sent to all Councillors. A formal report is submitted to each meeting of this Committee.

##### 3. LATEST FINANCIAL POSITION

3.1 The Statement presents an update of the revenue budget and General Fund balances as at 30 September 2010.

3.2 At this stage of the financial year only Children & Young People are projecting an overspend whilst the potentially volatile areas within departments are:-

3.2.1 Adult Social Services - There are continuing pressures on the community care budgets (particularly learning disabilities), income targets and transport. These have been assessed at around £6.1 million. The Director is reviewing options before declaring a potential overspend as he looks at ways to keep within the budget allocated.

3.2.2 Children & Young People - There are significant pressures upon care services which form the major part of the projected overspend that is partially offset by vacancy control savings. The net forecast is a £1 million projected overspend (down from the £1.8 million reported as at 31 July 2010). Again the Director is looking at actions to remain within the budget allocated.

- 3.2.3 Finance - Housing benefit and treasury management activities remain the key areas. The management of cash-flow has resulted in the Council benefitting from the available interest rates and is expected to achieve a surplus of £0.5 million.
- 3.2.4 Regeneration - retained as the former department until the re-allocation of the budget is agreed by Cabinet, is heavily reliant upon meeting income targets which continue to prove challenging.
- 3.2.5 Technical Services - over £1 million of pressures arising from potential shortfalls in planning and development and car parking income as well as meeting the inflationary increase in the streetscene contract.
- 3.3 Decisions taken by Cabinet which have an impact upon the financial position:-
- 3.3.1 Cabinet on 18 March 2010 allocated £90,000 to meet the inflationary increase in the costs of fostering.
- 3.3.2 Cabinet on 24 June 2010 agreed a report of the financial out-turn for 2009/10 following the completion of the year-end accounts. Overall this resulted in an increase in the projected balance at 31 March 2010 of £3 million the position benefitting from the release of £2.5 million from the Insurance Fund.
- 3.3.3 The same meeting also considered a report on the reduction in grants to local government 2010/11. Cabinet requested a further report to the 22 July 2010 meeting on the Area Based Grant reduction of £3.9 million. The expected £1.4 million of Local Authority Business Growth Incentive and £0.2 million of Local Area Agreement will not now be received and this loss of 'one-off' funding is being met from balances.
- 3.3.4 Cabinet on 22 July 2010 agreed to a number of reductions in departmental budgets to offset the loss of the £3.9 million of Area Based Grant in 2010/11.
- 3.3.5 Cabinet on 2 September 2010 agreed a report on the Insurance Fund Actuarial Review which included the release of £3.4 million from the Insurance Fund to general fund balances.

#### **4. FINANCIAL AND STAFFING IMPLICATIONS**

- 4.1 As at 30 September 2010 the decisions taken by Cabinet and the overspend in Children & Young People if realised, would result in a balance at 31 March 2011 of £10.7 million. This is more favourable than the £6.5 million that was the projected balance when setting the 2010/11 budget. In terms of the pressures being faced all Directors continues to look at actions to address any potential overspends within their departmental budgets.

Details	£million	£million
<b>Projected General Fund balance at 31 March 2011 when setting the budget for 2010/11</b>		6.5
<b>Cabinet decisions</b>		
18 Mar - Foster care costs increased for inflation		-0.1
24 June - Financial out-turn 2009/10 showed an underspending and increase in balance		+3.0
24 June - Reduction in grants to local authorities 2010/11. Area Based Grant of £3.9 million and 'One-off' LABGI/LAA grants of £1.6m		-5.5
22 July - Reduction in grants to local authorities 2010/11. Area Based Grant reduction to departments		+3.9
2 Sep - Actuarial Review released Insurance Fund resources to balance		+3.4
<b>Projected variances / potential overspends</b>		
Overspend		
Children & Young People	+1.0	
Underspend		
Finance	-0.5	-0.5
<b>General Fund balance at 31 March 2011 based upon the latest projections</b>		10.7

4.2 There are no staffing implications arising directly from this report.

## 5. EQUAL OPPORTUNITIES 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. LOCAL AGENDA 21 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. 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 None were used in the preparation of this report.

**12. RECOMMENDATION**

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

IAN COLEMAN  
DIRECTOR OF FINANCE

FNCE/217/10

Department	ORIGINAL BUDGET			MONITORING			COMMENTS (INCLUDING Red/Amber/Green RATING)	
	Policy Option	Saving Target	Agreed Budget	Changes Agreed	Changes Not agreed	Forecast	Rate	Comments
Expenditure	£000	£000	£000	£000	£000	£000		
Adult Social Services	3,600	2,967	85,897	-50	Pressures of £6.1m	85,847	A	Pressures of £6.1 million within community care due to increasing demand especially learning disabilities, achieving income targets and transport. Change agreed is contribution to reduction in ABG.
Children & Young People	100	280	78,406	-1,461	+1,000	77,945	A	Residential care (+£1.3m), foster care (+£0.7m) increases partially offset by vacancy control (-£1m). Change agreed is contribution to the reduction in ABG.
Corporate Services	345	-	6,008	-200	-	5,808	G	No issues .Change agreed is contribution to reduction in ABG.
Finance	505	1,410	26,096	-	-500	25,596	G	Housing Benefit largest budget and demand continues to increase. Treasury Management income is exceeding budget.
Law, HR and Asset Mgt	66	-	8,384	-2	-	8,382	G	No issues. Change agreed is contribution to reduction in ABG.
Regeneration	4,166	-	60,837	-2,058	-	58,779	G	Functions of the department have been re-allocated with budget changes to Cabinet in November. Income targets remain biggest challenge. Change agreed is contribution to reduction in ABG .
Technical Services	1,033	640	43,504	-66	-	43,438	G	Income, particularly car parking, closely monitored. Pressures also include meeting the Streetscene contract inflation (£0.250m). Change agreed is contribution to reduction in ABG.
Merseytravel	-	-	27,344	-	-	27,344	G	Fixed amount - no change.
Local Pay Review	-	-	1,130	-	-	1,130	G	Available to meet implementation of the Review.
Contribution from Balances	-	-	(4,223)	-	-	(4,223)	G	Before changes agreed by Cabinet.
LABGI / LAA grants	-	-	(1,600)	+1,600	-	0	R	Govt announced in June that grants not now being allocated.
<b>Budget Requirement</b>	<b>9,815</b>	<b>5,297</b>	<b>331,783</b>	<b>-2,237</b>	<b>+500</b>	<b>330,046</b>		
<b>Income</b>								
Revenue Support Grant	-	-	20,016	-	-	20,016	G	Fixed amount - no change
Area Based Grant	-	-	42,725	-3,927	-	38,798	A	Govt announced reduced allocation. NB: Care at Home to be deleted.
National Non Domestic Rate	-	-	137,844	-	-	137,844	G	Fixed amount - no change
Council Tax	-	-	131,198	-	-	131,198	G	Fixed amount - no change
<b>Total Income</b>			<b>331,783</b>	<b>-3,927</b>	<b>-</b>	<b>327,856</b>		
<b>Statement of Balances</b>								
As at 1 April	-	-	10,723	-	-	10,723		Opening balance – forecast for 1 April 2011 is £6.5 million.
Contributions from Balances	-	-	(4,223)	-	-	(4,223)		Before changes agreed by Cabinet.
Contributions to Reserves	-	-	-	-	-	-		No changes approved by Cabinet.
Cabinet decisions	-	-	-	-1,600	-	-1,600		Reduction in grants -£1.6m (24 Jun) LABGI/LAA loss being met from balances.
Changes – Agreed Cabinet	-	-	-	+6,310	-	+6,310		Fostering +£90k (18 Mar), 2009/10 Accounts +£3m (24 Jun), + £3.4m Insurance Fund (2 Sept)
Changes – Not Agreed	-	-	-	-	-500	-500		Based on the departmental projections (excluding Adult Social Services). These have not been approved by Cabinet.
<b>BALANCES</b>			<b>6,500</b>	<b>+4,710</b>	<b>-500</b>	<b>10,710</b>		<b>Projected balance at start / end of year</b>

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- 2.11 Home Insulation – increased cost from 2011 of £1m.
- 2.12 Guinea Gap and Leasowe Recreation Centres – restoration into budget at a cost of £0.6m each.
- 2.13 Other Unavoidable Growth – a number of items of unavoidable growth of less than £0.2m will arise. These usually total about £1m per annum.
- 2.14 Efficiency Investment – in order to continue to deliver efficiencies in future years it will be necessary to continue to invest and therefore £2m per annum has been provided.
- 2.15 Area Based Grant (ABG) – Cabinet on 22 July 2010 agreed to reductions in expenditure for 2010-11 only to meet the £3.9m reduction in ABG.
- 2.16 Swimming - the Department for Culture, Media and Sport has deleted the grant of £0.3m to fund free swimming.
- 2.17 Government Grants – the Department for Communities and Local Government (DCLG) has indicated that Government Grants will be reduced by an average of 26%. For Metropolitan Councils the average reduction could be 35% over the period 2011-15.
- 2.18 Council Tax – the Government has announced a freeze in Council Tax increases for 2011-12. A specific grant equivalent to a Council Tax increase of 2.5% will be receivable. From 2012-13 any proposed increase above the rate of inflation will be the subject of a local referendum.
- 2.19 Council Tax Benefit grant receivable will be reduced by 10%, £3.2m, from 2013-14.

### 3. GRANT NEGOTIATIONS

- 3.1. Consultation on a range of options potentially affecting the Revenue Support Grant distribution closed on 6 October 2010. The Wirral response to the consultation was reported to Cabinet on 14 October 2010. Consultation is also taking place on a number of specific grants.
- 3.2. The provisional settlement will include a significant transfer of specific grants into Revenue Support Grant.
- 3.3. HM Treasury presented the Spending Review on 20 October 2010, the implications of which are reported elsewhere on this agenda. The provisional Local Government Finance Settlement should be issued by early December. This could be for either one, two, or four years.
- 3.4. The Government has commenced reviews of public sector pensions and welfare benefits, and has announced a review of Local Government Finance to commence in 2011. The Government has also announced that Council Tax Revaluation will be postponed until after 2015.



- 3.5. The interim report of the Independent Public Service Pensions Commission was issued on 7 October 2010 in time for the DCLG to incorporate elements into the Spending Review and the provisional Local Government Finance Settlement. The final report is due for publication by March 2011.
- 3.6. During the course of this budgeting period the results of the Census 2011 will become available and will be incorporated into the grant distribution formulae. The Office for National Statistics has now released the Mid 2009 estimated populations. The reduction for Wirral since the census 2001 is greater than for any other metropolitan or unitary authority. If this is confirmed in the Census 2011 then the reduction in grant receivable could be significant.

#### 4. **BALANCES**

- 4.1. The budget for 2010-11 includes the minimum recommended balances of £6.5m.
- 4.2. The financial out-turn for 2009-10 was reported to Cabinet on 24 June 2010 and showed an overspending of £1,385,000 offset by increased investment income of £1,185,000 and a contribution from the Collection Fund of £515,000 to produce a net surplus of £315,000.
- 4.3. The Government has announced that the Personal Care at Home scheme will not be proceeding. The revenue budget for 2010-11 will therefore be reduced by £2.6m with a reduction of £1.6m in Area Based Grant.
- 4.4. The Government announced on 10 June 2010 that there would be the following grant reductions for 2010-11:-

	£000
Area Based Grant	3,927
LAA Reward Grant	1,400
Local Authority Business Growth Incentive	<u>200</u>
	5,527

Cabinet on 22 July 2010 agreed that the reduced Area Based Grant will be matched by reduced expenditure in 2010-11.

- 4.5. The Insurance Fund Annual Report was presented to Cabinet on 24 June 2010 including the transfer of £2,471,000 to General Fund balances.
- 4.6. Cabinet on 24 June 2010 agreed that additional VAT of £240,000 recovered from HM Revenue and Customs should be placed in balances.
- 4.7. Cabinet on 26 August 2010 agreed to continue to provide free swimming after the withdrawal of the Government grant of £0.2m in 2010-11.
- 4.8. Cabinet on 2 September 2010 agreed to transfer £3.4m from the Insurance Fund to General Fund Balances following the actuarial valuation of the Insurance Fund.

4.9. The budget for 2010-11 provides for pay awards of 1% totalling £1.7m. No pay award has yet been offered.

4.10. The Cabinet has not agreed to any projected overspendings in 2010-11

	£m
4.11. Opening Balances	6.5
Out-Turn 2009-10	0.3
Personal Care at Home	1.0
LAA Reward Grant	- 1.4
LABGI	- 0.2
Insurance Fund	5.9
VAT	0.2
Free Swimming Grant	- <u>0.2</u>
	12.1

## 5. EFFICIENCIES

5.1. The previous Government increased the efficiency target for 2010-11 to 4% which for Wirral equates to £14.9m. The previous Government expected that this saving would be reinvested in order to enable delivery of increased efficiency requirements in 2011 to 2014.

5.2. The efficiencies that the Authority will need to deliver for 2011-15 are well in excess of the statutory efficiency target. The main mechanism for delivery of the required efficiencies is the change programme. Cabinet on 14 January 2010 agreed a revised change programme, progress on which was to be reported quarterly to the Cabinet.

5.3. Revised governance and programme management arrangements for the change programme were reported to Cabinet on 22 July 2010.

5.4. Cabinet has to date agreed a number of efficiencies:-

- a. Cabinet agreed that £1m will be saved from office accommodation from 2011. Progress was reported to Cabinet on 24 June 2010.
- b. Cabinet on 15 October 2009 agreed to the implementation of an integrated Human Resources IT system with initial projected savings of £254,000 for 2011-12, £220,000 for 2012-13, £100,000 for 2013-14 and £20,000 for 2014-15.
- c. Cabinet on 22 February 2010 agreed to the creation of an integrated transport unit with projected savings of £130,000 in 2011-12, £340,000 in 2012-13 and £250,000 in 2013-14.
- d. Cabinet on 18 March 2010 agree to investment in an assistive technology project in Adult Social Services with projected additional savings of £8.8m over 2011-13 after additional investment from the Efficiency Investment Budget of £6.0m. Progress on this is to be reported to the Cabinet on 9 December 2010.



15. **RECOMMENDATIONS**

15.1. That the budget projections be kept under review.

15.2. That further efficiencies be delivered.

IAN COLEMAN  
DIRECTOR OF FINANCE.

FNCE/210/10

## WIRRAL COUNCIL

## BUDGET PROJECTIONS 2011-2015

	2011-12 £M	2012-13 £M	2013-14 £M	2014-15 £M
Base Budget	330.8	313.5	300.5	288.5
Increased Requirements				
Pay Inflation	1.0	1.0	3.5	3.5
Price Inflation	4.2	4.2	4.2	4.2
Capital Financing	2.0	2.0	2.0	2.0
Pension Fund	2.2	2.0	2.0	2.5
Waste Disposal	1.4	1.5	1.6	1.7
Merseytravel	0.8	0.8	0.8	0.8
Private Finance Initiative	0.1	0.1	0.1	0.1
Benefits	2.4	2.4	2.5	2.5
Home Insulation	1.0	-	-	-
Guinea Gap	0.6	-	-	-
Leasowe Recreation Centre	0.6	-	-	-
Carbon Reduction Commitment	1.0	-	-	-
Council Tax Benefit	-	-	3.2	-
Swimming	0.3	-	-	-
Other Unavoidable Growth	1.0	1.0	1.0	1.0
Efficiency Investment	2.0	2.0	2.0	2.0
	<u>351.4</u>	<u>330.5</u>	<u>323.4</u>	<u>308.8</u>
Reduced Requirements				
Income Inflation	-1.0	-1.1	-1.1	-1.1
Benefits Subsidy	-2.2	-2.2	-2.3	-2.3
Savings Agreed	<u>-1.6</u>	<u>-2.0</u>	<u>-1.6</u>	<u>-</u>
	346.6	325.2	318.4	305.4
Resources				
Grants	179.0	166.0	154.0	143.0
Council Tax Grant	3.3	3.3	3.3	3.3
Council Tax	<u>131.2</u>	<u>131.2</u>	<u>131.2</u>	<u>131.2</u>
Forecast Resources	313.5	300.5	288.5	277.5
Shortfall	33.1	24.7	29.9	27.9

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## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

18 NOVEMBER 2010

### REPORT OF THE DIRECTOR OF FINANCE

#### SPENDING REVIEW 2010

#### 1. EXECUTIVE SUMMARY

- 1.1. The Chancellor of the Exchequer presented his Spending Review on 20 October 2010. This report provides a summary of the main measures that will affect local authorities over the four years of the review. The full financial impact will not be known until the Provisional Formula Grant Settlement is announced in early December 2010.

#### 2 SPENDING REVIEW 2010

##### 2.1 Headlines

There will be a real terms reduction of 28% in local authority budgets over the next four years, with core funding from the Department for Communities and Local Government (DCLG) falling from £28.5bn in 2010-11 to:

£26.1bn in 2011-12  
£24.4bn in 2012-13  
£24.2bn in 2013-14  
£22.9bn in 2014-15

The reduction for local authorities will be front loaded.

##### 2.2 Localising power and funding

Ring-fencing of all local government revenue grants will end from 2011-12, except the simplified schools grants and a new public health grant. The number of separate core grants will be reduced from over 90 to fewer than 10, excluding schools, police and fire. More than £4bn of revenue grants will be rolled into Formula Grant.

Community budgets will be established in 16 areas to pool departmental budgets for families with complex needs and will be rolled out to all areas over the Spending Review period.

The New Homes Bonus is intended to give authorities clear financial incentives to ensure that local communities benefit from new housing and economic development in their areas.

The Spending Review intends to shift power directly to people by giving them more control over the money spent on public services. The Government will look to significantly extend the use of personal budgets across a range of service areas including special education needs, support for children with disabilities, long term health conditions and adult social care.

### **2.3 Sharing responsibility**

The Government accepts that whilst it should continue to fund important services it does not have to be the backstop provider. To create opportunities for non-state providers the Government proposes to look at more innovative payment mechanisms for new areas, one of which would be children's centres.

The intention is to specify the proportion of appropriate services that should be delivered by independent providers, such as the voluntary and community sectors and social and private enterprises. Areas that will be explored include adult social care, early years, and early interventions for the neediest families.

Over the Spending Review period £470m will be directed to support capacity building in the voluntary and community sector.

To bring external investment and expertise into the public sector the Government will look to work with the financial and voluntary sectors to develop innovative equity investment opportunities in public services.

Cultural institutions, such as museums will be allowed to use money raised independently more flexibly and to establish trusts that may generate more funding from the private sector.

### **2.4 Adult and Social Care**

The current Department of Health grant to local authorities, the Personal Social Services grant, will increase by £530m in 2011-12, rising to £1bn in 2014-15. This will be allocated through the Formula Grant.

The NHS will set aside, by a transfer from capital to revenue, funding rising to £1bn in 2014-15 to support joint working between the NHS and Councils. How this money will be controlled and allocated, whether it is by the NHS or local government requires clarification. The LGA estimates that the increase in the cost of adult social care could be in the region of £6bn by 2011/14 and there could, therefore be a significant funding gap.



There will be two new grants issued from the Department of Health over the Spending Review period. Learning Disabilities and Health Reform, an unringfenced specific grant worth £1.3bn from 2011-12 for which details will be announced at the time of the provisional Formula Grant Settlement. A new Public Health grant will be effective from 2013-14 and is likely to be ringfenced. These two grants reflect a transfer of responsibility for services from the NHS to local authorities.

Supporting People will receive £6.5bn over four years. This is broadly in line with the current allocation for 2010-11.

The rules surrounding the mobility and care elements of the Disability Living Allowance for claimants in residential care will be aligned to generate savings.

## **2.5 Capital**

Capital funding is to be cut by 45% over four years, compared with 29% for the rest of the public sector. Over the four years:

Education falls 60% from £7.6bn to £3.4bn

DCLG Communities falls 74% from £6.8bn to £2.0bn

Transport falls from £7.7bn to £7.5bn.

The DCLG Communities funding includes provision for 150,000 new affordable homes

The DCLG will allocate up to £200m of capital in 2011-12 only to allow Councils to restructure their services e.g. capitalising redundancy costs. A bid was submitted to the DCLG prior to the deadline of 29 October 2010.

Prudential borrowing has been retained but interest rates for the PWLB were increased by 1% with immediate effect.

## **2.6 Benefits**

The Government will reduce spending on Council Tax Benefit by 10% and localise it from 2013-14. This equates to £400m a year nationally, and £3.2m for Wirral and will mean that local authorities will have to find ways to reduce the overall amount of support people receive.

The Government will also consider certain flexibilities so that local authorities can manage pressures on Council Tax from that date. Authorities will have discretion to decide the best way to protect those members of the community who need help with making Council Tax payments.

Total household Benefit payments will be capped from 2013 at around £500 per week for couple and lone parent households and £350 for single adult households. The age threshold for the share room rate will increase from 25 to 35. Disability Living Allowance claimants, war widows and working families claiming the working tax credit will be exempt from the cap.

## **2.7 Housing**

The terms for existing social tenants and their rent levels will remain unchanged. However, in the future social landlords will be allowed to offer new social tenants contracts that are more flexible and at rent levels between current market (i.e. private landlords) and social rents. This could lead to residents paying different rents for the same service.

There is a commitment to reform the council housing finance system to give local authorities greater control over their own finances.

Provision for capital funding of Disabled Facilities Grants is planned to rise with inflation over the period of the Spending Review. The current ring fencing of this grant will cease.

The Homelessness Grant will be protected and will remain at current levels.

The £345m funding for Warm Front will be cut and will be replaced by "extra support" from energy companies.

## **2.8 Concessionary fares and transport**

Overall Department of Transport grants to local authorities are reduced by 28%. The recently announced Sustainable Transport Fund is to be subject to a bidding process.

Bus subsidy is to be reduced by 20%. This could have an adverse affect on the service provided and/or result in significant fare increases.

The entitlement to concessionary travel is to remain unchanged. However the previously announced budget allocation aims to achieve a reduction of £180m by 2012-13. It is unclear how these savings will be delivered and the issue is compounded by the fact that increases in bus operating costs impact on the costs of the scheme.

The Concessionary Travel Grant will be rolled into Formula Grant

## **2.9 Education/children**

The 5-16 schools budget, including a range of schools grants previously outside the Dedicated Schools Grant (DSG) will increase by 0.1% in real terms each year. This includes funding for the pupil premium which will rise to £2.5bn by 2014-15. The aim is to support the educational development of disadvantaged pupils and incentivise good schools to take on pupils from more disadvantaged backgrounds. Clarification is required as to whether this is new or recycled money.

The introduction of a new "Fairness Premium (£7.2bn to 2014-15). At present there is an entitlement to 15 hours of free early education per week for all 3 and 4 year olds. This will be extended to provide free early education and care to all disadvantaged 2 year olds from 2012-13.

Sure Start will be protected in cash terms and included within a new non-ringfenced Early Intervention Grant worth £2bn by 2014-15. The Spending Review states that it is to be "refocused on its original purpose of improving the life chances of individual pupils". Clarification is required as to what this actually means.

The Department for Education non-schools budget will decrease by 12% in real terms. This will be achieved by cutting administration costs, reducing 16-19 unit costs and focusing the support currently provided by the Education Maintenance Allowance (EMA) on the most disadvantaged children in the context of raising the participation age to 18 by 2015.

Capital funding to rebuild or refurbish more than 600 schools from the Building Schools for the Future (BSF) and Academies programme. The decision to end the BSF programme will allow investment in new school provision in areas of demographic pressure.

## **2.10 Council Tax Freeze**

£700m has been set aside to allow local authorities to set a zero Council Tax increase for 2011-12, and for those taking up this offer, the funding will be built into grants over the next four years. The loss to the tax base for 2011-12 will be funded at 2.5% in each year of the review period. This will be paid by way of a specific grant. There is no funding for any freezes beyond 2011-12 and no guarantee that the funding to support the 2011-12 freeze will continue beyond 2014-15. There is no indication as to whether this is a permanent addition to the baseline funding.

### **2.11 Flooding and flood defence**

Investment of £2bn over the next 4 years. This represents a large reduction to the amount currently spent on Flood Risk Management (£763m p.a.)

### **2.12 Energy and Climate Change**

The Carbon Reduction Commitment Energy Efficiency scheme will be simplified, with the first allowance sales for 2011-12 emissions now taking place in 2012 rather than 2011. Revenues from allowance sales will be used to support the public finances, including spending on the environment, rather than recycled to participants. Clarification is awaited but the scheme will in effect become a carbon tax rather than an incentive scheme. The cost to Wirral is estimated at £1m.

### **2.13 Local Growth and Worklessness**

As a result of the closure of the Government Office Network, programmes including the Working Neighbourhoods Fund will end. This currently forms part of the Area Based Grant and Wirral is receiving £10.3m in 2010-11.

Funding for the Regional Growth Fund has been increased by £0.4bn to £1.4bn over 3 years. However, the Regional Development Agencies budget was £2.3bn a year.

Funding for new adult apprenticeships will be increased by £250m a year by 2014-15.

The intention is to increase housing supply by reforming the planning system. A New Homes Bonus is to be introduced from 2011-12 that will directly reward and incentivise local authorities to be supportive of housing growth. This will be the equivalent of the additional Council Tax from every new home for the next six years. A consultation paper will be issued in November 2010.

### **2.14 Tax Incremental Funding**

The Government confirmed its commitment to tax incremental funding.

Authorities will be able to borrow against future growth in business rates to fund infrastructure projects. A sub-national growth white paper will be issued in November 2010.

## **2.15. Equitable Life Assurance Society**

Equitable Life was the original provider of Additional Voluntary Contributions to employees of the Council. It went to into Administration in 2000. In 2008 Ann Abraham, the Parliamentary Ombudsman, declared that the Government had been negligent in its regulation of Equitable Life. The Government has now agreed to make £1.5B available to partially compensate for the losses suffered by policy holders. Clarification is awaited of how and when this will be paid.

## **2.16. Local Government Pension Scheme**

Lord Hutton released his interim report of the Independent Public Service Pensions Commission on 7 October 2010. The Government has indicated that it will increase employee contribution rates but clarification of the amount of the increase and the timescale for implementation will not be received until the Formula Grant Settlement. The final report of the Hutton enquiry should be released in March 2011.

## **3. FINANCIAL AND STAFFING IMPLICATIONS**

- 3.1 The Spending Review provided headline figures which give an indication of the likely reductions that will be required over the four years commencing 2011-12. There is insufficient detail to allow an accurate prediction of the precise year on year savings required.
- 3.2 For local authorities the reduction in funding appears to be front loaded. However, it is impossible to calculate the effect for individual authorities.
- 3.3 Insufficient detail is provided in the Spending Review with regard to Area Based Grant and specific grants. For metropolitan areas the move to switch most specific grants into Formula Grant could have a more adverse affect than for other Councils. The case will now be made for the Needs Element within Formula Grant to be significantly adjusted to provide suitable compensation, but this will only become apparent when Formula Grant is announced.
- 3.4. There will be a significant reduction in the number of staff employed by the Council and discussions are currently taking place with both employees and Trade Unions.

## **4. EQUAL OPPORTUNITY IMPLICATIONS**

- 4.1 There are none arising directly from this report.

## **5. COMMUNITY SAFETY IMPLICATIONS**

- 5.1 There are none specifically referenced in the Spending Review, but there may be implications resulting from future budgetary decisions taken by the Council and the Police Authority

## **6. HUMAN RIGHTS IMPLICATIONS**

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

## **7. LOCAL AGENDA 21 IMPLICATIONS**

- 7.1. The Spending Review 2010 contains a number of measures relating to energy efficiency and climate change.

## **8. PLANNING IMPLICATIONS**

- 8.1. The planning system is to be reformed to make it more effective in supporting economic development.

## **9 MEMBER SUPPORT IMPLICATIONS**

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

## **10. BACKGROUND PAPERS**

- 10.1. Spending Review 2010 – Chancellor of the Exchequer – 20 October 2010.

## **11. RECOMMENDATION**

- 11.1. That the case continues to be made with the Government to try to ensure the best possible outcome for Wirral in the Formula Grant Settlement.

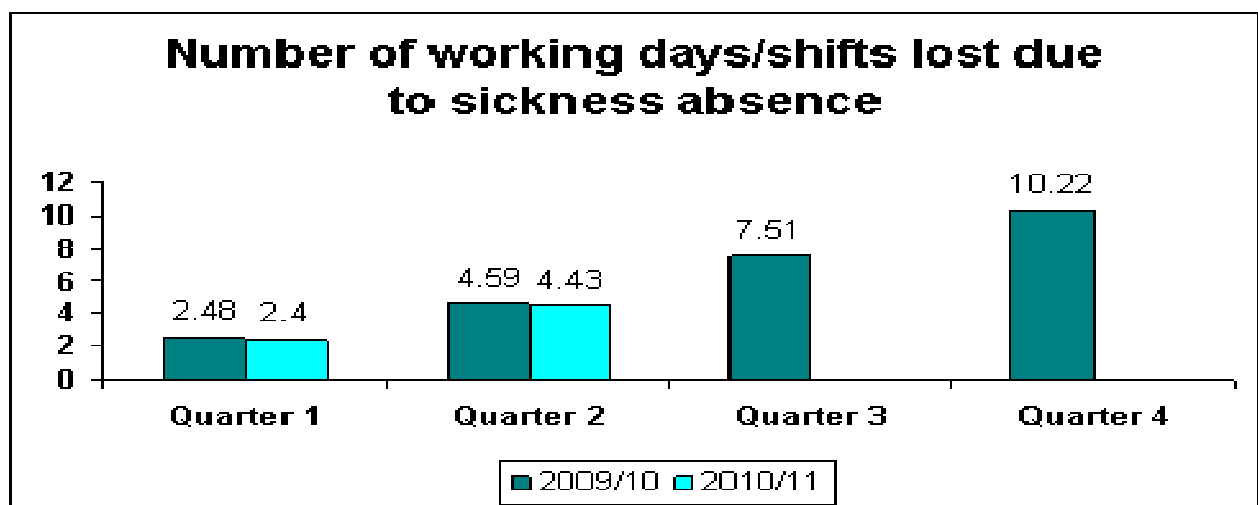
IAN COLEMAN  
DIRECTOR OF FINANCE

FNCE/215/10

## 1. Executive Summary

- 1.1 Members have requested that performance by exception is reported to the Council Excellence Overview & Scrutiny Committee. A presentation and a detailed report is prepared for Cabinet on a quarterly basis. Relevant performance and financial issues are also reported to the relevant overview and scrutiny committee on a quarterly basis. The following report was considered by Cabinet on 4 November 2010.
- 1.2 This report sets out performance of the Council's corporate plan towards delivering the vision of building a more equal and prosperous Wirral. This report is intended to provide members with an overview of performance, financial and risk monitoring for quarter two 2010/11. The format for reporting performance issues and financial information is currently under review and future reports will reflect any changes to the current format, including relevant benchmarking comparators.
- 1.3 The recent announcement regarding changes to the national performance framework and the replacement of the national indicator set will provide more flexibility locally. This includes the revocation with immediate effect, October 2010, of all designations of local improvement targets within our Local Area Agreements (LAA). There is no longer a requirement to report LAA performance to central government and full control of all current local area agreements has been handed to local areas. Performance Reward Grants against the LAAs for 2008/11 will not be made. The replacement of the National Indicator Set with a single comprehensive list of data required to be reported by local to central government. It is anticipated that the single list will be in place from April 2011. Future performance reports will also reflect these changes.

## 2. Sickness performance



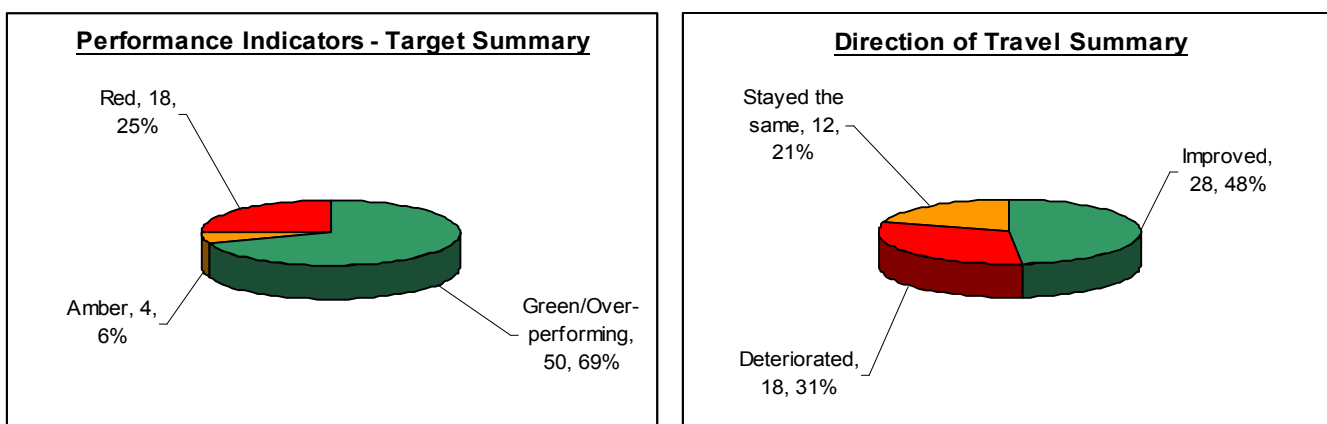
The above data is the latest data available, which is provisional. Early signs show that there is a slight improvement compared to the same period last year.

### 3. Performance summary:

3.1 This report sets out that the overall performance against the 2010/11 corporate plan projects is as follows:

- Performance of the **99 projects** within the corporate plan shows that **75 (76%)** are assessed as green (all milestones that should have been met at this point have been met).
- **20 (20%)** projects are amber, **2 (2%)** are red (some non-critical milestones missed / danger of non-critical slippage) and **2 (2%)** projects have been closed.

3.2 There are **76** performance indicators at the second quarter period. The following graphs provide a summary of the overall performance:



**(72 indicators can be reported against target) (58 indicators can be compared to the previous year)**

3.3 The following table sets out a summary of performance against the indicators and projects identified within the corporate plan.

There are **76** reportable indicators at the second quarter. Of the 76 indicators, **58** can be compared with the previous year, and **72** can be reported against target. There are **4** indicators where the target has not been set or the indicator is not applicable, and therefore a RAG status can not be given.



Strategic Objective	Performance Indicators (76)					Projects (99)				
	Green/ Over Performing	Amber	Red	Target not set/not applicable	TOTAL	Green	Amber	Red	Closed	TOTAL
To create more jobs, achieve a prosperous economy and regenerate Wirral	7	0	3	0	10	12	1	0	0	13
To create a clean, pleasant, safe and sustainable environment	8	0	3	2	13	24	2	0	0	26
To improve health and well being for all, ensuring people who require support are full participants in mainstream society	14	2	5	0	21	9	7	2	2	20
To help children and young people achieve their full potential	10	2	5	0	17	12	5	0	0	17
Create an excellent Council	11	0	2	2	15	18	5	0	0	23
<b>Total</b>	<b>50</b>	<b>4</b>	<b>18</b>	<b>4</b>	<b>76</b>	<b>75</b>	<b>20</b>	<b>2</b>	<b>2</b>	<b>99</b>

Due to the data lag of the national economic indicators, updated figures are not available for quarter two. Section 4.1 includes the latest monitoring information for these indicators.

#### 4. Strategic Objective: To create more jobs, achieve a prosperous economy and regenerate Wirral

Priorities for improvement: **increase enterprise, reduce worklessness**

##### 4.1 Performance Issues – Indicators

The following indicators show the latest monitoring information available:

Portfolio	PI no	Title	Latest monitoring data
Regeneration and Planning Strategy	NI 151	Overall Employment rate (working-age) (WNF)	Latest data for March 2010 is 66.2%. The gap between Wirral and the North West currently stands at -1.66pp.

Portfolio	PI no	Title	Latest monitoring data
Regeneration and Planning Strategy	NI 153	Working age people claiming out of work benefits in the worst performing neighbourhoods (WNF)	Latest data for February 2010 is 37.9%.

The above indicators are key measures of economic activity and have been included to provide members with a regular update. These indicators are always reported in arrears. (151, 153)

The following indicators have missed the Quarter Two 2010/11 target by more than 10% and are therefore assessed as **red**.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Culture, Tourism and Leisure	LOCAL 6285	Attendance at core events	30000	24388 (A)	Red	Deteriorated
<b>Corrective action:</b> Attendance at Wirral Food Festival - though extremely good especially on the Monday was less than had been forecast. The first ever Port Sunlight Christmas Food Fayre takes place in Quarter 3 and is expected to greatly increase visitor numbers						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Culture, Tourism and Leisure	LOCAL 6286	Spend at core events	£1458100	£1181690 (A)	Red	Deteriorated
<b>Corrective action:</b> Slightly under performance in spend is directly affected by numbers at the Food and Drink Festival.						

#### 4.2 Performance Issues – Projects

The following project has been assessed as **amber** (some non-critical milestones have been missed or there is a danger of non-critical slippage)

Portfolio	Key project	Status	Corrective Action
Regeneration and Planning Strategy	Refreshing and monitoring Wirral's Employment and Skills Strategy	<b>Amber</b>	Timescales reviewed due to changing policy landscape in relation to economic regeneration. Also awaiting the outcome of Wirral's Future Consultation to inform the council's employment and skills priorities for the future.

#### 4.3 Risks

The fragile state of the wider economy continues to be a significant source of uncertainty for local businesses. Initiatives such as Wirral Waters, Invest Wirral, "Think Big Grants" and

the wider Economic Recovery Plan are helping to offset the impact to some degree. However, the Government response to the budget deficit is also presenting a significant threat to priorities in this field in terms of changes to the welfare benefits system and reductions in staff and services in the public sector. The 'Working Wirral' initiative, coherent activity by the partners and the Invest Wirral programme may help to counter some of the impact.

## 5. Strategic Objective: Create a clean, pleasant, safe and sustainable environment

Priorities for improvement: **sustain improved levels of recycling, reduce the Council's carbon footprint, and reduce number of people killed or seriously injured in road accidents**

### 5.1 Performance Issues – Indicators

The following indicators have missed the Quarter Two 2010/11 target by more than 10% and are therefore assessed as **red**.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Streetscene and Transport Services	NI 195a	Improved street and environmental cleanliness (levels of litter)	7% Lower=Better	8% (A)	Red	Deteriorated
<b>Context:</b> Tranche 1 completed beginning of August.						
<b>Corrective action:</b> Surveys to date suggest that this indicator is on target.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Streetscene and Transport Services	NI 195b	Improved street and environmental cleanliness (levels of detritus)	8% Lower=Better	10% (A)	Red	Deteriorated
<b>Context:</b> Surveying for tranche 1 was completed beginning August.						
<b>Corrective action:</b> Surveys to date suggest that this indicator is on target.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Housing and Community Safety	LOCAL 4272	Percentage of under-age sales of alcohol during test purchase exercises	5% Lower=Better	12% (A)	Red	Deteriorated
<b>Context:</b> As well as carrying out under age sales test purchasing activity in off licences officers are working with the police to detect and seize contraband and/or counterfeit alcohol and tobacco. Officers will use all powers available to them to regulate criminality in off licences.						
<b>Corrective action:</b> As stated in the previous quarters' report continued enforcement action (fixed penalty notices, licence review and prosecution) will start to reduce the offending rate. The rate has reduced from 20% to 12%.						

### 5.2 Performance Issues – Projects

The following projects have been assessed as **amber** (some non-critical milestones have been missed or there is a danger of non-critical slippage)

Portfolio	Key project	Status	Corrective Action
Housing and Community Safety	Affordable Housing Programme	Amber	There are some 71 units that will not complete in quarter 2 as originally expected. This is due to a number of reasons including delays due to a planning application, delay on a land transfer on an electricity sub-station resulting in a inability to obtain service connections and lack of take up on Homebuy direct. Quarter 3 is expected to be on target and the 71 units scheduled for Qtr 2 will complete in Qtr 3. It is still anticipated that we will surpass our target of 187 for 2010/11.

Portfolio	Key project	Status	Corrective Action
Housing and Community Safety	Housing Market Renewal Initiative New Build Programme	Amber	The shortfall on target relates to 8 new build units on Sevenoaks, Rock Ferry. Delays have resulted due to problems re: connections to a new sub station. The problem has been resolved and the forecast units will be completed by the end of October.

### 5.3 Risks

The reduction or withdrawal of funding threatens programmes tackling anti-social behaviour, road safety and violent crime. Investigations into alternative sources of funding and different methods of service delivery may help to counter some of the impact. There is also uncertainty about funding for delivering the Housing Strategy including the regeneration areas and initiatives such as the Warm Front initiative. There is thought to be little that the Council and its partners can do to mitigate these risks.

## 6. **Strategic Objective: To improve health and wellbeing for all, ensuring people who require support are full participants in mainstream society**

Priorities for improvement: **reduce health inequalities, promote greater choice and independence, tackle alcohol harm**

### 6.1 Performance Issues

The following indicators have missed the Quarter Two 2010/11 target by more than 10% and are therefore assessed as red, or have missed the target between 5% and therefore assessed as amber.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Social Care and Inclusion	NI 123	Clients receiving support through the NHS Stop Smoking Services	493	394 (E)	Red	Improved

**Context:** It is estimated that the service will achieve their Q2 target however; As there are two levels of service within the stop smoking service, a specialist service which is part of Wirral's public health provider services and the intermediate service which consists of providers in the community such as GP's and pharmacies. The intermediate service data is collected on a paper based system and is collected by the specialist service. Therefore the data for

each quarter is always a quarter late. We have only just received the final data for Q1, a total of 391 smoking quitters. Full Q2 data will be available in December. This reporting system is also used by the SHA. Q1 data was under the SHA target, however it is in line with last years performance for the same period. As was the case last year the returns from intermediates sometimes can take up to Q4 to receive. This is expected to rise and meet the Q1 target once all data is collected by the end of financial year. The target for end of year 2009/10 was overachieved when all the data was returned with an additional 512 smoking quitters achieved in Wirral over the set 2,300 smoking quitters target. There are no immediate concerns from the stop smoking service or commissioner that targets will not be achieved. A new regional online database will work towards improving data collection.

**Corrective action:** There are no corrective actions noted, please see the context box for more information.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Social Care and Inclusion	NI 125	Achieving independence for older people through rehabilitation/intermediate care	89.0%	82.10% (A)	Amber	Deteriorated

**Context:** This indicator measures the status of people, aged 65 or over, three months after they have been discharged from hospital to either their own home or to a residential or nursing care home or extra care housing bed for rehabilitation (with a clear intention that they will move on/back to their own home).

**Corrective action:** Performance has been reduced due to an unusually high number of deaths amongst those being monitored after leaving hospital (39 out of 257 monitored died) whereas far fewer died in quarter 1 (14 died out of 175). No obvious reason why this was the case, monitoring continues as usual.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Social Care and Inclusion	NI 126	Early Access for Women to Maternity Services	95%	85.0% (E)	Red	Improved

**Context:** All women should access maternity services for a full health and social care assessment of needs, risks and choices by 12 completed weeks of their pregnancy to give them the full benefit of personalised maternity care and improve outcomes and experience for mother and baby. Reducing the percentage of women who access maternity services late through targeted outreach work for vulnerable and socially excluded groups will provide a focus on reducing the health inequalities these groups face whilst also guaranteeing choice to all pregnant women.

**Corrective action:**

Bookings at 12 weeks are currently below the required target. To address this issue the following actions are being undertaken:

- a) Wirral University Teaching Hospital have requested a break out session with Primary Care to collectively explore how the health economy can improve access and stream line the antenatal booking service.
- b) Wirral University Teaching Hospital wants to identify all GP practices where bookings are over 12 weeks so awareness can be raised directly with them. The aim is to find ways of encouraging women to book earlier appointments with general practitioners to meet the 12 week timeframe.
- c) The new midwifery pilot scheme is exploring different ways of managing 12 week bookings to ensure this milestone is not passed.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Social Care and Inclusion	NI 130	Percentage of Social care clients receiving Self Directed Support	10.0%	9.36% (A)	Amber	Improved

**Context:** This indicator measures the effectiveness of "personalisation". It is the percentage of people who have "self directed support" (having a personal budget or Direct Payment). Putting people First Milestones require this to be the universal offer from October 2010, and that by 1<sup>st</sup> April 2011, 30% of users will have a Personal Budget.

**Corrective action:** This indicator is monitored on a weekly basis to ensure sustained improvement. Exception reports are produced. Process training for staff is taking place early October 2010. Cabinet on 14<sup>th</sup> October have agreed to roll out Personal Budgets as the universal offer to all new people presenting need.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Social Care and Inclusion	LOCAL 8857	An increase in the number of new individuals who have received a service via Wirral Assistive Technology (including telecare and telemedicine)	1100	778 (A)	Red	Improved

**Context:** Targets have been re-profiled from September 2010, based on the rate of service expansion from April 2010. Therefore, the re-profiled figures for Q2 performance would show an outturn of 778 on a target of 836, resulting in an Amber status (16 less from a green status).

**Corrective action:** Referrals are increasing weekly. Promotions within specific teams and integration into services continue. Assistive Technology is now embedded into the HARTS process with priority assigned to referrals to aid installation and impact. AT will be incorporated into the Self Directed Assessment (SDA) imminently. The Assistive Technology interactive SMART House will be launched to all staff with a link from the Council website for public access. Seniorlink Eldercare (telecare provider) have trained additional staff to focus on the increase in assistive technology assessment to accommodate the development and expansion of the service.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Social Care and Inclusion	LOCAL 8866	Percentage of Adult Safeguarding alerts dealt with in 24 hours	100%	87.96% (A)	Red	N/A

**Context:** This indicator measures how promptly care managers the recognising and responding to adult safeguarding alerts. The 24 hour target is built into the Adult Safeguarding Process.

**Corrective action:** This indicator is being tracked and reported upon on a weekly basis in order to ensure team managers are aware of the current situation. Although the Quarter 2 outturn is not 100% it has shown a significant improvement since the end of Quarter 1.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Social Care and Inclusion	LOCAL 8867	Percentage of Adult Safeguarding incidents closed in 28 days	100%	59.91% (A)	Red	N/A

**Context:** This indicator measures the time taken to investigate and resolve an adult safeguarding incident. There is a Departmental target of 28 days to investigate and resolve all safeguarding incidents. This deadline is built into the Adult Safeguarding Process. A recommendation has been agreed by the Safeguarding Adults Partnership Board on 11/10/10 to redefine the indicator to provide improved reporting arrangements. This is to ensure those incidents that are not closed within 28 days are understood and activity is being properly conducted.

**Corrective action:** This indicator is being tracked and reported on a weekly basis. This involves giving locality managers a list of open safeguarding incidents in date order (oldest first) so each incident can be progress chased. Other work is taking place to identify and resolve a significant number of open incidents that are awaiting the completion of actions by external agencies and organisations.

## 6.2 Performance Issues – Projects

The following projects have been assessed as **red** or **amber** (some non-critical milestones have been missed or there is a danger of non-critical slippage)

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Improving support for carers (Implementing the Carers Commissioning Strategy)	<b>Red</b>	Project work now part of the Personalisation Project.

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Reduce Hospital admissions Project (Project 13)	Red	Hospital admissions remain high. Focused activities are underway to reduce these by involving Wirral Home Assessment Reablement Team (HART) plus interim and intermediate care.

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Health Inequalities Action Plan	Amber	2009/10 Annual Report of Health Inequalities Action Plan has been reported to PCT CDG and is going to LA Cabinet September 2010 before wider dissemination to stakeholders. Quarter 1 reporting complete and will also be reported to PCT CDG, LA Cabinet and Health and Wellbeing Partnership Group September/October 2010. HAA teams continue to target those people suffering the worst health in the Borough. CVD LES with GPs continued for a further year to identify those at risk of CVD and signpost to lifestyle services. We estimate 61% of target population (40-75yrs) has been screened to date (to June 2010). A Health Advocate programme is planned which will target people on CVD and diabetes disease registers, who have not attended for their GP appointments, to review their condition and medication and support them to make sustainable lifestyle changes.

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Early Intervention Strategy (strategic shift of investment to preventive and early intervention support)	Amber	At its meeting of 24 August, Strategic Change Programme Board identified that the Early Intervention Plan needed further explanation and a revised project initiation document submitted for consideration.

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Shaping the future of Care Services (Implementation of strategic decision regarding the future of in house provided services)	Amber	Wider consultation is underway regarding the detailed outcomes that will be delivered by this project.

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Implementing Assistive Technology Invest to Save Programme	Amber	Results of evaluation to evidence efficiencies will be reported in October 2010

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Community Development Project (Project 14)	Amber	Community Development workers are engaged in identifying local priorities.

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Mental Health Commissioning Strategy	Amber	Work in progress with close monitoring of targets.

Portfolio	Key project	Status	Corrective Action
Social Care and Inclusion	Implement Alcohol Strategy	Amber	The Alcohol Strategy for 2010-2011 is currently being worked towards, however, it was decided at the DAAT meeting (Wednesday 4 <sup>th</sup> August 2010) that the completion and launch of Wirral's Alcohol Harm Reduction Strategy 2010-2013 is to be postponed until next year (2011). This is primarily because we are so unclear about changes in structures, funding and governance of alcohol, both locally and nationally. Therefore, it was recommended that an interim document be produced, mainly to acknowledge the achievements of Wirral's Alcohol Harm Reduction Strategy 2007-2010 and to gather further evidence of the specific needs on Wirral. This document is to be produced by December.

### 6.3 Risks

The increasing numbers of young people with complex needs reaching majority remains a significant issue. The Transitions Team in the Department of Adult Social Services is now in place and operational procedures linked to the transition protocol are being implemented.

## 7. Strategic Objective: To help children and young people achieve their full potential

Priorities for improvement: **safely reduce looked after children, raise overall educational attainment, particularly lower achieving young people, reduce teenage conceptions.**



## 7.1 Performance Issues – Indicators

The following indicators have missed the Quarter Two 2010/11 target by more than 10% and are therefore assessed as red, or have missed the target between 5% and therefore assessed as amber.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Childrens Services & Lifelong Learning	NI 53	Prevalence of breast-feeding at 6-8 wks from birth	35.1%	28.8% (E)	Red	Unchanged

**Context:** Wirral is below the average nationally (44.4%) and regionally (32.7%) at 6-8 weeks and on Wirral we want to turn this around to at least match the regional average and ideally the national figures but this won't be done overnight particularly as the figures have hardly improved over the last 10 years. We want Wirral to have a breastfeeding culture as opposed to bottle feeding and we are already working very hard collectively across health professions to achieve this with better partnership working with midwives, health visitors and children centre staff and reignite the enthusiasm and commitment to breastfeeding – which our breastfeeding peer support volunteers appear to have done. Over the last year Wirral has had to catch up with other areas – we now have a breastfeeding peer support programme (commissioned at end of last year and launched in April 2010), however, Knowsley and Sefton already had a programme and Liverpool have only recently started theirs. We now have an infant feeding co-ordinator in the community and at the hospital. We joined forces with Sefton, Knowsley and Liverpool in July last year to be part of the breastfeeding social marketing campaign and this was launched in June this year. I would say that over the last year we have probably caught up with other areas and we should over this year begin to see improvements in our breastfeeding rates which are currently better than Knowsley, Sefton and Liverpool. I know some of the other Merseyside areas still are battling with partnership working between health visitors and midwives but I feel locally we have done a lot to address this and now deliver training to a range of health professions were midwives are co-training with health visitors. We also recently had a working group to draft out a breastfeeding care pathway – not many areas have one of these. I hope over the next 6-12 months we will see an improvement and people will look to us as an example as to how we have achieved our improvements.

**Corrective action:** The following have taken place to promote, support and improve breastfeeding rates: • Stage one accreditation for Baby Friendly Initiative in the community submitted to UNICEF in July and audit took place in August • Multidisciplinary task group set up and have drafted out a breastfeeding care pathway • Infant Feeding Specialist at the Hospital is now trained to deliver UNICEF breastfeeding training alongside the other local UNICEF trainers delivering the multidisciplinary training • Further one day breastfeeding update training delivered from the training schedule and further training dates have been set for the rest of this year and for 2011. • The breastfeeding peer support programme have supported 293 mother up to August which is ahead of their annual target of supporting 500 women and in the first quarter 54% of these women were still breastfeeding at 6-8 weeks • Three briefing sessions were delivered to midwives about the social marketing campaign 'breastmilk it's amazing' in July with 20 staff attending • A communication strategy has been devised between the participating four PCTs (Knowsley, Sefton, Liverpool, Wirral) for this social marketing campaign with each of the respective communication leads

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Children's Services & Lifelong Learning	NI 59	Percentage of initial assessments for children's social care carried out within 7 working days of referral.	76%	70.1% (A)	Amber	Improved

**Context:** This indicator is performing considerably better when compared to the same period during 2009/10. It should also be noted that the definition of this indicator is changing from 7 working days from referral to 10 working days in 2011/12. The 2010/11 quarter 2 figure for initial assessments carried out within 10 working days of referral is 82.9%.

**Corrective action:** With the induction of a new manager, there has been a refreshed and improved focus on work plans and development of new reports to support staff to help ensure time scales are met.

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Children's	NI	Percentage of core assessments for	80%	62.9%	Red	Improved

Services & Lifelong Learning	60	children's social care that were carried out within 35 working days of their commencement		(P)		
<b>Context:</b> This indicator has improved following the circulation of good practice guidance notes to the teams with support from the data officers on electronic recording. However, there has been a large increase in the volume of work: 517 Core Assessments have taken place to date in 2010/11 compared with 449 at quarter 2 in 2009/10. Despite this there has been an improvement of 7% when compared with the same period in 2009/10.						
<b>Corrective action:</b> Ongoing support to staff is being provided by the data officers recording information related to this indicator. All Social Workers and managers are undertaking refresher Child Protection training during October and November 2010 which will help staff focus in this area.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Children's Services & Lifelong Learning	NI 61	Timeliness of placements of looked after children for adoption following an agency decision that the child should be placed for adoption	80%	58.3% (P)	Red	Deteriorated
<b>Context:</b> Small numbers affect this indicator. 7 out of 12 children have been adopted within 12 months of the decision being made that the child should be placed for adoption. Some children are harder to place, these include 2 siblings, 2 further siblings with medical complexities and one older child who has experienced placement disruption.						
<b>Corrective action:</b> There is continuous monthly monitoring of this indicator.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Children's Services & Lifelong Learning	NI 63	Stability of placements of looked after children: length of placement	72%	65.4% (P)	Amber	Deteriorated
<b>Context:</b> This indicator has moved from red at quarter 1 to amber at quarter 2 following corrective action identified and implemented at quarter 1.						
<b>Corrective action:</b> Continuous activity to ensure placement stability of looked after children where appropriate. Statutory reviews of children in care placements are carried out at prescribed intervals. Increased rigour in the conduction of disruption meetings and learning lessons from past experiences. This indicator is monitored on a monthly basis.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Children's Services & Lifelong Learning	NI 105	The Special Educational Needs (SEN)/non-SEN gap – achieving 5 A*- C GCSE inc. English and Maths	41% Lower=Better	52.3% (P)	Red	N/A
<b>Context:</b> The provisional data indicates that pupils who have been identified as having Special Educational Needs (SEN) have improved when compared with previous academic years. However, pupils who are not classified as having SEN have improved at a greater rate than those with SEN.						
<b>Corrective action:</b> This data is still provisional. Consultation with English and Maths principal managers is taking place to analyse the data and establish cause of the increase in the gap between those on Special Educational Needs and those who are not. Challenging targets are to be set with a view to significantly reducing the gap during the 2010/11 academic year. Targets to be shared with secondary schools and flagged as a priority area of improvement with Speech and Language Therapists, English/Maths leads and SEN coordinators.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Children's Services & Lifelong Learning	NI 117	16 to 18 year olds who are not in education, employment or training (NEET)	6.9% Lower=Better	8.9% (P)	Red	Improved
<b>Context:</b> Quarter 2 performance is an improvement when compared with the same period in 2009/10 which						

highlights the ongoing trend in the reduction of this indicator year on year. However there are many challenges ahead to achieving the target of 6.9% therefore a revised year end forecast of 8% has been set.

**Corrective action:** There is targeting of intervention and support via the NEET TIGER Team and Connexions tracking. Discussions are taking place within the 14-19 Strategic Partnership and with providers to ensure that 'offer' in Wirral is flexible in its responses. Forensic analysis of the NEET group is taking place to inform targeted intervention across the partnership.

## 7.2 Performance Issues – Projects

The following projects have been assessed as **amber** (some non-critical milestones have been missed or there is a danger of non-critical slippage)

Portfolio	Key project	Status	Corrective Action
Children's Services and Lifelong Learning	Implement the Integrated Youth Support Strategy	<b>Amber</b>	The integrated youth support is currently the subject of strategic review. This is the result of a number of factors including proposed Government policy changes and funding reductions. This could result in potential restructuring to improve the service and increase efficiency. The impact of the review is that a strategy for 2010/11 is not currently in place and the 2009/10 strategy is to be extended for this period.

Portfolio	Key project	Status	Corrective Action
Children's Services and Lifelong Learning	Implement the Integrated Preventative Services Development Plan	<b>Amber</b>	The number of children in care has not decreased. This must be seen in the context of a national increase in the overall number of children looked after by 8% from December 2007 until December 2009 (ADCS Safeguarding Pressures Project - 122 participating authorities). In Wirral during this period the number of children in care increased by 1.7%. However, the number has since increased further and is now 6% higher than the December 2007 figure (currently 642 children). 50% of the children who have become looked after since April 2010, and who are still looked after, are aged 4 years and under, this reflects the earlier identification of vulnerable young children, whose plan should be permanence through adoption or Special Guardianship, if they cannot safely return home. Between January 2009 – December 2009, 50 sets of care proceedings were initiated; from January 2010 to date 61 sets of proceedings have been initiated, this is largely indicative of increased social work activity with younger children. A number of strategies are in place to reduce the high numbers – these include the
Children's Services and Lifelong Learning	Implement the Contact, Referral, Assessment and Safeguarding Development Plan		
Children's Services and Lifelong Learning	Implement the Corporate Parenting Development Plan		

Portfolio	Key project	Status	Corrective Action
			introduction of Principal Team Managers, whose primary role is to make sure that children's plans do not drift, and that children move safely out of care – either through Adoption or Special Guardianship or by returning home. A range of preventative initiatives are in place to intervene with support, as soon as possible, for families experiencing difficulties to prevent children from becoming looked after, such as the Team Around the Child, Family Group Conferences and Multi – Systemic Therapy. The numbers of children becoming looked after is not out of step with other authorities, and consequently it is the rate of children leaving care which is being further prioritised. Each Team is tightly overseeing the plans for children to safely leave care; this is monitored by Senior Managers, and plans to overcome barriers to achieving this outcome are in place. The looked after children population is being profiled to provide a projection of how many children should be expected to leave care over the forthcoming years, up to 2014. This will be completed prior to the next quarters report.

Portfolio	Key project	Status	Corrective Action
Children's Services and Lifelong Learning	All phases: raise standards in schools and settings by continuing to improve the quality of leadership and management, curriculum, assessment and learning, thereby ensuring none fall into an OFSTED category.	Amber	Five primary schools have been in OFSTED category. One school came out of category at the end of the Summer term and the remaining 4 schools continue to make good progress. To assist schools in category the Local Authority provide Statements of Action which are verified by OFSTED. The Head of Branch for Learning and Achievement, The Head Teacher and the school Chair of Governors monitor the action plan on a half-termly basis.

### 7.3 Risks

In relation to looked-after children, concerns remain around the large caseloads of some individual social workers. There is regular monitoring of caseloads and, where these remain high, specific team plans have been put in place.

New uncertainties around the level and sustainability of funding that present a threat to programmes designed to improve academic attainment and young people's participation in beneficial activities and preventing them from becoming involved in criminal activity. Whilst some measures can be taken to mitigate the risks they will remain significant.

## 8. Strategic Objective: To create an excellent council

Priorities for improvement: **maintain a sustainable and stable budget, providing value for money, improve the council's budgeting process to fully reflect its priorities**

### 8.1 Performance Issues - Indicators

The following indicators have missed the Quarter Two 2010/11 target by more than 10% and are therefore assessed as **red**. (Local indicators **7019** and **7024** have actual data added but information on targets are still to be set)

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Corporate Resources	LOCAL 7019	Number of assets transferred to community groups	Not set	1 (A)	N/A	N/A
<b>Context:</b> This is an annual target and has not been broken down quarterly.						
<b>Corrective action:</b> 2011/2012 Quarterly targets will be set. The deadline for the transfer of the assets was extended to 31st March 2012 by Cabinet at its meeting of 24th June 2010. A further meeting of Cabinet on 23rd September 2010 agreed to remove nine facilities from the programme at the request of the existing user groups.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Corporate Resources	LOCAL 7024	Number of assets sold	Not set	0 (A)	N/A	N/A
<b>Context:</b> This is an annual target and has not been broken down quarterly.						
<b>Corrective action:</b> 2011/2012 Quarterly targets will be set.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Corporate Resources	LOCAL 7015	The % of employees retiring on grounds of ill health as a % of the total workforce.	0.10% Lower=Better	0.8% (A)	Red	Deteriorated
<b>Context:</b> The data indicates a decrease in the number of employees retiring on grounds of ill health.						
<b>Corrective action:</b> A number of support mechanisms have been put in place to improve the health and well-being of employees, including measures to support employees who are off long term.						

Portfolio	PI no	Title	2010/2011 Q2 Target	2010/2011 Q2 Actual	On target	Direction of travel
Corporate Resources	LOCAL 7016a	The % of local authority employees declaring that they meet the Disability Discrimination Act 1995 disability definition.	2.95%	2.35%	Red	Deteriorated
<b>Context:</b> The data indicates a decrease in the number of employees declaring that they meet the Disability Discrimination Act. Whilst equality data has improved, employees have the option "not to declare".						
<b>Corrective action:</b> Work to understand the reasons why employees choose "not to declare" and to seek to break down barriers in this area.						

### 8.2 Performance issues – Projects

The following project has been assessed as **amber** (some non-critical milestones have been missed or there is a danger of non-critical slippage)

Portfolio	Key project	Status	Corrective Action
Community and Customer Engagement	An improvement programme relating to the Local Strategic Partnership and the delivery of the Sustainable Community Strategy and Local Area Agreement.	Amber	A review of Wirral's local strategic partnership is currently underway to explore its future role in light of the financial challenges facing local public services. It is expected that the outcomes of this review will be reported to the LSP Executive in January 2011.
Finance and Best Value	To plan for the use of the available resources to meet the Council aims (as set out in the Corporate Plan): medium term financial strategy and plan, capital strategy and programme	Amber	Projected budget (MTFS) updated and reported to Cabinet on a regular basis. Strategies and timing currently being reviewed in light of Coalition Government announcements.
Finance and Best Value	To ensure that the business is subject to good governance arrangements: Treasury Management Strategy, Pension Fund Investment Strategy, Risk Management Strategy, ICT strategy	Amber	Treasury Management strategy approved in March. Other strategies and timing currently being reviewed in light of Coalition Government announcements. Pension Fund quarterly performance -6.3% vs -5.8%. Within potential outcomes. Cabinet 4th November 2010.
Corporate Resources	Implement, so far as practicably possible, new practices and procedures promoting partnership working and raise the profile and use of the Partnership Toolkit	Amber	The Partnership Toolkit will be revised following the outcome of the Budget Consultation and budget setting process.  The governance arrangements of the LSP have been reviewed following the principles of the Toolkit and relevant findings will be included within the LSP review.
Corporate Resources	Review overview and scrutiny arrangements	Amber	Report to be considered by Cabinet in Quarter Three.

### 8.3 Risks

There are no risks identified under this strategic objective.

## 9. FINANCIAL MONITORING

On 1 March 2010 Council agreed the Budget 2010/11 with a planned net spend for the year of £332 million and a projected balance at 31 March 2011 of £6.5 million. The latest position reflects the out-turn for 2009/10, the notification from the Government on reductions in grant and the departmental projections:-

Details	£million	£million
<b>Projected General Fund balance at 31 March 2011 when setting the budget for 2010/11</b>		6.5
<b>Cabinet decisions</b>		
18 Mar - Foster care costs increased for inflation		-0.1
24 June - Financial out-turn 2009/10 showed an underspending and increase in balance		+3.0
24 June - Reduction in grants to local authorities 2010/11. Area Based Grant of £3.9 million and 'One-off' LABGI/LAA grants of £1.6m		-5.5
22 July - Reduction in grants to local authorities 2010/11. Area Based Grant reduction to departments		+3.9
2 Sep - Actuarial Review released Insurance Fund resources to balance		+3.4
<b>Projected variances / potential overspends</b>		
Overspend Children & Young People	+1.0	
Underspend Finance	-0.5	-0.5
<b>General Fund balance at 31 March 2011 based upon the latest projections</b>		10.7

### 9.1 Progress on the implementation of the policy options

9.1.1 Within Adult Social Services the assistive technology activity is underway. The additional £2.6 million (partially offset by a projected £1.6 million of Area Based Grant) to support Personal Care at Home is no longer required as the Coalition Government has reversed the decision to guarantee free Personal Care at Home that was to be effective from 1 October 2010.

9.1.2 Regeneration and Technical Services included major initiatives covering four years. The investment into home insulation has commenced whilst the digital infrastructure scheme is progressing. The school speed signs programme is within the work programme for Technical Services.

#### 9.1.3 Progress on delivering savings

9.1.4 The target for Adult Social Services includes those derived from assistive technology for which the Director has advised that the savings are beginning to accrue. In terms of transport a report on the new contracts was presented to Cabinet in July.

9.1.5 The savings from departmental restructurings following the implementation of the Early Voluntary Retirement scheme are presently within the Finance Department budget and will be re-allocated to the appropriate departments as part of preparing the Budget for 2011/12.

#### 9.1.6 The impact of any Cabinet decisions that have budgetary implications

- 9.1.7 Cabinet on 18 March allocated £90,000 to meet the inflationary increase in the costs of fostering.
- 9.1.8 Cabinet on 24 June agreed a report of the financial out-turn for 2009/10 following the completion of the year-end accounts. Overall this resulted in an increase in the projected balance at 31 March 2010 of £3 million the position benefitting from the release of £2.5 million from the Insurance Fund.
- 9.1.9 The same meeting also considered a report on the reduction in grants to local government 2010/11. Cabinet requested a further report to the July 22 meeting on the Area Based Grant reduction of £3.9 million. The expected £1.4 million of Local Authority Business Growth Incentive and £0.2 million of Local Area Agreement will not now be received and this loss of 'one-off' funding is being met from balances.
- 9.1.10 Cabinet on 22 July agreed to a number of reductions in departmental budgets to offset the loss of the £3.9 million of Area Based Grant in 2010/11.
- 9.1.11 Cabinet on 2 September agreed a report on the Insurance Fund Actuarial Review which included the release of £3.4 million from the Insurance Fund to the balance.

## 9.2 Variations from the approved budget

### 9.2.1 Children and Young People

There are significant pressures on the budget, particularly care services. The number of children in residential care is currently 47 against the target of 39. Similarly within foster care, adoption and lodging where the placements have increased during the year. These form the major part of the projected overspend which is partially offset by vacancy control savings giving a net £1 million projected overspend.

### 9.2.2 Finance

Housing benefit and treasury management activities remain the key areas. The management of the cash-flow has seen the Council benefit from the available interest rates and is expected to achieve a surplus of £0.5 million.

- 9.3 Further supporting information is contained within the Financial Monitoring summary at Appendix 1.

## 10. CAPITAL MONITORING

- 10.1.1 The Capital Programme 2009/13 was approved by Council on 14 December 2009 and confirmed as part of the budget for 2010/11 by Council on 1 March 2010. Other than the impact of decisions by Council / Cabinet the revisions relate to slippage resulting in both the spend and resources being slipped.

- 10.1.2 The tables compare the original programme / resources approved as part of the Budget with the latest forecast position that incorporates permanent changes to the programme due to slippage and Cabinet approvals.

<b>Spend</b>	<b>Original Approval £000</b>	<b>Forecast June £000</b>	<b>Forecast Sept £000</b>
Adult Social Services	471	2,293	2,193



Children & Young People	43,527	41,866	40,986
Corporate Services	2,050	3,180	6,497
Finance	1,500	2,929	2,929
Law, HR and Asset Mgt	100	100	100
Regeneration	19,802	21,818	20,450
Technical Services	11,145	11,576	12,253
<b>Total programme</b>	<b>78,595</b>	<b>83,762</b>	<b>85,408</b>

<b>Resources</b>	<b>Original Approval £000</b>	<b>Forecast June £000</b>	<b>Forecast Sept £000</b>
Borrowing	14,340	20,819	22,616
Grant – Education	41,300	36,541	34,976
Grant – HMRI	7,485	7,485	7,485
Grant – LTP	4,243	3,233	3,233
Grant – Other	7,877	11,670	13,388
Revenue	350	1,014	710
Capital Receipts	3,000	3,000	3,000
<b>Total resources</b>	<b>78,595</b>	<b>83,762</b>	<b>85,408</b>

10.1.3 The major variation from the Original Approval reflects the slippage of £24 million of schemes with the associated spend and funding from 2009/10 to 2010/11. The re-profiling of schemes, particularly Children & Young People, resulted in £17 million going forward into 2011/13. The reduction in grants announced by the Government has resulted in revisions to the Children & Young People, Regeneration and Technical Services grant funded programmes.

## 10.2 PROGRESS ON THE PROGRAMME

### 10.2.1 Adult Social Services

The most significant scheme is the Extra Care Housing facility at the former Mendell Lodge site which is progressing well and is due for completion January 2011.

### 10.2.2 Children & Young People

The opportunity has been taken to re-profile major capital projects in line with currently expected completion dates, most notably the Pensby Primary/Stanley Special School rebuild and Birkenhead High Academy. The Government reviewed the Building Schools for the Future programme (the Woodchurch School was unaffected and has now opened); Academies (Birkenhead High School Academy funding now confirmed); and a number of changes have been announced impacting on the programme including Harnessing Technology, Youth Capital, Extended Schools and SEN / 14-19 (these changes led to programme revisions).

The Park Primary rebuild is expected to complete by the end of December 2010. Pensby Primary is expected to complete in September 2011, with work beginning on the co-located Stanley Special School, now due for completion in March 2013.

The Family Support Scheme is the continuation of a previous programme of investment in schemes to support looked after children in gaining placement in a safe and secure environment, avoiding more expensive alternative accommodation.

### 10.2.3 Corporate Services

Progress continues in delivering support for businesses through the Think Big Investment Fund, with further grants being paid this quarter.

The original grant support required to deliver the Destination West Kirby and the Wirral Country Park schemes was not realised and alternative funding is being sought. These schemes currently remain within the programme.

The grant funding agreement between Wirral and Liverpool has now been signed and progress can now be made on delivering the Mersey Heartlands New Growth Point scheme. This was reported to Cabinet on 14 October 2010.

#### **10.2.4 Finance**

The progression of the Strategic Asset Review - IT investment programme is dependent upon the completion of the review of office accommodation and the agreement of a way forward by Cabinet.

#### **10.2.5 Regeneration**

The largest element of the programme relates to Housing Market Renewal spending on improvements to Stock and Clearance. The Government announced in June the reductions in grant support to local authorities which has seen resources to Wirral reduce and a revised programme was approved by Cabinet on 22 July.

After consideration of the tenders received for the Landican Crematorium Mercury Abatement Scheme, Cabinet on 15 April accepted the tender and the start date was revised to September 2010. The extension to the cemetery is now complete and planting work will take place during the winter.

#### **10.2.6 Technical Services**

The Government announcement on reducing grant support to local authorities led to a revised programme being approved by Cabinet on 22 July.

There is a projected overspend of £300,000 relating to bridges and in particular, works at The Dell underpass where substantial additional substructure work has been identified. An unsuccessful bid was made to the Department for Transport to grant aid the additional costs so alternative approaches are being explored. The M53 junction 3 scheme, which is the largest within the programme, is nearing completion.

10.3 Further supporting information is contained within the Capital Monitoring summary at Appendix 2.

### **11. RISK MONITORING**

11.1 The Corporate Risk Register was last approved by Cabinet on 3 September 2009 following the review requested by Cabinet which sought to make use of best practice, rationalise the issues contained and link risks to the Council's corporate objectives.

11.2 Whilst risk issues are identified under each of the Strategic Objectives the major issues identified as posing the greatest risk to the achievement of the objectives are:-

The Coalition Government response to the national financial position is placing additional pressures upon all public sector bodies. Grants to Local Authorities in 2010/11 have been reduced and whilst the Comprehensive Spending Review will provide some information on the future it is the detailed Local Government Finance settlement which is expected in late November / early December 2010. In meeting this risk the Cabinet has taken actions including a recruitment freeze, additional measures to reduce spending, a review of the management of the Strategic Change Programme and the offer to employees of severance. Progress reports on the financial projections and on actions to deliver services within the resources available are being regularly reported to Cabinet.

Cabinet on 15 April agreed to the establishment of a review group on Safeguarding arrangements. This was made in light of the changed statutory guidance in respect of safeguarding children and developing arrangements in respect of safeguarding vulnerable adults. The Care Quality Commission inspection of Adult Social Services identified a number of issues and a comprehensive action plan to address these has been agreed and is being implemented with a completion date of January 2011.

- 11.3 Further supporting information is contained within the Risk Monitoring summary at Appendix 2.

## 12. CUSTOMER FEEDBACK

- 12.1 Customer feedback incorporates corporate/statutory complaints, councillor/MP contacts, Ombudsman enquiries and compliments received in the quarter. The focus for customer feedback is to *'put things right and learn from it'* which recognises that complaints specifically should not be dealt with in isolation and instead should be used to inform future improved service delivery.
- 12.2 During the quarter there were 1,599 customer feedback contacts recorded, a 17% increase from the previous quarter. These were received via web (32%); letter (31%); email (22%); telephone (12%) and in person (3%).
- 12.3 There was a 3.5% increase in corporate complaints from previous quarter with 89% of all corporate complaints closed were within the 15 working days target, with fewer complainants progressing to raise stage 2 or stage 3. Those received encompassing standard of service provided (24%); attitude of staff or contractors (15%) and quality of facilities (14%).
- 12.4 In terms of overall response times the quarter saw an average of 10 working days to respond to corporate/statutory complaints, 6 working days to respond to councillor/MP contacts (95% within the target of 10 working days) and an average of 14 calendar days to respond to contacts from Local Government Ombudsman
- 12.5 A total of 84 changes to process/procedure or improvements made to service delivery as a result of customer feedback received which represents a 30% increase on organisational learning from the previous quarter. Examples of changes implemented include the following:
- Improved information available for Wirral visitors.
  - Improved working procedures for Council bailiffs to ensure standards of customer service adhered to.
  - Frequency of maintenance schedule for local cemetery revised.
  - More effective cleaning rota for Council leisure centre introduced.
  - Additional gym equipment ordered, informed by customer feedback received.
  - New guidelines introduced to ensure accuracy of benefits correspondence.
  - Promotion of Polish support group services through One Stop Shops.
  - Improved research capabilities available at local library.
  - Enhanced street lighting provision.
  - Revised assessment framework for personal budgets to ensure fairness.
- 12.6 Further supporting information is contained within the Customer Services Monitoring summary at Appendix 4.

13. **Financial implications**  
Any financial implications are contained in section 10 of this report.
14. **Staffing implications**  
There are no specific staffing implications arising from this report.
15. **Equal Opportunities implications / Equality impact assessment**  
The implementation of the Council's corporate plan will have positive equal opportunities impact. The projects and activities identified in the Corporate Plan are included in the ongoing programme of equality impact assessments. This work is monitored by the Corporate Equalities and Cohesion Group and the Council Excellence Overview and Scrutiny Committee.
16. **Health impact assessment**  
The implementation of the Council's corporate plan will have positive impact on health. A programme to increase the capacity within the Council for conducting health impact assessments is being developed.
17. **Community Safety implications.**  
Any community safety implications are contained in section 2 of this report.
18. **Local Agenda 21.**  
The implementation of the Council's corporate plan will have a positive impact on the local agenda 21.
19. **Planning implications.**  
There are no specific planning implications arising from this report
20. **Anti-poverty implications**  
The implementation of the Council's corporate plan will have a positive impact on tackling poverty.
21. **Social inclusion implications**  
The implementation of the Council's corporate plan will have a positive impact on social inclusion.
22. **Local Member Support implications**  
There are no local member support implications arising from this report.
23. **Background Papers**  
Wirral Corporate Plan 2010/11.

**J. Wilkie**  
Interim Chief Executive

This report was prepared by Caroline Reed and Tom Sault, who can be contacted on 8149 and 3407.

## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

18 NOVEMBER 2010

### REPORT OF THE DIRECTOR OF TECHNICAL SERVICES

#### GOLF INCOME

##### 1.0 EXECUTIVE SUMMARY

1.1 This report is in response to a request from this Committee for further information on income collection on Wirral's municipal golf courses. It is recommended that the report be noted.

##### 2.0 BACKGROUND

2.1 At its meeting on 21 September 2010 the Council Excellence Overview and Scrutiny Committee considered a report by the Director of Finance on Revenues and Benefits (Minute 49 refers). The Director of Finance provided information on the position regarding Council Tax, National Non Domestic Rate, general debt and cash income collection and the payment of benefits. Members expressed their concern in relation to income from golf courses, which was anticipated to underachieve against the budget by £175,000. Members noted that the budget for golf income had not been achieved for at least the last three years and referred to a commonly held belief that people were using the municipal golf courses without having paid to do so. The Committee resolved "That the Head of Cultural Services be requested to investigate the issues in relation to golf course income, including measures in place to ensure that people paid to play, and present a report to the next meeting of the Committee".

##### 3.0 CURRENT POSITION

3.1 The financial position reported to the Scrutiny Committee on 21 September was as follows: -

<b>2009/10 Budget</b>	<b>Income to 31 Jul 09</b>	<b>2010/11 Budget</b>	<b>Income to 31 Jul 10</b>
£912,200	£441,978	£939,600	£422,463

3.2 The report stated that it was anticipated that income will underachieve against budget by £175,000 and that the budget for golf income has not been achieved for at least the last three years.

- 3.3 The latest budget figures to the end of September 2010 indicate the budget underachievement is now likely to be £185,000. However, the expenditure for golf is projected to be around £40,000 below budget, which would give a net underachievement of £145,000.
- 3.4 Golfers pay at the golf shop at each of the four golf courses. Many of the golfers purchase annual contracts but people are allowed to pay for individual games. Two Golf Patrol Officers are employed to patrol the courses and to check that golfers have paid and to collect the appropriate fees from them if they have not paid. Unfortunately the additional income collected by the Golf Patrol Officers is less than the total cost of employing them. Golfers who have not paid are not always willing to pay when challenged by the Golf Patrol Officers. Many run off or refuse to pay and leave the course rather than pay.
- 3.5 Employing more Golf Patrol Officers would increase the income collected but this would not be enough to cover the additional staffing costs and the net result would be an even bigger shortfall in the budget.
- 3.6 The Parks and Countryside Service Procurement Exercise (PACSPE) includes the management and maintenance of golf courses and there is an opportunity for the Council to increase the profitability of the golf courses through partnership with a contractor. The golf courses need to be considered as a business which in most years makes a small operating profit. It is however a leisure business operating in a commercial environment in competition with other commercial golf courses and golf clubs. Income and profitability varies from year to year and is influenced by the economic climate (and the amount of money people have to spend on leisure activities) and the number of other courses and the amounts they charge. Golf has seen a reduction in demand with many courses offering discounts and special offers to attract customers. Despite this the income targets for the municipal courses have been raised each year and they are now at unrealistic levels
- 3.7 The quality of the courses and associated facilities compared with non-Council facilities is also a factor. The courses need to be able to cope with very wet weather when inadequate drainage can render some of the courses partly or completely unplayable. They also need to be able to cope with very dry weather in the summer months when inadequate irrigation facilities can damage the quality of the greens. Investment in drainage and irrigation can produce an increase in use and income. Investment in other elements of the infrastructure such as toilet and club house facilities can also help to increase use and income. Investment in new and improved maintenance equipment would also allow the maintenance staff to improve the quality of the greens, fairways and rough, which all require specialist equipment.

- 3.8 Golf income is closely monitored and reported throughout the year; the Director of Finance provides all members with a monthly statement which includes information on volatile income areas, the quarterly Revenue and Benefits report, which comes to this committee, provides more detail of those volatile areas including golf courses. Cabinet also receives a quarterly Performance and Financial Review report with the Financial Monitoring Summary appendix being placed in the web library.

The golf course income for previous years is as below. This shows that income reduced from a peak in 2006/07, and has remained reasonably constant since, although the income target has increased.

Year	Budget	Actual	Variance
2006/07	830,700	866,954	-36,254
2007/08	859,800	746,647	113,153
2008/09	885,600	709,075	176,525
2009/10	912,200	759,982	152,218
2010/11	939,600	759,300 (expected)	180,300

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 The four municipal courses make a surplus of income over expenditure each year but the present income target for golf is unrealistic and will be reviewed as part of PACSPE.

#### **5.0 STAFFING IMPLICATIONS**

- 5.1 There are none arising directly from this report.

#### **6.0 EQUAL OPPORTUNITIES IMPLICATIONS**

- 6.1 The municipal golf courses are open to the general public on a pay as you play basis. Golfers do not have to be members of a club.

#### **7.0 HUMAN RIGHTS IMPLICATIONS**

- 7.1 There are none arising directly from this report.

#### **8.0 COMMUNITY SAFETY IMPLICATIONS**

- 8.1 There are none arising directly from this report.

#### **9.0 LOCAL AGENDA 21 IMPLICATIONS**

- 9.1 There are none arising directly from this report.

#### **10.0 PLANNING IMPLICATIONS**

10.1 There are none arising directly from this report.

**11.0 ANTI-POVERTY IMPLICATIONS**

11.1 There are none arising directly from this report.

**12.0 SOCIAL INCLUSION IMPLICATIONS**

12.1 There are none arising directly from this report.

**13.0 LOCAL MEMBER SUPPORT IMPLICATIONS**

13.1 Arrowe Park Golf Course is in Pensby and Thingwall Ward. Brackenwood Golf Course is in Bebington Ward. Hoylake Golf Course is in Hoylake and Meols Ward and Warren Golf Course is in Wallasey Ward.

**14.0 ACCESS TO INFORMATION ACT**

14.1 None.

**15.0 RECOMMENDATIONS**

15.1 That the report be noted.

David Green  
Director of Technical Services Department

This report was prepared by Jim Lester who can be contacted on 606 2082.



## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

18 NOVEMBER 2010

#### REPORT OF THE DIRECTOR OF FINANCE

#### TREASURY MANAGEMENT PERFORMANCE MONITORING QUARTER 2

### 1. EXECUTIVE SUMMARY

- 1.1 This report presents a review of Treasury Management activities during the second quarter of 2010/11 and confirms compliance with treasury limits and prudential indicators. It has been prepared in accordance with the revised CIPFA Treasury Management Code and the revised Prudential Code.

### 2. BACKGROUND

- 2.1 Treasury Management in Local Government is governed by the CIPFA Code of Practice on Treasury Management in the Public Services and in this context is the “management of the Council’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks”.
- 2.2 The Treasury Management Code requires public sector authorities to determine an annual Treasury Management Strategy and, as a minimum, formally report on their treasury activities and arrangements to full Council mid-year and after the year-end. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate that they have properly fulfilled their responsibilities and enable those with responsibility/governance of the treasury management function to scrutinise and assess its effectiveness and compliance with policies and objectives.
- 2.3 Cabinet approves the Treasury Management Strategy before the start of each financial year. This identifies proposals to finance capital expenditure, borrow and invest in the light of capital spending requirements, interest rate forecasts and the expected economic conditions. At the end of each financial year Cabinet receives an Annual Report which details performance against the Strategy. During 2009/10 the Council Excellence Overview & Scrutiny Committee received quarterly monitoring reports as part of the General Financial matters report. In 2010/11, and in accordance with the revised Treasury Management Code, there will be a separate Treasury Management monitoring report presented to Cabinet and approved by Council on a quarterly basis.

### 3. CURRENT ECONOMIC ENVIRONMENT

- 3.1 The UK has continued to emerge from recession but the level of activity remained well below pre-crisis levels. Gross Domestic Product (GDP) registered 0.3% growth in the first quarter of 2010 and 1.2% in the second.
- 3.2 Inflation figures for August 2010 were 3.1% for CPI and 4.7% for RPI, still above the Bank of England Monetary Policy Committee target range. The Bank of England expects, with the forthcoming increase in VAT to 20%, that inflation will remain high throughout 2010 and 2011 but should reduce to below the target level as the spare capacity in the markets exerts downward pressure on wages and prices.
- 3.3 The Bank of England (BoE) base rate remains at 0.5% and is forecast to remain at this level throughout 2010. The BoE has now ceased the Quantitative Easing (QE) programme but has not ruled out the use of more QE in the future if the economy continues to stall. The economy is in a very weak state and until it shows real signs of prolonged and stable growth the base rate will remain low.

### 4. THE COUNCIL TREASURY POSITION

- 4.1 The table below shows how the Council Treasury position has changed since the 30 June 2010:

**Table 1: Summary of Treasury Position**

<b>Investments</b>	<b>Balance at 30 June 2010 £m</b>	<b>Maturing Investments £m</b>	<b>New Investments £m</b>	<b>Balance at 30 Sept 2010 £m</b>
Internal managed investments	135	131	142	146
<b>TOTAL INVESTMENTS</b>	<b>135</b>	<b>131</b>	<b>142</b>	<b>146</b>

<b>Borrowing</b>	<b>Balance at 30 June 2010 £m</b>	<b>Maturing Borrowings £m</b>	<b>New Borrowings £m</b>	<b>Balance at 30 Sept 2010 £m</b>
Long-term fixed rate	278	1	5	282
Long-term variable rate	0	0	0	0
Temporary borrowing	0	0	0	0
<b>TOTAL BORROWING</b>	<b>278</b>	<b>1</b>	<b>5</b>	<b>282</b>

<b>NET BORROWING</b>	<b>143</b>			<b>136</b>
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## 5. INVESTMENTS

5.1 The Treasury Management Team can invest 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. These investments arise from a number of sources including:-

- General Fund Balances
- Reserves and Provisions
- Grants received in advance of expenditure
- Money borrowed in advance of capital expenditure
- Schools' Balances
- Daily Cashflow/ Working Capital

5.2 As at the 30 September 2010 the Council held investments of £146m. The table below details these investments:

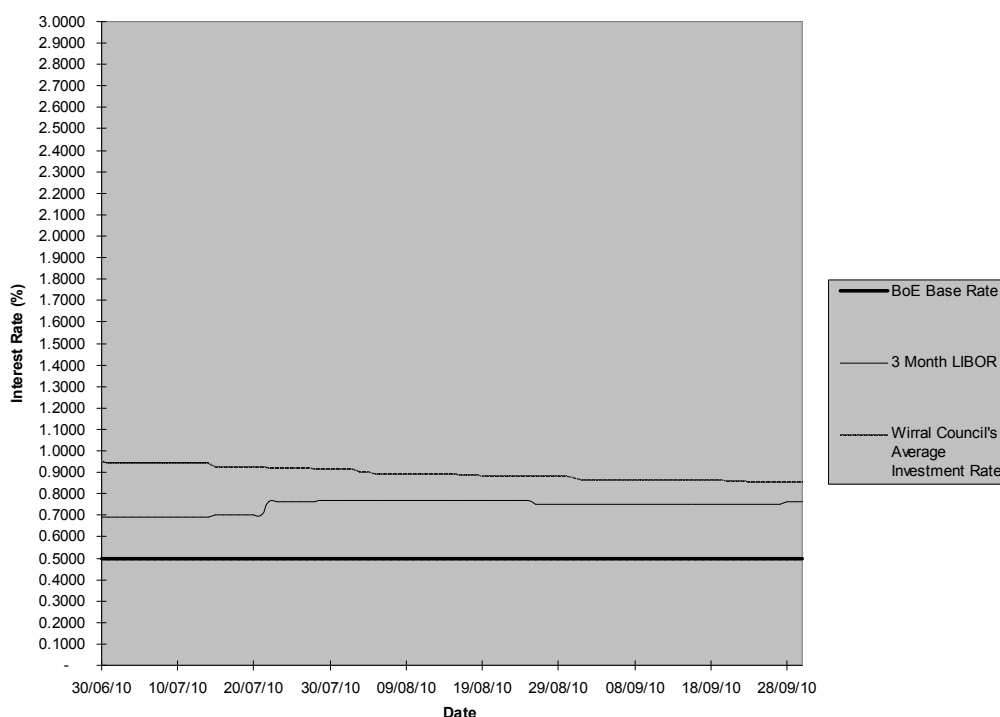
**Table 2: Investments as at 30 September 2010**

Investments with:	£m
UK Banks	75.8
Building Societies	15.0
Money Market Funds	46.8
Gilts and Bonds	8.5
<b>TOTAL</b>	<b>146.1</b>

5.3 Of the above investments, £50.5m is invested in instant access funds, £88.1m is invested for up to 1 year and £7.5m is invested for up to 5 years.

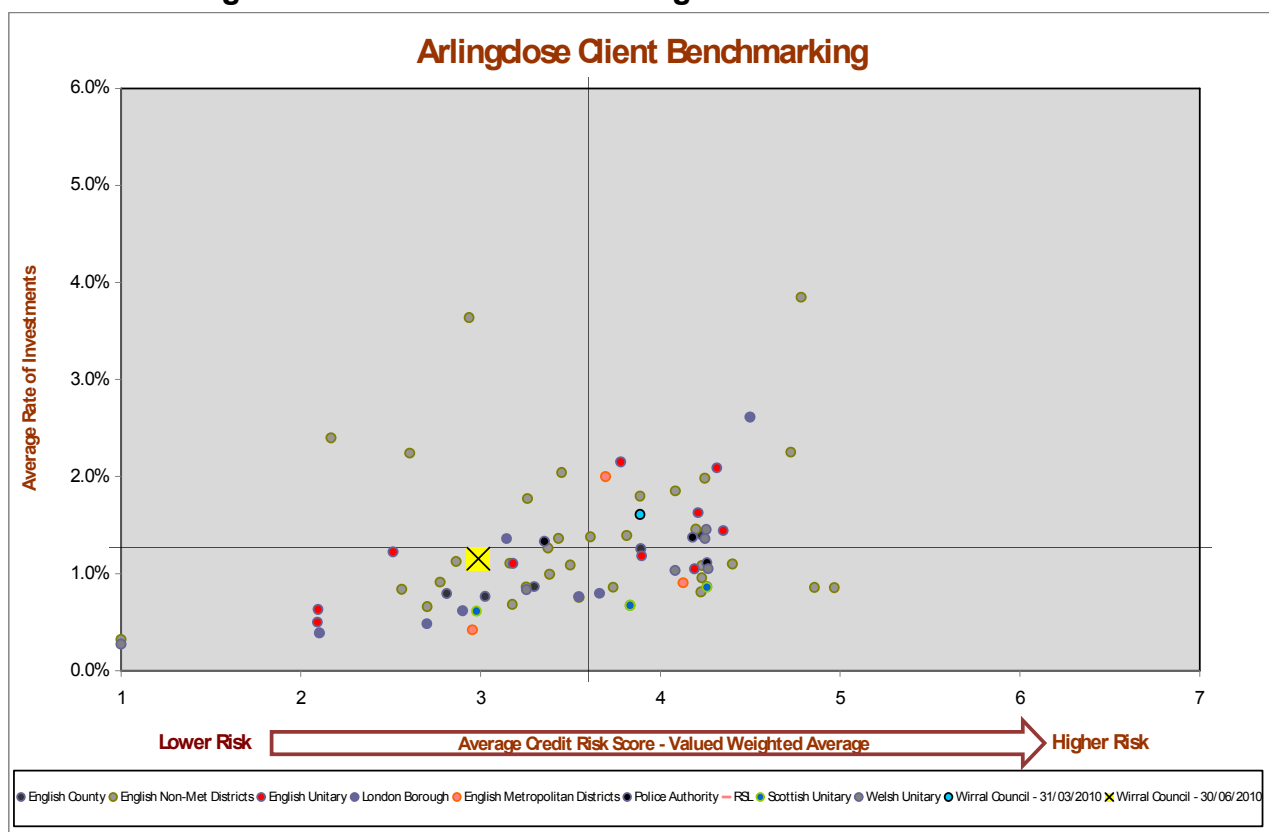
5.4 The average rate of return on investments as at 30 September 2010 is 1.03%. The graph below shows the Treasury Management Team rate of return against the Bank of England base rate and the 3 month LIBOR (the inter bank lending rate):

**Chart 1: Investment Rate of Return in 2010/11**



- 5.5 The rate at which the Council can invest money continues to be low, in line with the record low Bank of England base rate.
- 5.6 The Council maintains a restrictive policy on new investments by only investing in UK institutions A+ rated or above and continues to invest in AAA rated money market funds, gilts and bonds.
- 5.7 The 2010/11 investment income budget has been reduced to £0.7m to reflect the low interest rates that are anticipated to continue throughout the financial year. With low interest rates it is unlikely that the Authority will achieve the large surpluses that have been made in the past few years.
- 5.8 In order to provide more context to the investment activities of the Treasury Management Team the treasury management advisors have produced benchmarking data from the 71 public sector clients they work with. The graph below shows the average rate of return from investments for 2010/11 up to 30 June 2010 against the perceived risk of the investments. Wirral is represented by a 'x' on the graph.

**Chart 2: Average investment rate of return against credit risk**



- 5.9 This graph demonstrates how Wirral achieves close to the average rate of return from investments while maintaining a lower than average risk. This illustrates the Treasury Management Team's excellent work in maintaining the security of Council money while also providing good value for money from investment returns. The security of the investments always takes priority over the returns.

### ***Icelandic Investment***

- 5.10 The Authority has £2m deposited with Heritable Bank, a UK registered Bank under English law, at an interest rate of 6.22% which was due to mature on 28 November 2008. The Bank was placed in administration on 7 October 2008. Members have received regular updates regarding the circumstances and the latest situation. In March 2009 an Audit Commission report confirmed that Wirral Council had acted, and continues to act, prudently and properly in all its investment activities.
- 5.11 The latest creditor progress report issued by the administrators Ernst and Young, dated 28 January 2010, outlined that the return to creditors is projected to be 85p in the £ by the end of 2012 and the final recovery could be higher.
- 5.12 To date, £868,926 has been received with further payments due in 2010/11 and 2011/12. The table below details the payments received to date and future expected payments.

**Table 3: Heritable Bank Repayments**

<b>Initial Investment</b>	£ 2,000,000
<b>Actual Repayments Received</b> As at 30 Sept 10	868,926
<b>Estimate of Future Repayments</b>	
Oct-10	105,317
Dec-10	105,317
Mar-11	105,317
Jun-11	105,317
Sep-11	105,317
Dec-11	105,317
Mar-12	105,317
Jun-12	105,317
Sep-12	105,315
<b>Total</b>	<b>947,851</b>
<b>Estimate of Total Repayment</b>	<b>1,816,777</b>

- 5.13 Please note that the amounts and timings of future payments are estimates and are not definitive. Favourable changes in market conditions could lead to higher than estimated repayments.
- 5.14 If Heritable Bank is unable to repay in full, I have also made a pre-emptive claim against Landsbanki Islands HF for the difference. When the original investment was made it was with Landsbanki Islands HF providing a guarantee to reimburse the Council should Heritable be unable to repay. It should be noted that Landsbanki Islands HF is also in administration.

## 6. BORROWING

- 6.1 The Council undertakes borrowing to help fund capital expenditure. In 2010/11 the capital programme requires borrowing of £14m. On 31 August 2010 the Public Works Loan Board (PWLB) rate of interest for borrowing 50 year fixed rate money dropped to 3.92%. This was the lowest rate of the year to date and so a decision was taken to borrow £5m. To put this rate of interest into context, existing borrowing incurs an average rate of interest of 5.6%. Against this backdrop, £5m borrowed at 3.92% over 50 years represents excellent value. The table below shows the total borrowing of the Council as at 30 September 2010.

**Table 4: Council Borrowing**

<b>Borrowing</b>	<b>Balance on 1 Apr 10 (£m)</b>	<b>Debt Maturing (£m)</b>	<b>New Borrowing (£m)</b>	<b>Balance on 30 Sep 10 (£m)</b>
PWLB	106	3	5	108
Market Loans	174	0	0	174
<b>TOTAL</b>	<b>280</b>	<b>3</b>	<b>5</b>	<b>282</b>

- 6.2 As the year progresses an assessment will be made as to the best time to borrow money. A prudent and pragmatic approach to borrowing will be maintained to minimise borrowing costs without compromising the longer-term stability of the portfolio, consistent with the approved Prudential Indicators.
- 6.3 In conjunction with advice from the treasury advisor, Arlingclose, the Council will keep under review the options of borrowing from the PWLB, the market and other sources up to the available capacity within the Capital Financing Requirement (CFR) and Affordable Borrowing Limit (defined by CIPFA as the Authorised Limit).

## 7. MONITORING OF THE PRUDENTIAL CODE INDICATORS

- 7.1 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 establish prudence and affordability within the capital strategy.
- 7.2 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.
- 7.3 Net External Borrowing and Capital Financing Requirement (CFR) Indicator
- 7.3.1 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 5 below shows the cumulative CFR and net borrowing of the Council.

**Table 5: Net External Borrowing compared with CFR**

	£m
CFR in previous year (2009/10 actual)	387
Additional CFR in 2010/11 (estimate)	2
Reduced CFR in 2011/12 (estimate)	-20
Reduced CFR in 2012/13 (estimate)	-20
<b>Cumulative CFR</b>	<b>349</b>
<b>External Borrowing as at 30 Sep 2010</b>	<b>282</b>

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

#### 7.4 Authorised Borrowing Limit and Operational Boundary Indicators

7.4.1 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.

7.4.2 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 6: Authorised Limit and Operational Boundary Indicator**

	Jul 10 £m	Aug 10 £m	Sep 10 £m
Authorised Limit	484	484	484
Operational Boundary	469	469	469
Total Council Borrowing	278	278	282

7.4.3 The table above shows that neither the Authorised Limit nor the Operational Boundary was breached between July 2010 and September 2010. This is a key indicator of affordability.

#### 7.5 Interest Rate Exposures Indicator

7.5.1 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 is subject to variable rates of interest and the amount which is subject to fixed rates of interest. Table 7 shows the interest rate exposure as at 30 September 2010.

**Table 7: Interest Rate Exposure:**

<b>Interest Rate Exposure</b>	<b>Fixed Rate of Interest</b>	<b>Variable Rate of Interest</b>	<b>Total</b>
<b>Borrowings</b>	£282m	£0m	<b>£282m</b>
Proportion of Borrowing	100%	0%	<b>100%</b>
Upper Limit	100%	50%	
<b>Investments</b>	£7.5m	£138.6m	<b>£146m</b>
Proportion of Investments	5%	95%	<b>100%</b>
Upper Limit	100%	100%	
<b>Net Borrowing</b>	<b>£274.5m</b>	<b>£138.6m</b>	<b>£136m</b>
Proportion of Total Net Borrowing	202%	102%	<b>100%</b>

7.5.2 The table above shows that borrowing is mainly at fixed rates of interest and investments are mainly at variable rates of interest. This was considered to be a good position while interest rates were rising as the cost of existing borrowings remained stable and the investments, at variable rates of interest, generated increasing levels of income.

7.5.3 As the environment has changed to one of low interest rates, the Treasury Management Team is working to adjust this position. This work is, unfortunately, restricted by a number of factors:

- the level of uncertainty in the markets makes investing for long periods at fixed rates of interest more risky and, therefore, the Council continues to only invest short term at variable rates of interest;
- Many of the Council loans have expensive penalties for early repayment or rescheduling which makes changing the debt position difficult.

7.5.4 The Treasury Management Team will continue to work to improve the position within these limiting factors.

## 7.6 Maturity Structure of Borrowing Indicator

7.6.1 The maturity structure of the borrowing has also been set to achieve maximum flexibility with the Authority being able to undertake all borrowing with a short maturity date or a long maturity date. Table 8 shows the current maturity structure of borrowing:



**Table 8: Maturity Structure of Borrowing**

	Borrowing Maturity (years)	30 Sep 10	30 Sep 10
		£m	%
<b>Total Short Term Borrowing</b>	Less than 1 year	<b>12</b>	<b>4</b>
Long Term Borrowing	Over 1 year under 2 years	13	5
	Over 2 years under 5 years	54	19
	Over 5 years under 10 years	33	12
	Over 10 years	170	60
<b>Total Long Term Borrowing</b>		<b>270</b>	<b>96</b>
<b>Total Borrowing</b>		<b>282</b>	<b>100</b>

**8. FINANCIAL IMPLICATIONS**

8.1 Currently all Treasury Management activities are expected to be achieved in line with the 2010/11 budget.

**9. STAFFING IMPLICATIONS**

9.1 There are none arising out of this report.

**10. EQUAL OPPORTUNITIES IMPLICATIONS**

10.1 There are none arising out of this report.

**11. COMMUNITY SAFETY IMPLICATIONS**

11.1 There are none arising out of this report.

**12. LOCAL AGENDA 21 IMPLICATIONS**

12.1 There are none arising out of this report.

**13. PLANNING IMPLICATIONS**

13.1 There are none arising out of this report.

**14. ANTI-POVERTY IMPLICATIONS**

14.1 There are none arising out of this report.

**15. SOCIAL INCLUSION IMPLICATIONS**

15.1 There are none arising out of this report.

**16. LOCAL MEMBER SUPPORT IMPLICATIONS**

16.1 There are none arising out of this report

**17. BACKGROUND PAPERS**

- 17.1 Code of Practice for Treasury Management in Public Services – CIPFA 2009.  
Prudential Code for Capital Finance in Local Authorities – CIPFA 2009.

**18. RECOMMENDATION**

- 18.1 That the Treasury Management Performance Monitoring Report be noted.

IAN COLEMAN  
DIRECTOR OF FINANCE

FNCE/209/10

## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

18 NOVEMBER 2010

### REPORT OF THE DIRECTOR OF FINANCE

### REVENUES AND BENEFITS

#### 1. EXECUTIVE SUMMARY

- 1.1. This report provides information on the position regarding Council Tax, National Non Domestic Rate, general debt and cash income collection and the payment of benefits.

#### 2. REVENUES COLLECTION

- 2.1. The following statement compares the amount collected for **Council Tax** in the period 1 April 2010 to 30 September 2010 with the amount collected in the same period in 2009/10.

	<b>Actual 2010/11 £</b>	Actual 2009/10 £
Cash to Collect	<b>123,973,644</b>	122,872,487
Cash Collected	<b>71,068,413</b>	70,207,500
% Collected	<b>57.3</b>	57.1

- 2.2. The following statement compares the amount collected for **National Non-Domestic Rates** in the period 1 April 2010 to 30 September 2010 with the amount collected in the same period in 2009-10.

	<b>Actual 2010/11 £</b>	Actual 2009/10 £
Total Collectable (including arrears)	<b>68,716,458</b>	72,643,248
Amount Outstanding	<b>34,123,000</b>	34,343,024
% Outstanding	<b>49.66%</b>	47.28%
Amount Collectable	<b>62,829,440</b>	65,399,452
Net Cash Collected	<b>34,364,556</b>	37,273,750
% Collected	<b>54.69%</b>	56.99%

- 2.3. In 2009-10 the internal posting of business rates for Council properties took place earlier in the year. Approximately £2.5m is scheduled to be posted in the coming weeks which should enhance collection levels to 1.5% higher than in 2009-10.

- 2.4. The following statement provides information concerning collection of local taxes from 1 April 2010 to 30 September 2010.

	<b>Council Tax</b>	<b>Business Rates</b>
Reminders/Final Notices	37,579	2,085
Summonses	10,577	369
Liability Orders	6,210	329
Recovery action in progress		
Attachment of Earnings	1,081	
Deduction from Income Support	2,252-	
Accounts to Bailiff	5,050	115
Pre-Committal Warning Letters	2,387	-
Committal Orders Issued	7	0
Debtors Committed	0	0

Current Status of Agent Work in respect of Committals for 1 April 2010 to 30 September 2010.

Warrants of Arrest issued by Court (Bail and No Bail)	32
Warrants of Arrest (Bail) to Warrant officer	30
Warrants of Arrest (No Bail) to Warrant officer	19
Returned successful (Bail)	16
Returned successful (No Bail)	8
Returned other reasons (Bail)	3
Returned other reasons (No Bail)	3

2.5. Insolvency cases to 30 September 2010

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

Bankruptcy cases	284
Charging orders	113
Winding up orders	3

New cases from 1 April 2010 to 30 September 2010

Bankruptcy	17
Charging orders	30
Winding up orders	<u>0</u>

Status of Insolvency cases at 30 September 2010

Winding-up paid	1
Charging orders granted	92
Winding up Order	1
Supporting other petitions	3
Cases paid	90
Bankruptcy orders	108
Cases closed	115
Ongoing cases	<u>37</u>
	<u>447</u>

## 2.6. Sundry Debtors

	<b>Actual 2010/11</b>	Actual 2009/10
Amount Billed in last 12 months as at 30.09.10	<b>£97,082,959</b>	£77,600,018
Total outstanding as at 30.09.10	<b>£24,324,837</b>	£24,693,205
Net Arrears at 30.09.10	<b>£15,756,069</b>	£12,522,756
Number of invoices in arrears at 30.09.10	<b>13,241</b>	11,285
Number of reminders 01.04.10 to 30.09.10	<b>17,116</b>	13,353

## 3. INCOME

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

	<b>2009/10 Budget</b>	<b>Income to 30-Sep-09</b>	<b>2010/11 Budget</b>	<b>Income to 30-Sep-10</b>
i. School Meals	£1,607,800	£640,927	£1,575,100	£729,459
ii. Sports Centres	£3,867,300	£2,092,967	£3,941,300	£2,305,274
iii. Golf Courses	£912,200	£582,600	£939,600	£578,891
iv. Burials and Cremations	£2,429,200	£983,302	£2,502,000	£995,491
v. Building Control Fees	£494,900	£325,800	£494,900	£254,705
vi. Land Charges	£358,300	£147,100	£358,300	£117,806
vii. Car Park (Pay and Display)	£2,496,900	£998,500	£2,496,900	£1,028,601
viii. Car Park (Penalty Notices)	£1,149,800	£430,400	£1,149,800	£362,931

3.2. Further explanation of the above budgets and income collection performance is provided below:

- (i) School Meals: It is expected that income will be slightly more than the budget.
- (ii) Sports Centres: Income is being monitored closely. The Invigor8 income is expected to exceed budget.
- (iii) Golf Courses: It is anticipated that income will underachieve against budget by £180,000. The budget for golf income has not been achieved for at least the last three years.
- (iv) Burials and Cremations: Income levels are up when compared to this time last year. It is anticipated that income will underachieve against budget by around £120,000.
- (v) Building Control Fees income is declining and there was a deficit of £91,500 in 2009/10.
- (vi) Land Charges: Fee income is declining and there was a deficit of £61,500 in 2009/10.
- (vii) Car Park Income (Pay and Display Tickets). It is unlikely that the income will be achieved. The deficit in 2009/10 was £285,000.

(viii) Car Park Income (Penalty Notices): The shortfall in 2009/10 was £217,000 and is likely to be similar in the current year.

#### 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 30 September 2010.

	2010/11	2009/10
Number of <b>Private Tenant</b> recipients	<b>29,740</b>	<b>28,088</b>
Total rent allowance expenditure	<b>£64,132,325</b>	
Number under the <b>Local Housing Allowance</b> scheme ( <u>included in the above</u> )	8,941 £23,328,427	6,772
Number of <b>Council Tax Benefit</b> recipients	<b>39,436</b>	<b>37,178</b>
Total Council Tax Benefit expenditure	<b>£31,095,851</b>	
Total expenditure on benefit to date	<b>£95,228,176</b>	

4.2. The following statement provides information concerning the breakdown according to client type as at 30 September 2010

	Private Tenants	Owner Occupiers
Working age and in receipt of J.S.A.	15,104	1,842
Elderly and in receipt of J.S.A.	7,108	5,622
Working age and not receiving J.S.A.	5,518	1,176
Elderly and not in receipt of J.S.A.	<u>2,010</u>	<u>3,240</u>
<b>Total</b>	<b>29,740</b>	<b>11,880</b>

There are **41,620** benefit recipients in Wirral as at 30 September 2010.

#### 4.3. Housing Benefit Fraud and Enquiries To 30 September 2010

New Cases referred to Fraud team in period	978
Cases where fraud found and action taken	60
Cases investigated, no fraud found and recovery of overpayment may be sought	357
Cases under current investigation	214
Surveillance Operations Undertaken	0
Cases where fraud found and action taken:	
Administration penalty	9
Caution issued and accepted	35
Successful prosecution	16
Summons issued for prosecution purposes	7

#### 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 2010/11 is £245,200 with an overall limit of £613,000 which the Authority must not exceed. To date I have paid £49,935 and committed a further £52,386 to the end of the financial year.

**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/210/10

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## **WIRRAL COUNCIL**

### **COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE**

**18 NOVEMBER 2010**

### **REPORT OF THE DIRECTOR OF FINANCE**

### **INFORMATION TECHNOLOGY HARDWARE - CENTRAL PROCESSORS**

#### **1 EXECUTIVE SUMMARY**

- 1.1 This Committee on 8 July 2010 received a report setting out the strategy for the replacement of the central IT processors and noting the outcome of the procurement process for the first phase of equipment acquisition.
- 1.2 This report informs Committee of the outcome of the process to acquire the second and final phase of the processor replacement strategy.

#### **2 BACKGROUND**

- 2.1 Cabinet on 15 July 2004 approved the purchase of hardware in support of the then Core IT Systems including central (application and database) processors and the establishment of a Storage Area Network (SAN) with an expected service life of five years.
- 2.2 Cabinet on 5 February 2009 and 23 July 2009 approved the replacement of the SAN.
- 2.3 The meeting of this Committee on 8 July 2010 noted the acquisition of two Sun T5220 and two Sun M4000 processors as the first phase of the central server replacement strategy.
- 2.4 This report informs Committee of the outcome of the second and final phase of the strategy.

#### **3 PROCUREMENT PROCESS AND TENDER OUTCOME**

- 3.1 The procurement process for two M5000 processors or equivalent (with a trade-in allowance for the outgoing processors), implementation services and one year's support and maintenance was agreed with the Procurement Unit.
- 3.2 Tenders were invited via the Eastern Shires Purchasing Organisation (ESPO) framework tender process which meets Council procurement rules and European public sector procurement legislation.

- 3.3 18 companies were invited to submit tenders, of which compliant tenders were received from two companies
- 3.4 Tenders were evaluated and scored against agreed criteria which included elements for cost (60%) and quality (40%).
- 3.5 The outcome of the evaluation is that a tender from SCC in the sum of £148,031.58 has been accepted.
- 3.6 The result of the tender process is shown in an exempt appendix.

**4 FINANCIAL IMPLICATIONS**

- 4.1 The processors and implementation services have been purchased at a cost of £157,830.10 with one year’s support and maintenance costing a further £15,406.48, a total of £173,236.58. Against this sum, SCC has allowed a trade in value of £25,205.00 against existing decommissioned equipment leaving a net cost of £148,031.58.
- 4.2 Following the installation and commissioning of the M5000 processors the out-going E6900 processors will yield further value.
- 4.3 The purchase cost will be financed in the most advantageous way, either leasing or capital. Support and maintenance will be financed from the IT Services revenue budget.
- 4.4 Comparative five year life costs for the previous and new configurations of SAN and processors are as follows:

Component	2004 on	2009/ 10 on	Funding
	£000	£000	
Hardware	1,746	1,093	Capital/ lease
Support and maintenance	934	499	Revenue
Total	2,680	1,592	

**5 EQUAL OPPORTUNITIES IMPLICATIONS**

- 5.1 There are no equal opportunity implications.

**6 COMMUNITY SAFETY IMPLICATIONS**

- 6.1 There are no community safety implications.

**7 LOCAL AGENDA 21 IMPLICATIONS**

- 7.1 The new processor estate will reduce power consumption in the data centre rooms.

**8 PLANNING IMPLICATIONS**

- 8.1 There are no planning implications.

## **9 ANTI-POVERTY IMPLICATIONS**

9.1 There are no anti-poverty implications

## **10 SOCIAL INCLUSION IMPLICATIONS**

10.1 There are no social inclusion implications

## **11 LOCAL MEMBER SUPPORT IMPLICATIONS**

11.1 There are no local Member support implications

## **12 BACKGROUND PAPERS**

12.1 Tender documents.

## **13 RECOMMENDATION**

13.1 That the action of the Director of Finance in awarding the contract to SCC in the sum of £173,236.58 less £25,205 trade-in value against existing equipment be noted.

**IAN COLEMAN  
DIRECTOR OF FINANCE**

FNCE/206/10

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## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

18 NOVEMBER 2010

#### REPORT OF THE DIRECTOR OF FINANCE

#### CHEQUE USAGE

##### 1. EXECUTIVE SUMMARY

- 1.1. The Committee on 21 September 2010 agreed that an analysis of the use of cheques be produced with a view to reducing this usage and hence reducing costs.

##### 2. BACKGROUND

- 2.1 It has been the policy of the Council for a number of years to encourage payments, for such items as Council Tax, to be made using the Direct Debit facility. When making payments to suppliers of goods and services to the Council the Bankers' Automated Clearing System (BACS) is preferred. In addition, since implementing a revised banking contract in 2007, all employees are paid using the BACS process.
- 2.2 The Payments Council Board has agreed to set a target date of 31 October 2018 to close central cheque clearing. Over the next eight years the Payments Council will seek to promote and explain existing alternatives; and, where innovation and new options are required, to ensure that they are put in place. There will be a critical review in 2016 when the Payments Council will decide whether sufficient change has occurred against agreed published criteria, to press ahead to do away with cheques in 2018. According to the Payments Council "there are many more efficient ways of making payments than by paper in the 21st Century, and the time is ripe for the economy as a whole to reap the benefits of its replacement".
- 2.3 The following Table shows the number of payments made using BACS in 2009/10 and the current year to the end of September 2010.

Year	Bankers' Automated Clearing System (BACS)		Crossed Cheques	
	No of BACS	Amount £	No of CHQS	Amount £
2009/10	81,259	518,613,910	15,398	17,413,229
<b>Average Value</b>		<b>6,382</b>		<b>1,130</b>
2010/11 (April to September)	41,732	269,435,985	6,619	4,452,307
<b>Average Value</b>		<b>6,456</b>		<b>672</b>

2.4 A number of points should be noted from the Table:

- In 2009/10 BACS payments were used 5.3 times more than cheque payments; this has risen to 6.3 in 2010/11
- The average payment value using BACS was 5.6 times greater than the cheques in 2009/10; this has risen to 9.6 times the value in 2010/11.
- It is estimated that the cost of producing and issuing a cheque can be as much as 10 times that of a payment through BACS.

### 3. **INITIATIVES TO REDUCE CHEQUE USAGE**

3.1 At this stage, it would not be possible to unilaterally enforce a move away from cheque payments: not everyone has a bank account, the alternative solution of a direct credit (BACS) is not preferred by some members of society, for example, The National Pensioners Convention is concerned about there being a paper alternative when cheques are phased out. This does not mean, however, that the Council should not be proactive in limiting the use of cheques.

3.2 The following are current actions being undertaken, not only to reduce the use of cheques but also to ensure that payments and processing systems are efficient:

- a. As a matter of course when a new supplier is engaged by the Council, the bank details are requested and payments made by BACS unless there is a reason for not using this system.
- b. From time to time those suppliers who are not paid by BACS are contacted with a view to obtaining their bank details and processing future payments through BACS.
- c. The use of "Payments (P) Cards" is being explored.
- d. There are various forms of P cards and some of these are more suited to transaction types than others:
  - i. Embedded P cards can be lodged into an electronic procurement system against electronic catalogues and potentially the more catalogues then the fewer manual invoices will be received. If embedded cards could be applied to existing catalogues then invoices would be reduced by about 9,000 per year and this would increase as more catalogues are added.
  - ii. Embedded P cards can also be used against non catalogue transactions and there is therefore the potential to remove at least 50% of the existing total of non catalogue and free standing invoices from manual processing (42,000 invoices)

- iii. Other P cards can be deployed into transaction types which are not suited to the creation of a purchase order which would include those transactions raised against Swift and Saffron.
- iv. There are approximately 2,000 transactions per month which are for less than £50 which could be targeted for P card technology.
- e. It has recently been agreed with a number of utility companies that an “electronic” billing arrangement will be instigated. The invoices for these companies are received as electronic files but were previously manual invoices and approximately 14,000 a year were processed. This approach is being further explored with other companies. In addition other electronic solutions, such as scanning invoices which takes out excessive handling of data, are being evaluated.

f. **Prepaid cards**

A prepaid card is a payment card issued by a bank. The paying organisation, such as a local authority, Government department or private sector company, advises the issuing bank of the value to be loaded onto the card and provides it to a payee. Without funds being loaded onto the card by the issuing bank on behalf of the paying organisation, it has no value.

Prepaid cards bring significant advantages for both external benefit payments and employee payments, such as staff payroll, pensions, petty cash and expenses, to meet a broad array of Government needs. These could include:

- reduction in transaction costs
- the ability to pool budgets
- audit trails for individual transactions
- better support for budget planning with increased access to data
- improved administrative efficiency e.g. eliminating the need for weekly mailings of cheques or vouchers
- guarantee payment, better payments information and communication, improving predictability and visibility over cash flow
- reputational advantage through adoption of efficient technology and improved service delivery.

- g A number of transactions are managed entirely outside of the electronic procurement system and are paper invoices which are coded, approved, and are processed manually into the accounts payable system. These “free standing” invoices represent approximately 52% of all those received from suppliers. Early analysis of these transactions indicates that a significant majority of these invoices should be managed within the procurement system and not processed as free standing. This forms part of the Change Programme.

**4. FINANCIAL AND STAFFING IMPLICATIONS**

- 4.1. A number of the initiatives highlighted above will have financial and staffing implications. As these elements are implemented further detail will become available.

**5. EQUAL OPPORTUNITIES IMPLICATIONS**

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

**6. COMMUNITY SAFETY IMPLICATIONS**

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

**7. LOCAL AGENDA 21 IMPLICATIONS**

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

**8. PLANNING IMPLICATIONS**

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

**9. ANTI-POVERTY 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. SOCIAL INCLUSION 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 Member or Ward.

**13. BACKGROUND PAPERS**

- 13.1. Procurement Strategy – February 2010.

**14. RECOMMENDATION**

- 14.1. That the report be noted.

IAN COLEMAN  
DIRECTOR OF FINANCE.

FNCE/223/10



## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

18 NOVEMBER 2010

#### REPORT OF THE DIRECTOR OF FINANCE

#### DELIVERING EFFICIENCY AND MEASURING AND REPORTING VALUE FOR MONEY GAINS IN LOCAL SERVICES

##### 1. EXECUTIVE SUMMARY

- 1.1 This report presents the 2010/11 estimate of the Value for Money Gains National Indicator 179 (NI179) which was submitted to the Department for Communities and Local Government (DCLG) by 22 October 2010. It was agreed by the Cabinet on 14 October 2010.

##### 2. INTRODUCTION

- 2.1 The Comprehensive Spending Review 2007 (CSR07) released in Autumn 2007 contained a number of value for money targets across the public sector. In October 2007 the DCLG published *Delivering Value For Money in Local Government: Meeting the Challenge of CSR07* which was also known as the VFM Delivery Plan. This outlined the basic measurement and reporting criteria for value for money gains and highlighted differences from the previous Annual Efficiency Statement process.
- 2.2 CSR07 although in overall reducing the number of performance indicators introduced a new value for money indicator NI179. This was defined as *Value for money - total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year*. Summarised NI179 data is submitted through a website based system called the Data Interchange Hub with an estimate for the year required each October and an actual figure for the year submitted the following July.
- 2.3 The CSR07 set an original target for local government, to achieve, relative to the 2007/08 baseline, total annual efficiency gains of at least £4.9 billion by 2010/11. This was subsequently increased to £5.5 billion equating to a 4% efficiency target for 2010/11. These must be cash releasing efficiencies i.e. gains where there is a direct financial saving or benefit, with resources either released to be used elsewhere or recycled within a service to deliver better outcomes.
- 2.4 The DCLG has provided a methodology of how each local authority should calculate its baseline expenditure. It should be emphasised though that under CSR07 there is no individual target for each local authority. Instead there is a general requirement for local government as a whole to produce 3% to 4% annual cash releasing gains.

- 2.5 Local authorities are currently required by the Council Tax and Non-Domestic Rating (Demand Notices) (England) (Amendment) (No. 2) Regulations 2008 to include efficiency information on Council Tax bills and within the accompanying Council Tax booklet. This information is provided by the DCLG based upon the NI179 submission.

### **3. ASSESSING EFFICIENCY GAINS**

#### **3.1 The Baseline expenditure**

- 3.1.1 The Baseline expenditure was calculated from the 2007/08 local authority net revenue and capital expenditure forecasts excluding Schools and Benefits expenditure. A share of Transport Authority and Waste Disposal Authority budgets, based upon the proportionate share of the levies, was included. Capital expenditure was included within the Baseline.
- 3.1.2. The Wirral Baseline spend was calculated at £351.2 million producing an efficiency target of £10.5 million for 2008/09. The DCLG also allowed an alternative calculation based upon the 2007/08 outturn. For Wirral the outturn was £350.7 million which had only a marginal impact on the annual target.
- 3.1.3 In accordance with the projections in CSR07, as increased by the Chancellor of the Exchequer in his 2009 Budget, the cumulative efficiency targets for Wirral for future years were 6.1% of the Baseline for 2009/10 (equates to £21.4 million) and 10.3% for 2010/11 (equates to £36.5 million).
- 3.1.4 The DCLG also permitted local authorities to bring forward from the CSR05 efficiency regime any amounts achieved in excess of the previous target which can contribute against the CSR07 target.

#### **3.2 Analysis of efficiency gains**

- 3.2.1 NI179 does not require efficiency gains to be analysed across prescribed headings as was the case with the previous Annual Efficiency Statement system and there is no prescribed format for providing supporting information. The Appendix contains the composition of the forecast efficiency achievements for Wirral for 2010/11.
- 3.2.2 The Authority is allowed to include efficiencies achieved by bodies which place a levy upon it. The calculation therefore includes elements for efficiency gains for the Merseyside Integrated Transport Authority, based upon past performance, and for the Merseyside Waste Disposal Authority, based upon a 'best estimate'.

#### **3.3 Assessing efficiency gains**

- 3.3.1 The definition of ongoing cash-releasing gains relates to raising productivity and enhancing value for money. To be eligible, measures must evidence an improvement of outputs compared to inputs and not result in the deterioration in the overall effectiveness of the service. Gains can occur through:-

- Reduced inputs for the same or improved outputs.
- Reduced unit costs to meet increased demand for service.
- Increased demand for services and better income collection.
- Reallocation of inputs from a low priority to a high priority area so that the overall service effectiveness for a particular client group improves.
- Asset optimisation and the sale of surplus, formerly operational assets.
- Withstanding the impact of inflation.

### 3.3.2 Activity not meeting the definition of ongoing cash-releasing gains include:

- Improvements in service quality.
- Any action leading to a reduction in overall effectiveness of a service.
- Imposition of new or increased charges to the public or business.
- Reclassification of activities not changing either inputs or outputs.
- Transfer of costs and subsidies to other public sector organisations.
- Arbitrary cuts in payments to the Voluntary and Community Sector.

3.3.3 Eligible gains need to be ongoing for at least two years after first implemented and represent the potential to release resources for use elsewhere. Although improvements to service quality may be beneficial to Council Taxpayers, these cannot be counted. The NI179 calculation should be certified, and approved, by the Leader, the Chief Executive and the Chief Financial Officer of the Council. The DCLG expects that the principal measure of scrutiny will be through internal audit and assurance processes. However gains may be subject to external assessment by the Audit Commission.

## 3.4 Key dates in delivering and reporting

3.4.1 The timetable relating to NI179 reporting for 2010/11 is:-

Date	Action
22 October 2010	Authorities submit forecast cumulative gains for 2010/11
22 July 2011	Authorities submit actual cumulative gains

## 4. NATIONAL INDICATOR 179 2010/11 FORECAST

4.1 The basic principles within the NI179 framework are:-

- When setting the annual budget the Council must identify actions to improve efficiency and quantify the estimated expected gains;
- After the end of the financial year the Council must identify the impact of the actions taken for the year in question.
- Claimed efficiency gains will only be valid if service quality has been maintained.

- 4.2 The cumulative forecast for 2010/11 of £36.7 million required a submission to the Data Interchange Hub by 22 October 2010. Details of how this has been calculated are shown in the Appendix. When combined with the previous years reported efficiencies Wirral is on target to meet the overall CSR target.
- 4.3 The 2010/11 figure includes the actual NI179 cumulative return reported for 2009/10 which showed actual cash releasing efficiency gains totalling £26.9 million. This comprised allowable gains of £8.4 million brought forward from the previous efficiency regime and £9.4 million and £9.1 million of allowable gains in 2008/09 and 2009/10. The cumulative figure was reported to Cabinet on 22 July 2010 and submitted to the DCLG in July 2010.
- 4.4 The cash releasing efficiencies for 2010/11 are based upon several sources. These include those efficiencies identified whilst setting the 2010/11 revenue budget and additional efficiencies generated during the year through revisions to contracts and other operational changes. However items such as increases in fee income do not meet the defined criteria under NI179 and are therefore excluded. The figures have been further refined in line with the predicted likelihood of achievement as per the monthly summary Financial Monitoring Statement for August 2010.
- 4.5 The year end actual figures are required to be submitted to the DCLG by 22 July 2011. These will include an inflationary adjustment that is applied to any prior year efficiencies to reflect the cumulative nature of the targets but this will not be available until the year end. Additional adjustments will be made to incorporate and apportion to departments any further general efficiencies identified and achieved within the financial year.
- 4.6 In determining the impact upon service delivery the Authority will use available performance data. However, the new national indicator set applicable from 2008/09 means that direct comparability with earlier years will not always be possible.

## **5. FINANCIAL AND STAFFING IMPLICATIONS**

- 5.1 The cumulative NI179 return reported for the period ending 31 March 2010 showed actual cash releasing efficiency gains totalling £26.9 million. This comprised allowable gains of £8.4 million brought forward from the previous efficiency regime and £9.4 million and £9.1 million of new allowable gains in 2008/09 and 2009/10.
- 5.2 The NI179 forecast for 2010/11 presently shows new efficiency gains of £9.8 million although this may increase if further gains are identified before the end of the financial year. This produces a cumulative forecast total of £36.7 million. Applying the overall local government target requirement to Wirral provides a cumulative target figure for Wirral of £36.5 million.
- 5.3 There are no staffing implications arising directly 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. COMMUNITY SAFETY IMPLICATIONS**

8.1 There are no specific implications arising from this report.

**9. LOCAL MEMBERS SUPPORT IMPLICATIONS**

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

**10. LOCAL AGENDA 21 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. BACKGROUND PAPERS**

12.1 Delivering Value for Money in Local Government: Meeting the Challenge of CSR07 - DCLG October 2007.

12.2 Measuring and Reporting Value for Money Gains - DCLG October 2008.

**13. RECOMMENDATIONS**

13.1 That the Value for Money Gains National Indicator 179 cumulative estimate for 2010/11 of £36.7 million be noted.

13.2 That a further report be brought to Cabinet in June 2011 on the final NI179 position at 31 March 2011 due for submission to the DCLG in July 2011.

IAN COLEMAN  
DIRECTOR OF FINANCE

FNCE/202/10

## APPENDIX

### NI179 ONGOING CASH RELEASING VALUE FOR MONEY GAINS

#### FORECAST 2010/11

	£
<b>Adult Social Services</b>	
Assistive Technology	1,600,000
Integrated Transport Unit/Transport Costs	580,000
Restructure of Management/Administration	100,000
Transport	180,000
Departmental Share of Energy Contract Tendering Savings	131,000
Inflation Contained on Residential Nursing Contracts	780,000
<b>Children and Young People</b>	
Connexions Contract	295,000
Residential Care	280,000
Parenting and Prevention Pooling of Resources	177,000
Departmental Share of Energy Contract Tendering Savings	61,000
<b>Finance</b>	
Information Technology Management	170,000
Procurement Contracts	560,000
Departmental Share of Energy Contract Tendering Savings	57,000
<b>Law, Human Resources and Asset Management</b>	
Departmental Share of Energy Contract Tendering Savings	65,000
<b>Former Regeneration</b>	
Supporting People Contracts (full year effect)	477,000
Departmental Share of Energy Contract Tendering Savings	336,000
<b>Technical Services</b>	
HESPE Contract	80,000
Departmental Share of Energy Contract Tendering Savings	115,000
<b>Other</b>	
Procurement/Area Based Grant Containment	2,000,000
Merseyside Integrated Transport Authority	900,000
Merseyside Waste Disposal Authority	200,000
Council Restructuring after EVRs	680,000
<b>Total Cash Releasing Value For Money Gains 2010/11</b>	<b>9,824,000</b>
<b>Total Cash Releasing Value For Money Gains 2009/10</b>	<b>9,077,000</b>
<b>Total Cash Releasing Value For Money Gains 2008/09</b>	<b>17,839,000</b>
<b>Cumulative Cash Releasing Value For Money Gains 2010/11</b>	<b><u>36,740,000</u></b>

## **WIRRAL COUNCIL**

### **COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE**

**18 NOVEMBER 2010**

#### **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. 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 recent information from the Government and the revised Corporate Plan agreed in March 2010 and was agreed by the Cabinet on 4 November 2010.

### **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 Risk Management Strategy and the Procurement Strategy, and the resource-based strategies covering Capital, Human Resources, Information Technology and Asset Management, and the service strategies. It seeks to maximise the opportunities for delivering services from within the finite resources available.

### **3. PROGRESS**

3.1 The Council agreed the current Medium Term Financial Strategy on 24 September 2009 and it is subject to an annual review to take account of national and local changes.

### **3.2 FINANCIAL AND PERFORMANCE MANAGEMENT**

3.2.1 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 is supported through the planning process, the Corporate Plan and Departmental Plans, identifying how the objectives are to be achieved. The Plans link to budget-setting as the priorities identified should indicate the resource issues and principles that shape the Council budget. By identifying current issues as well as potential developments / related issues the Plans inform future revenue and capital budgets.

### **3.3 REPORTING AND MONITORING**

3.3.1 For 2010/11 Cabinet on 15 April 2010 agreed further measures to integrate 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 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.

#### **3.3.2 ANNUAL REPORTS**

The annual Statement of Accounts is a legal requirement and has to be published by 30 June. It 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 to Cabinet on the revenue and capital finances for the year plus the Insurance Fund and Treasury Management annual reports. A summary Statement of Accounts leaflet is also available.

#### **3.3.3 MONITORING REPORTS**

Since 2010 Cabinet has received a presentation each quarter covering the areas of performance, finance, capital and risk. A summary report is placed within the Library to which is appended more detailed reports on each of the areas with the financial and risk reports also being presented to Council Excellence Overview & Scrutiny Committee and Audit & Risk Management Committee as appropriate.

- (a) Financial monitoring compares spend against the approved budget.
- (b) Capital monitoring summarises progress against the capital programme.
- (c) Performance monitoring provides an overview against the key issues identified in the Corporate Plan.
- (d) Risk monitoring identifies progress delivering actions in the Corporate Risk Register and on any recently identified risks.

### **3.4 PLANNING REPORTS**

3.4.1 The key components of the planning process are service and financial planning. The former identifies how the Council delivers continuously improving services that meet the needs and priorities of the citizens of Wirral. 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.



3.4.2 Cabinet agreed the Vision for Wirral on 14 November 2007 which is articulated in the Corporate Plan. The Plan sets the overall strategic direction and identifies the aims and objectives of the Council and whilst covering three years is refreshed annually with the latest refresh being in March 2010. This approach is used for the other strategies listed above.

3.4.3 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.

### **3.5 RE-ALLOCATION OF RESOURCES TO PRIORITIES**

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

3.5.2 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.

3.5.3 When setting the Council Tax for 2010/11 the agreed increase was 1.67% and the budget

3.5.4 included actions to deliver further improvements in priority services.

3.5.4 The Authority is currently undertaking a wide ranging consultation exercise with residents, staff, stakeholders, businesses and community groups. The consultation entitled 'Wirral's Future, be a part of it' will help shape future priorities and the delivery of services. It is intended that the consultation process will be an annual process with priorities and use of resources developing over time.

## **4. MEDIUM TERM FINANCIAL STRATEGY**

4.1 The Strategy encompasses:-

- National issues including the 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.

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 Cabinet 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 and are updated regularly throughout the year within the Budget Projection reports submitted to Cabinet.

## **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 September 2009.

- 12.2 Corporate Plan and Departmental Service Plans.

## **13. RECOMMENDATIONS**

- 13.1 That the Medium Term Financial Strategy be noted.

- 13.2 That regular updates of the budget projections be reported to Cabinet and to Council Excellence Overview & Scrutiny Committee.

IAN COLEMAN  
DIRECTOR OF FINANCE

FNCE/208/10



## WIRRAL COUNCIL

### MEDIUM TERM FINANCIAL STRATEGY

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CABINET NOVEMBER 2010

## **1.0 EXECUTIVE SUMMARY**

### **1.1 Introduction**

- 1.1.1 The vision for Wirral is of a more prosperous and equal Wirral, enabling all communities and people to thrive and achieve their full potential. The vision is set out in Wirral's Sustainable Community Strategy and reflected in the Council's Corporate Plan.
- 1.1.2 The Corporate Plan is supported by a series of longer term aims and annual priorities which are refreshed on an annual basis and guide future actions. This helps prioritise the use of resources as the Council continues to operate in an increasingly complex and challenging environment and informs the way in which the Council works with its partners who share many of these aims.
- 1.1.3 The 'Wirral's Future, be a part of it' consultation will also play significant role in shaping future priorities and the delivery of services. This consultation being undertaken is the first of an annual wide ranging exercise involving residents, staff, stakeholders, businesses and community groups.
- 1.1.4 The national priorities of the Government are aligned with local priorities as part of the Council's corporate and business planning process in order to prioritise available resources. Wirral remains 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 outcomes of the public consultation 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 The Strategy's timescale has been extended to cover the period up to 31 March 2015. This aligns the Strategy with both the projected period covered

by the Chancellor of Exchequer's 2010 budget and the intended life of the Spending Review period. Whilst the Strategy will be valid at least until 2015 it will be annually reviewed to ensure it remains relevant. For 2009 the main changes reflect the economic projections from the Chancellor and the updated Corporate Plan agreed in March 2010. The annual Budget provides the detail of what is being delivered to implement this Strategy.

## **2.0 NATIONAL ISSUES**

### **2.1 The National Economic Position and Impact of the Recession**

2.1.1 The general global economic outlook remains poor and will impact upon the national economy with the high level of public debt likely to curtail Government manoeuvrability. This may be further restricted if the date of recovery and subsequent growth forecasts are not realised.

2.1.2 The UK economy is still weak and has only just moved out of recession. Since coming to power in May 2010 the Coalition Government has announced a series of measures aimed to tackle the economic situation and the structural deficit. There are a number of likely financial consequences for all local authorities including:-

- Reductions in future government grant settlements to local authorities.
- Increases in demand for services particularly relating to welfare support.
- Additional demands to provide new services to deal with impacts of the recession on communities.
- Possible structural and resource changes linked to 'free' Schools, Academy Programmes, Big Society and Localism initiatives
- Reduction in income from fees and charges.
- Reductions in level of capital receipts achieved.
- Negative impact on likely investment into regeneration based schemes
- Reduced funding for partner organisations

2.1.3 Wirral's Strategy and Plan reflect the latest forecasts and assumptions for the impact of the recession and the Plan will be regularly updated and reported to Cabinet.

### **2.2 Emergency Budget and Spending Review**

2.2.1 The Chancellor of the Exchequer published an Emergency Budget on 22 June 2010. The Emergency Budget contained a number of measures to begin the deficit reduction process during 2010/11. It also contained a number of economic forecasts:-

2.2.2 The UK economy is forecast to grow by 1.2% in 2010, 2.3% in 2011, 2.8% in 2012, 2.9% in 2013 and 2.7% in both 2014 and 2015. The inflation target remains unchanged at 2% although inflation is likely to be higher than this in the short term.

2.2.3 The structural deficit should be in balance by 2015/16. Public sector net borrowing forecast is £149 billion for 2010/11, reducing in later years to £116

billion in 2011/12 £89 billion in 2012/13, £60 billion in 2013/14 and £37 billion in 2014/15.

- 2.2.4 There will a series of spending reductions across the public sector although some areas will be protected. Unprotected departments are facing a real term cut of at least 25% over a four year period with higher estimates indicating real term reductions as high as 40%.
- 2.2.5 Details of the Comprehensive Spending Review (CSR) will be announced on 20 October 2010. The CSR will cover a four year period ending in 2014/15 and is likely to provide a broad outline of future resource allocation across the public sector.

## **2.3 Local Government Finance Settlement**

- 2.3.1 The Local Government Finance Settlement is expected to be announced in December 2010 following the Comprehensive Spending Review 2010. There are also reviews of Local Government Finance, Public Sector Pensions and Welfare Benefits under way. There is a possibility that the detailed settlement may cover only two years (2011/13) of the CSR period with a further two years (2013/15) announced after the outcome of the other reviews.
- 2.3.2 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.
- 2.3.3 All of the indications are that the Comprehensive Spending Review and Local Government Finance Settlement will lead to a significant reduction in resources available to local authorities.

## **3.0 LOCAL ISSUES**

### **3.1 Facts and Figures**

- 3.1.1 Wirral's Sustainable Community Strategy and the Council Corporate Plan set out an understanding of the local issues facing the borough which is a place of enormous opportunity also of sharp contrasts.
- 3.1.2 The overall picture masks inequalities for local people as Wirral residents experience some of the country's most notable variations in economic and social well being. A substantial percentage of Wirral's population live within some of the country's most deprived areas, whilst there are also a large number that live in some of the country's most affluent areas.
- 3.1.3 Wirral's population has declined from over 355,000 during the 1970s to 308,500 in mid-2009. The population is skewed towards older age groups, with a lower proportion of younger adults and a higher proportion of older people than the averages for the rest of England and the North West. The fastest falling population categories are the 24 years and under age groups. With the availability of employment in the borough being lower than the national

average a significant number are travelling outside for jobs. The outcome of the 2011 Census will become known during the next 12 months and any reduction in population is likely to have a detrimental impact upon Central Government grant allocations for Wirral.

### **3.2 The Wirral priorities**

3.2.1 The approach to corporate planning integrates national and local priorities and the Council 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:-

- 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.

3.2.3 The Corporate Plan is supported by a series of annual priorities which are refreshed on an annual basis with the main emphasis being to use the available resources to reduce inequalities within the borough.

3.2.4 The shaping of future priorities and the delivery of services will also be influenced by the 'Wirral's Future, be a part of it' consultation. This consultation being undertaken is the first of an annual wide ranging exercise involving residents, staff, stakeholders, businesses and community groups. It is intended that this will also inform the developing Localism Agenda.

### **3.3 Allocation of resources to priorities**

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

The Council has allocated revenue and capital resources to support working with private sector partners and Wirral Partnership Homes. This includes the Investment Strategy with developments within NewHeartlands, New Brighton and the Wirral Waters/Docklands area. The investment is complemented by the use of Working Wirral funding which includes the Apprenticeship Programme and planned investment in super-fast fibre optic broadband to support the development of businesses.

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

Resources allocated to the streetscene contract and towards waste initiatives have realised continued improvements in recycling rates. Actions over climate change and sustainability has seen further investment in energy conservation measures that reduce the burden of future price rises. These include installations to allow automatic meter reading and automatic power down programmes for pcs. Energy efficiency grants have been made available for community buildings, a carbon budget established and a free home insulation

programme developed to private sector households. Again the Newheartlands programme supports the delivery of this objective.

### 3.3.3 To improve health and well-being for all and in providing support for vulnerable people

Additional resources made available for Adult and Children Services. Within Adult Social Services progress is being made with the transformation agenda and the availability of personal budgets. Investment has been made in assistive technology to help support residents to live in their homes, but the demands from an ageing population for social care continue to increase and prove to be a challenge. 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.

### 3.3.4 To raise the aspirations of young people

The continued capital investment into schools including the Building Schools for the Future, Woodchurch High School, Primary Schools, Academy Programmes and Childrens Centres. This is supported by targeting funding to the needs of children in deprived communities.

### 3.3.6 To create an excellent Council

The Council Tax increase for 2010/11 of 1.67% showed the commitment to continuously improve 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 is now the 186th highest. The increasing community involvement through Area Forums, the Parliaments for younger and older people was supported by Participatory Budgeting with funds made available for the Forums to allocate on projects or services. Further work undertaken during 2010/11 will seek to meet the localism agenda and will complement the outcome of the Your Wirral – be a part of it consultation programme.

## **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 The Council increasingly works 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 running project, primarily focussed upon housing, to regenerate the east side of Wirral and is presently 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. The major scheme is the M53 Bidston Viaduct scheme funded primarily by Central Government but where the Council also makes a contribution. Wirral is a waste collection authority, but the Merseyside Waste Disposal Authority (MWDA) provides the disposal facilities, investing in Bidston, with further initiatives planned as part of the Merseyside Waste Management Strategy. The cost of these initiatives is met by the constituent authorities through the MWDA levy.

4.2.4 Improving facilities available for use by the people of Wirral, includes the Extra Care Housing facility at former Mendell Lodge site, due for completion in January 2011 and improvements to Cultural Service Assets (including libraries, leisure centres and museums). The Council 'Invest-To-Save' projects include improvements to residential care arrangements and the continuing energy efficiency programme reducing our energy use and CO<sub>2</sub> 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 schools for Woodchurch and the Birkenhead High Girls Academy; the Primary Schools strategy and the development of Childrens Centres. In addition significant resources are also allocated for smaller school projects. Approximately 70% of the programme is funded by government grants.

4.2.6 There are also ongoing IT enhancements and the Strategic Asset Review which seeks to provide facilities that meet the aspirations of the people of Wirral.

### Capital Programme as at 30 September 2010

Programme	2011/12 £million*	2012/13 £million*	2013/14 £million*	2014/15 £million*
Adult Social Services	0.1	0	0	0
Corporate Services	2.1	0.3	0	0
Children & Young People	25.9	17.5	15.0	15.0
Finance	1.5	1.5	0	0
Law, HR & Asset Management	0	0	0	0
Regeneration	17.6	17.6	14.0	14.0
Technical Services	9.7	8.7	10.0	10.0
Total programme	56.9	45.6	39.0	39.0

\* Estimated as future years will be informed by the Government Comprehensive Spending Review 2010 and Local Government Finance Settlement 2011/12.

### 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. The Government provides funding to support a certain level of borrowing known as supported borrowing. However the level of supported borrowing has been halved in 2010/11 and future levels will be reviewed in the autumn of 2010. Assumptions on 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. It should be noted that the Government is undertaking a review of capital grants with a view to reducing the level of grants and moving toward more non specific grants. Further information should be available after the Spending Review is complete.
- 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.

### Capital Resources as at 30 September 2010

Resource	2011/12 £million*	2012/13 £million*	2013/14 £million*	2014/15 £million*
General Capital Resources	9.6	8.7	3.4	3.4
Supported Borrowing	6.2	5.3	5.3	5.3
Government Grants	40.8	31.3	30.0	30.0
Revenue, Reserves, Contributions	0.3	0.3	0.3	0.3
Total resources	56.9	45.6	39.0	39.0

\* Estimated as future years will be informed by the Government Comprehensive Spending Review 2010 and Local Government Finance Settlement 2011/12.

## **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 as at early October 2010 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 budgets for future years and provide a regular update on the issues identified in the Medium Term Financial Strategy.

### **5.2 Government Funding**

- 5.2.1 The Comprehensive Spending Review 2010 covering the period 2011/12 to 2014/15 will result in reduced funding for local authorities. In delivering its services the Council must continue to have regard for its statutory duties.
- 5.2.2 The Local Government Finance Settlement saw Wirral receive an increase in formula grant of 3.3% for 2010/11. This was higher than similar authorities to Wirral as a consequence of previous amendments to the allocation formulas. The Chancellor of the Exchequer in the Emergency Budget of June 2010 stated that there would be reductions in grant from 2011/12 reflecting the government pledge to eliminate most of the structural deficit by 2014/15. In addition the continued decline in Wirral's population will also likely have implications for the level of future government grant received.
- 5.2.3 From 2008/09, many grants paid specifically for the delivery of particular services were transferred into the Area Based Grant which is a general grant for use by the Authority. Government has indicated that the removal of ring fencing will result in a further reduction in the number of specific grants. The 2010/11 Area Based Grant allocation was reduced by £3.9 million following June's Emergency Budget. It is very likely that future years allocations will also be reduced. The Dedicated Schools grant used for the provision of schools will remain as the most significant specific grant.
- 5.2.4 The previous Government expected local authorities to deliver annual 'cashable' efficiency improvements of 3% which increased to 4% per year for 2010/11. The Coalition Government is likely to remove such centrally imposed targets. However reduced central funding and limitations on expected Council

Tax increases will mean that local authorities must continue to identify and deliver substantial efficiencies.

### **5.3 Local Funding**

- 5.3.1 After Government Grants Council Tax presently provides the balance of the funding of the net spend of the Council. The aim is to set Council Tax at affordable levels and within parameters laid down by central government. The assumption within this Plan is that there will be Council Tax rises of 2.5% per year although the final figures may vary depending upon any directions from Central Government..
- 5.3.2 Opportunities for increasing income are being explored and charges for services will be set having regards to the other objectives of the Council. Charges are reviewed, at least, annually and increased primarily in line with inflation (present assumptions are 3% per year) whilst being compared to other authorities, the local market and affordability. Income generation is 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.
- 5.3.3 The freedoms offered by legislation allow authorities to charge for discretionary services and therefore an opportunity to increase resources. This can only be implemented within set criteria and the Council continues to explore new income stream opportunities.
- 5.3.4 The Government recognises the importance of economic development and the role local authorities have in shaping their areas and providing accountability for regeneration initiatives. Regional development Agencies are being abolished and a new £1 billion Regional Growth Fund has been established to encourage local authorities, businesses and communities to work together to provide economic growth. Proposals have also been unveiled regarding incentives to local authorities for new home provision based upon a multiplier of additional council tax receipts raised.

### **5.4 Influences**

#### **5.4.1 Securing investment and financing**

The Council continues to look at all options for securing investment into the local area. Working with private sector partners significant schemes have been developed for New Brighton and for the Wirral Waters development. It is anticipated that over its lifetime the latter scheme will bring several billion into the Wirral economy.

Previous investment has seen the Private Finance Initiative used for improving secondary schools, the transfer of the housing stock to address the needs of Council dwellings and bidding for Government funding, including the Lottery Fund, and the NewHeartlands programme.

#### 5.4.2 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 this equates to for £6.5 million for 2010/11.

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.

#### 5.4.3 Inflation

In line with Government projections inflation has been assumed at 2% over the next three years for prices. Pay inflation for 2011/12 and 2012/13 has been restricted to a maximum flat rate of £250 for those earning less than £21,000 per annum following Central Government announcements of a two year pay freeze.

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 8% per year and Landfill Tax is predicted to increase by £8 per tonne per year representing a 50% increase between 2010/11 and 2014/15. A 3% per annum increase in the Merseytravel levy has also been assumed.

#### 5.4.4 Links to other resource strategies

**Capital Strategy:** Support for capital investment is assumed to continue but at a much reduced level between 2011/15. 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:** The resource challenges facing local authorities will result in fewer staff. The efficiencies required assume this and the HR strategy will cover issues of business continuity and maintenance of appropriate skills within the workforce. Wirral continues to implement the local pay review, originally agreed as part of the 1996 pay award, with any decisions to be effective from April 2007. Whilst largely resolved in 2008 resources have been made 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.

#### 5.4.5 Efficiency and 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 as it is the outcomes rather than the processes that are the key to success.

#### 5.4.6 Insurance

The Council has continued to be pro-active in risk management and in the treatment and defence of insurance claims. This was again recognised in the Insurance Fund annual report and the assessment of potential liabilities arising from past and predicted claims enabled the amounts set-aside for outstanding claims to again be reduced. The main liabilities contracts were renewed on improved terms during 2010.

#### 5.4.7 Pension Costs

An actuarial revaluation of the Pension Fund will be completed in 2010. Latest projections which reflect change in pension regulations are for an annual increase of 1.5% or £2 million. In addition, the agreed outsourcing of highways and engineering services will result in a further annual increase of £0.2 million.

#### 5.4.8 Promoting choice

The reforms within Adult Social Services will see the implementation of the personalisation agenda. Individuals will receive the funding directly for care services and be able to choose those services which they require to use.

### **5.5 Council priority area issues**

#### **5.5.1 To create more jobs, achieve a prosperous economy and regenerate Wirral**

The Council continues to progress the delivery of the Investment Strategy of which the key projects involve working with development partners on the New Brighton, Woodside and Wirral Docklands schemes. Outline Planning Permission was granted during 2010 for the multi-billion pound Wirral Waters scheme.

The Authority has earmarked funds to support the roll out of superfast broadband to attract and retain businesses to Wirral and to help provide competitive advantage. Businesses have also been supported via the use of grant programmes.

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

The Working Wirral funding, including the Apprenticeship programme continues to be focussed upon increasing job opportunities and helping secure the continuation of existing jobs. The Future Jobs Fund initiative which is funded until September 2011 is also anticipated to result in the creation of approximately 700 jobs.

### **5.5.2 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 increase in Landfill Tax is projected to be at a rate of £8 per tonne per annum and will be reflected in the levy upon the Merseyside authorities from the Merseyside Waste Disposal Authority.

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 predicted levy increase by 8% per year over the next few years.

The Council Environmental Streetscene Services contract covers waste collection, recycling and street cleansing services and as the range of services expands this realises environmental and cash benefits through increased recycling and reduced landfill costs (via the levy).

Improvements to housing and 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.

The Council awarded a combined Highways and related maintenance services contract from 2009/10 that realised efficiencies upon acceptance of the contract. An exercise is currently underway to procure a contract with a suitable partner for a parks and open spaces contract. This is expected to generate both efficiencies and service improvements.

In addressing sustainability work continues on energy efficiency measures and investment into energy schemes. Resources have been allocated to reduce the carbon footprint of private dwellings on the Wirral through offering Insulation programmes and measures approved to improve the efficiency of Council buildings.

The asset transfer programme continues with communities being engaged in the operation and maintenance of a number of former authority buildings.

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

Adult Social Services continue to 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 NHS Wirral to better use the resources available locally.

Wirral is responding to the changing emphasis in transforming adult services care provision with pilots to aid the implementation of personal budgets and through substantial investment in assistive technology. Personal budgets will provide individuals with the choice of purchasing care and support which will impact upon the services provided by the Council as well as other public sector and private sector providers. Assistive technology will help individuals to remain in their home, achieve a better quality of life and reduce pressures on more expensive forms of care.

### **5.5.4 To raise the aspirations of young people**

Education is a key priority of the Coalition Government. The Dedicated Schools Grant and three-year budgets for schools further guarantee schools funding being ring-fenced. The national distribution of the grant is currently being reviewed.

A number of initiatives are being considered by the new government. These include the expansion of academies, the establishment of 'free' schools operating outside of the local authority framework and payment of a pupil premium targeted at those in disadvantaged groups.

An issue facing the education service continues to be 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.

The capital investment into the Building Schools for the Future programme at Woodchurch, work on developing the Birkenhead High Girls Academy and the developing Primary schools programme will change the school provision throughout Wirral

In supporting the raising of aspirations and the narrowing of the attainment gap there are linkages to the other aims and objectives including the creation of more jobs, through the Apprenticeship Programme, and health and well-being through support for looked after children.

### **5.5.5 To create an excellent Council**

A substantial programme of public consultation using various media channels has been implemented. This will help inform and shape the priorities of the



Authority and assist with future decision making regarding the use of resources. Supplementing the consultation, work around Localism is being undertaken to further to increase community engagement and influence. This will also take forward any relevant Central Government Localism Agenda proposals.

To best respond to modern demands for its services, the Council is undergoing a number of organisational changes to its structures. These have included the reduction in departments, the transfer of responsibilities between departments and increased partnership working. Future resource pressures and the need to deliver services in different ways and with fewer staff may result in further changes

The Customer Access Strategy is delivered through the 'front-of-house network' of the Call Centre, One Stop Shops, Information Points and the new Neighbourhood Centres with this being enhanced through the new 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 and by the Audit Commission review of Access to Services.

The modernisation agenda through the integration of existing IT 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 through the re-engineering of service delivery.

The Council is implementing a Strategic Asset Review which will make improvements to service delivery, contribute towards the sustainability programme and also realise financial benefits through operational efficiencies. A number of assets have been transferred from Council ownership for community use. An accommodation review is being undertaken which should result in efficiencies and a reduced number of administrative buildings.

The purchasing of goods and services for the best price available has been 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.

## **5.6 Financial projections**

5.6.1 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 2.5%% per year and the shortfall will be made up from efficiency savings identified throughout the period.

5.6.2 To give an indication of potential variations for some of the key assumptions the impact of each 1% variation for each assumption is summarised in the following table:-

<b>Effect of 1% variation in:-</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>
Inflation – Pay	1.7	1.7	1.7	1.7
Inflation – Prices	2.1	2.1	2.1	2.2
Inflation – Income	0.3	0.3	0.3	0.3
Council Tax income	1.3	1.3	1.3	1.4

5.6.3 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.

#### **GENERAL FUND PROJECTIONS (as reported to Cabinet 14 October 2010)**

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>
<b>BASE BUDGET</b>	330.8	315.0	303.7	292.6
<b>PLUS: IDENTIFIED CHANGES</b>				
Inflation – Pay	1.0	1.0	3.5	3.5
Inflation – Prices	3.7	3.7	3.8	3.8
Capital financing	2.0	2.0	2.0	2.0
Waste disposal costs	1.4	1.5	1.6	1.7
Pension Fund	2.2	2.2	2.2	2.2
Merseytravel	0.8	0.8	0.8	0.8
Private Finance Initiative	0.1	0.1	0.1	0.1
Benefits (net of Subsidy)	0.2	0.2	0.2	0.2
Home Insulation	1.0	-	-	-
Unavoidable growth	1.0	1.0	1.0	1.0
Efficiency Investment Fund	2.0	2.0	2.0	2.0
Inflation – Income	-1.0	-1.1	-1.1	-1.1
Guinea Gap	0.6	-	-	-
Leasowe Recreation Centre	0.6	-	-	-
Swimming	0.3	-	-	-
Agreed efficiencies	-1.6	-2.0	-1.6	-
Efficiency Plan/Savings Required	-30.1	-22.7	-25.6	-27.3
<b>FORECASTED BUDGET</b>	<b>315.0</b>	<b>303.7</b>	<b>292.6</b>	<b>281.5</b>
<b>RESOURCES</b>				
Government Grant	180.5	165.9	151.3	136.7
Council Tax	134.5	137.8	141.3	144.8
<b>RESOURCES</b>	<b>315.0</b>	<b>303.7</b>	<b>292.6</b>	<b>281.5</b>
<b>GENERAL BALANCE</b>	<b>6.5</b>	<b>6.5</b>	<b>6.5</b>	<b>6.5</b>

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 increases the Coalition Government have announced a freeze for 2011/12. It has been assumed for later years that Authorities could be allowed to increase Council Tax by inflation. An increase of 2.5% per year has been assumed. With the final outcome of the SR 2010 unknown at this stage the projected Grant has, at this stage been based on indications of the likely range of reduced grants coming from Central Government and the DCLG. A reduction of 30% has therefore been assumed between 2011/12 and 2014/15.

## 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:-

<b>RISK / ACTION</b>	<b>PROBABILITY</b>	<b>IMPACT</b>	<b>ACTIONS TO REDUCE RISK</b>
Spending Review outcome results in significantly reduced resources requiring strategic management of resources	High	High	Change programme and budgetary processes. Consultation process to assist prioritisation
Spending Review outcome results in significantly reduced resources for Partners which impact on Council	High	Medium	Local Strategic Partnership work and Strategic Change Programme
Staffing reductions results in loss of skills and negative impact on services and finances	Medium	High	Evaluation of impact of EVR/Severance requests. Service planning and structural changes
Efficiency Plan / savings are not delivered	Medium	High	Appraisal of issues at start Regular reporting of progress, revised change programme arrangements
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 NHS Wirral Effective care management Regular dialogue with sector
Demand for children care services increases	Medium	High	Additional resources 2009/10 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
Resources are not targeted towards priorities	Medium	Medium	Re-allocate wherever possible Consultation process. Regular review

Forecasts of future spending needs, pay and inflation vary from assumptions	Medium	Medium	Inflation targets Pay awards predictable Regular review of Strategy
Income targets not achieved	Medium	Medium	Identify volatile areas Regular financial monitoring
Budgetary Control fails to stop Council overspending	Low	Medium	Identify volatile areas Regular reporting
Failure to deliver the personalisation agenda	Low	High	Focus medium term resources Personal Budget pilot Regular reporting on progress
Balance insufficient to meet unforeseen events	Low	Medium	Maintain at adequate level Regular review and monitor
Efficiencies result in costs in later years .eg. failure to maintain buildings	Low	Medium	Scrutiny and call in of decisions Strategic Change Programme processes
Severe weather and other incidents	Low	Medium	Maintain emergency plans Assessment of balance
Legislative changes including funding not anticipated	Medium	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

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE – 18 NOVEMBER 2010

#### REPORT OF THE INTERIM DIRECTOR OF CORPORATE SERVICES

#### MAINSTREAMING ACTIVITIES – STAFF DIVERSITY FORUMS

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#### 1. Executive Summary

- 1.1 The purpose of this report is to recommend a review of staff diversity forums with a view to mainstreaming their activities to achieve maximum benefits for the Council and its employees.

#### 2. Background

- 2.1 Staff diversity forums were established during 2007/2008 and 2008/2009 as part of the Council's process of being awarded 'achieving' status (formerly level 3) of the Equality Framework for Local Government, and have been allocated £2,000 each per annum to:

- Support the development of staff policies and procedures.
- Provide input into the development of the Council's equality schemes.
- Advise the Council on meeting its statutory obligations with regard to equality legislation.
- Advise service areas on diversity related issues.
- Support the Council in achieving workplace related awards (for example Investors in People)
- Empower staff from 'equality protected' groups to have a voice within the Council, i.e. women, lesbian/gay/bisexual people, black/minority ethnic people, disabled people.

- 2.2 The Chairs of each staff diversity forum are members of the Corporate Equality and Cohesion Group, and also provide regular updates on the forums' progress.

- 2.3 Membership of the staff diversity forums has been open to all relevant staff, endorsed by the former Chief Executive of the Council.

#### 3 Recent Achievements by Staff Diversity Forums

- 3.1 Disability Staff Forum:

- Participated in a working group to develop Council policy regarding disability related absence recording
- Recently established a time-limited sub-group to look at dyslexia within the workplace

### 3.2 Black and Racial Minority Staff Forum:

- Working in partnership with the Community Safety Team to further develop hate crime reporting and the establishment of a Hate Crime MARAC.
- Won an award from the North West Employers Organisation for the 'integration via football' event which encouraged the participation of numerous diverse football teams.

### 3.3 Lesbian, Gay and Bisexual Staff Forum

- Developed an action plan in order for the Council to be assessed for Stonewall's Equality Index scheme.
- The rainbow flag was raised at five Council buildings to acknowledge the International Day Against Homophobia (17 May).
- Participated in Liverpool's first Pride event.

### 3.4 Women's Forum

- Provided a seminar for female staff regarding career opportunities and career progression.
- Working in partnership with Technical Services department to design a survey for female staff to further understand perceptions, behaviours and attitudes within the department.

## 4. How many staff are members of the Diversity Forums?

<b>Staff Diversity Forum</b>	<b>Number of Members</b>
Women's Diversity Forum	6 staff attend quarterly meetings, and approximately 30 people receive information via email
Lesbian, Gay and Bisexual Diversity Forum	8 staff attend 6-weekly meetings, and 1 person receives information via email
Disability Diversity Forum	16 staff attend 6-weekly meetings, 4 staff attend a dyslexia sub-group, and approximately 50 people receive information via email
Black Workers' Group	13 staff attend 6-weekly meetings

## 5. How have the Diversity Forums utilised their budgets?

<b>Staff Diversity Forum</b>	<b>2009 / 2010 Budget Spend</b>	<b>2010 / 2011 Budget Spend to 31 August 2010</b>
Women's Diversity Forum	Nil spend	£336 on attending the Merseyside Women's Awards event
Lesbian, Gay and Bisexual Diversity Forum	£75 on five rainbow flags to be flown on Council buildings for IDAHO day	£64 on travel expenses for regional LGB strategy event
Disability Diversity Forum	£500 on mental health training (1 trainer and information packs)	Nil spend

Black Workers' Group	£10 Members' training (minute taker) £350 Black History Month Achievement Awards £171.50 Forum End of Year Celebration (arranged as an incentive to attract new members and to also thank existing members for all their hard work during the year) £200 Pyramid Performance Activity £350.75 advert in wage slips £208 Chinese new year event  Sub-total = £1290.25	Nil spend
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## 6. Reaching 'Excellent' status of the Equality Framework for Local Government

6.1 Part of the criteria for being awarded 'Excellent' status includes:

- 'There are forums for all equality stakeholders to share experiences and to evaluate the Council's progress on equal pay, under-representation, flexible working, access to training and development and promotion of an inclusive working culture based on respect.'

## 7. Recommendations

7.1 The Head of Policy and Performance, Head of HR and Organisational Development and staff diversity forum Chairs to meet to undertake a review, including completion of an equality impact assessment, with a view to mainstreaming staff forum activities to achieve maximum benefits for the Council and its employees.

**KEVIN ADDERLEY**  
**INTERIM DIRECTOR OF CORPORATE SERVICES**

This report was prepared by Jacqui Cross, Corporate Equality and Cohesion Manager, who can be contacted on 0151 691 8064 or [jacquicross@wirral.gov.uk](mailto:jacquicross@wirral.gov.uk) .

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## **WIRRAL COUNCIL**

### **COUNCIL EXCELLENCE OVERVIEW & SCRUTINY COMMITTEE**

**28 OCTOBER 2010**

#### **REPORT OF THE DIRECTOR OF TECHNICAL SERVICES / PROGRAMME DIRECTOR (STRATEGIC CHANGE)**

##### **STRATEGIC CHANGE PROGRAMME – UPDATE**

###### **1 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to provide an update to Council Excellence Overview & Scrutiny Committee on the Council's Strategic Change Programme.

###### **2 BACKGROUND**

- 2.1 A recent review of the Strategic Change Programme was undertaken at the request of Cabinet on the 24 June 2010. That review was reported to Cabinet on the 22 July 2010 and concluded that "Programme delivery confidence was red" and "delivery of the programme appeared to be unachievable". That Cabinet report appears separately on the agenda for tonight's meeting and members' attention, in particular, is drawn to Section 3 – Outcome of the Review.
- 2.2 Following that review a number of recommendations were made including that a Strategic Change Programme office be established under the control of the Director of Technical Services to determine and deliver the Strategic Change Programme.
- 2.3 Cabinet further resolved that a Strategic Change Programme Board (SCPB) be established comprising the Leader of the Council, the Deputy Leader of the Council, the Deputy Leader of the Conservative Group, the Deputy Leader of the Liberal Democrat Group, the Chief Executive, and the Lead Chief Officer for the Programme. The SCPB is the executive body responsible to Cabinet for deciding on and delivering the SCP.

###### **3 PROGRESS TO DATE**

- 3.1 The Strategic Change Programme Office (SCPO) has been established under the Director of Technical Services and is based in Cheshire Lines. The primary focus of the SCPO has been to re-state the Strategic Change Programme in order to maximise the successful delivery of outcomes and to procure a corporate project management system to facilitate planning, control and delivery of the programme.
- 3.2 A corporate project management system (ProjectVision, Cora Systems) has been procured and configured against the delivery arrangements established by SCPB. Training on the use of the system has begun and

is due to conclude on 16<sup>th</sup> November 2010, for key project managers. Additional training for members and Chief Officers will take place as required.

- 3.3 A “decision gate” approach to programme delivery had been developed. This approach establishes a number of decisions gates projects have to pass through during the project life cycle. If a project fails to satisfy specific criteria, SCPB will not approve progression to the next stage (see Appendix 1). An assurance framework has been agreed and will be delivered by the Director of Finance, providing independent assurance of the programme to SCPB.
- 3.4 The Strategic Change Programme Board have provisionally agreed three delivery channels in which the projects will be categorised (see Appendix 2):
- **Strategic Change Projects** – These projects will be managed using the delivery arrangements and assurance framework agreed by SCPB. The progress of these projects will be monitored by SCPB
  - **Business as Usual Projects** – those projects which will be primarily managed through normal governance processes i.e. Cabinet decides, Executive Team implements, scrutiny monitors. However, some projects will be significant in terms of the efficiencies to be delivered or the risk to the organisation that SCPB will require some oversight.
  - **DASS Programme** - These projects have clear dependencies and linkages to each other and should be managed as a single programme.
- 3.5 The existing programme agreed by Cabinet 14<sup>th</sup> January 2010, has been reviewed to establish if projects are still relevant to the Council’s objectives, have the ability to be delivered or can be enhanced or stretched to provide additional outcomes. Any new or emerging ideas have also been assessed by SCPB for inclusion. This review has resulted in a restated programme, which has been grouped into the delivery channels outlined above.
- 3.6 All projects are awaiting SCPB approval. In some cases this approval is the continuance of an existing project, whilst in other cases it will be approval to start project delivery. For clarity, Appendix 3 sets out the project delivery stage and decision gate of each project within the programme.
- 3.7 There has been a further proposal to group these projects by themes, which may assist in the future development of the programme. These themes are draft at this stage and will be more fully developed following the consultation exercise and refresh of the Council’s Corporate Plan; however the draft themes are set out in Appendix 4.

- 3.8 The processes established in restating the change programme and monitoring its delivery allow for the expansion of the programme, enabling emerging ideas to be developed into new projects under the “project conception” stage (appendix 1&3). These ideas are received from several quarters including the staff suggestion scheme, response from staff to the Leader’s emails, the recent MBA projects and members of the public. This process will also be applied to ideas and recommendations resulting from the recent consultation exercise

#### **4 FINANCIAL IMPLICATIONS**

- 4.1 The financial implications arising from this report

#### **5 STAFFING IMPLICATIONS**

- 5.1 There are no staffing implications arising directly from this report.

#### **6 EQUAL OPPORTUNITIES IMPLICATIONS / EQUALITY IMPACT ASSESSMENT**

- 6.1 The implementation of the Councils Strategic Change Programme should have positive equal opportunities impact. Equality Impact Assessments will be undertaken where relevant for specific projects and activities.

#### **7 HEALTH IMPACT ASSESSMENT**

- 7.1 A Health Impact Assessment will be undertaken for all relevant projects.

#### **8 COMMUNITY SAFETY IMPLICATIONS**

- 8.1 There are no specific community safety implications arising directly from this report.

#### **9 LOCAL AGENDA 21**

- 9.1 There are no local agenda 21 implications arising directly from this report.

#### **10 PLANNING IMPLICATIONS**

- 10.1 There are no planning implications arising directly from this report.

#### **11 ANTI-POVERTY IMPLICATIONS**

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

#### **12 SOCIAL INCLUSION IMPLICATIONS**

- 12.1 There are no social inclusion implications arising directly from this report.

### **13 LOCAL MEMBER SUPPORT IMPLICATIONS**

- 13.1 There are no local member support implications arising directly from this report.

### **14 BACKGROUND PAPERS**

- 14.1 Review of Strategic Change Programme, Cabinet, 22 July 2010

### **15 RECOMMENDATIONS**

- 15.1 The Council Excellence Overview & Scrutiny Committee would be invaluable in supporting the Change Programme by scrutinising the projects classed as Business as Usual / Efficiency Projects. This would enable the Strategic Change Programme Board to focus on monitoring the projects in the Strategic Change Programme.

This report was prepared by Michele Duerden, Strategic Change Programme Office, who can be contacted on 0151 666 3256.

## STRATEGIC CHANGE PROGRAMME GATES

	Gate 1	Gate 2	Gate 3	Gate 4	
	PROJECT CONCEPTION	PROJECT APPROVAL	PROJECT START UP	PROJECT DELIVERY	PROJECT CLOSURE
<b>Key questions SCPB will consider</b>	The SCPB Gate framework will not be involved at this stage	Is there sufficient definition of what the proposal is to enable the board to make an informed, prioritised decision?	Is the programme sufficiently well planned, resourced and evaluated?	Is the board being given sufficient and accurate advice as regards the progress and issues of the programme?	Has the impact of the programme and the key success factors been evaluated and reported accurately to the board?
<b>Documents SCPB require to answer key questions</b>		Outline Business Case.	Project Initiation Document. Full Business Case. Scope. Project Plan. Risk Register. Issues Log.	Updated Project Plans. Highlight Report. Updated Risk Register. Updated Issues Log.	Lessons Learnt. Report Benefits Log.
<b>Documents should evidence</b>		Overview. Key Milestones. Anticipated Outcomes. Resource Implications. Costs. Indicative Timescales. Funding.	Objectives. Scope. Outcomes. Exclusions. Constraints. Assumptions. Stake Holders. Communications Plan. Project Plan. Project Team. Resources.	Milestones achieved. Planned activities. Problems. Issues. Outcomes achieved.	Outcomes achieved. Handover arrangements. Post project review.

## Appendix 2: Projects by Delivery Channels

### Strategic Change Projects

Ref	Project	Project Manager	Proposed Theme
9	Revenues & Benefits	Malcolm Flanagan	Efficiency
10	CAS: Streetscene	Malcolm Flanagan	Transforming Business Support
11	ICT Strategic Review	John Carruthers	Transforming Business Support
16	Looked After Children	Julia Hassall	Commissioning
17	CYPD Management Review	David Armstrong	Restructuring
19	Disposal of assets	Ian Brand	Efficiency
20	Office Rationalisation	Ian Brand	Efficiency
24	PACSPE	Mark Smith	Commissioning
40	Strategic Sourcing	Ray Williams	Transforming Business Support
58	Shared Services	TBD	Commissioning
60	General Restructure	Chris Hyams	Restructuring
65	Facilities Management	Ian Brand	Efficiency
66	Transforming Business Support	TBD	Transforming Business Support

### Efficiency Projects / Business as Usual

Ref	Project	Responsible Officer	Proposed Theme
1	Procurement	Ray Williams	Efficiency
25	Value Engineering	Mark Smith	Efficiency
26	Street Lighting	Kevin Ellis	Carbon Neutral & Zero Waste
27	Traffic Management	Mark Smith	Efficiency
28	HAMS	Shaun Brady	Efficiency
31	Energy Efficiency	Tony Dodd	Carbon Neutral & Zero Waste
39	Printing review	David Taylor Smith	Efficiency
42	Balances & Reserves	Tom Sault	Efficiency
44	Contract Review	Ray Williams	Efficiency
55	Terms & Conditions - including Car Allowances	Chris Hyams	Efficiency
56	Review of Capital Programme	Tom Sault	Efficiency
57	Review of Fees & Charges	Tom Sault	Efficiency

### DASS

Ref	Project	Project Manager	Proposed Theme
2	Assistive Technology	Angie Carter	DASS Transformation Programme
3	Market Management	Mike Fowler	DASS Transformation Programme
5	Learning Disabilities	Peter Tomlin	DASS Transformation Programme
6	Reprovision of in-house Care Services	Jenny Ricketts	DASS Transformation Programme
7	Transport	Tracey Rai	DASS Transformation Programme
32	Commissioning & Procurement	Stephen Rowley	DASS Transformation Programme
33	Personal budgets	Francesca Tomlin	DASS Transformation Programme
34	Early Intervention	Maura Noone	DASS Transformation Programme
35	Access 24/7	Rick O'Brien	DASS Transformation Programme
43	Third Sector Contracts	Maura Noone	DASS Transformation Programme

### Appendix 3: Projects by Delivery Stage and Decision Gate

Strategic Change Programme										
PROJECT CONCEPTION			Gate 1	PROJECT APPROVAL	Gate 2	PROJECT START-UP	Gate 3	PROJECT DELIVERY	Gate 4	PROJECT CLOSURE
Carbon Neutral and Zero Waste	Strategic Change Projects									
	Efficiency Projects / Business as Usual							Street Lighting (26) Energy Efficiency (31)		Recycling (29)
Transforming Business Support	Strategic Change Projects	Wider CAS (45) Facilities Management (65) Transforming Business Support (66)				Revenue & Benefits (9) ICT Strategic Review (11) Strategic Sourcing (40)		CAS Streetscene (10) SAR - Transfer of Assets (19) SAR - Office Rationalisation (20)		
	Efficiency Projects / Business as Usual	Policy & Performance (38) CAA - excellent Council (46) Social Media (47) Non-Fixed assets (48) Think Finance (49) Measuring Bus. Impact (50) Stress-related Sick Abs. (52) Community Engagement (53) Rev. Cap. Proj. & Progs.(56) Rev. Fees & Charges (57) Value for Money Profiles (59)		Reserves & Balances (42) Contracts Review (44) Printing Review (39)		Procurement (1)		Value Engineering (25) Traffic Management (27) Highways Asset Mgt (28)		
Restructuring	Strategic Change Projects	Workforce Mgt (63) People strand (63)		Mgt. Restruct. (60)				CYPD Mgt Review (17)		
	Efficiency Projects / Business as Usual			Terms & Conditions (55)						Gen. Restruct. (23)
Commissioning	Strategic Change Projects	Shared Services (58)				PACSPE (24)		Looked After Children (16)		
	Efficiency Projects / Business as Usual									
DASS Transformation Programme		Personalisation (54) Third Sector contracts (43) Co-located Services (51) T		Access 24/7 (35) Commissioning (32)		Early Intervention (34) In-house Services (6)		Assistive Technology (2) People with Learning Disabilities (5) Personal budgets (33) Market Management (3) Integrated Transport (7)		DASS - HR (4)
Dismiss								BSF (18) LLPG/GIS (22)		

## Appendix 4: Projects by Proposed Theme

<b>Strategic Change Programme</b>				
<b>Carbon Neutral &amp; Zero Waste</b>	<b>Transforming Business Support</b>	<b>Restructuring</b>	<b>Commissioning</b>	<b>DASS Transformation</b>
<b>Efficiency Projects</b>	<b>Strategic Change Projects</b>	<b>Strategic Change Projects</b>	<b>Strategic Change Projects</b>	<b>Strategic Change Projects</b>
Energy Efficiency (No.31)	HR & Payroll (No.66)	Restructuring (No.60)	Looked After Children (No. 16)	Assistive Technology (No.2)
Street Lighting (No. 26)	ICT Strategic Review (No.11)	CYPD (No.17)	PACSPE (No.24)	Personal Budgets (No.33)
<b>Related Activities</b>	Strategic Sourcing (No.40)	<b>Efficiency Projects</b>	Shared Services (No 58.)	Early Intervention (No.34)
C-Red	Revs and Bens (No.9)	Terms & Conditions (No. 55)	<b>Related Activities</b>	Access to Services 24/7 (No.35)
Waste Contracts	CAS/Streetscene (No.10)	<b>Related Activities</b>	Public Health	Market Management (No.3)
Merseyside Waste Levy	Transfer of Assets (No.19)	EVR		Transport (No.7)
	Office Rationalisation (No.20)			People with Learning Disabilities (No.5)
	Facilities Management (No.65)			Commissioning (No.32)
	<b>Efficiency Projects</b>			In House Services (No.6)
	Value Engineering (No. 25)			Third Sector Contracts (No. 43)
	Procurement (No.1)			
	HAMS (No. 28)			
	Traffic Management (No. 27)			
	Printing Review (No.39)			
	Review of Provisions & Reserves (No. 42)			
	Contract Review (No. 44)			
	Review of Fees and Charges (No. 57)			
	Review of Capital Programme (No.56)			



## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW & SCRUTINY COMMITTEE

18 NOVEMBER 2010

#### REPORT OF THE DIRECTOR OF LAW, HR AND ASSET MANAGEMENT

#### PAYMENTS OF ALLOWANCES TO STAFF IN ADDITION TO SALARY

### 1. Executive Summary

- 1.1 This interim report provides basic information and data on the payment of allowances to staff in addition to salary, at the request of Council Excellence and Overview Scrutiny Committee, 21 September 2010, Minute 57.

### 2. Background

- 2.1 The pay and conditions for local authority employees are detailed in the Green Book: National agreement on pay and conditions of service for local government services. Part 2 of the Green Book contains the key national provisions, including nationally agreed allowance payments. Part 3 of the Green Book contains the key local provisions, including locally agreed allowance payments. A number of the Part 3 arrangements had been agreed as part of the harmonisation of terms and conditions in August 2008.

### 3. Allowances

- 3.1 The costs of the allowances are shown at Appendix One. The costs shown exclude schools. A more detailed report analysing the data will be presented to the next Committee meeting, in January 2011.
- 3.3 Part 2 payments include:
- Additional hours at basic pay
  - Teacher allowance.
- 3.4 Part 3 payments include:
- Additional hours at enhanced rates
  - Enhanced rates for:
    - Saturday working
    - Sunday working
    - Bank Holiday working
    - Bonus
    - Shift working
    - Sleep in
    - Unsocial hours
    - Mileage allowance including cycle miles
    - Overtime
  - Other payments:
    - Adoption
    - Agile working
    - Call out
    - Clothing
    - Disturbance

- Expenses
- First aid
- Golden hello
- Long services
- Pay protection
- Phone rental
- Qualification
- Retainer
- Standby
- Training allowance
- Travel

#### **4. Measures to Reduce Costs**

4.1 Following a number of workforce management decisions made at Cabinet on 24 June 2010, a number of measures were introduced to reduce the costs associated with all employee spend, including use of additional hours and overtime.

4.2 In order to reduce the use of additional hours and over time the following measures were introduced:

- Management information reporting which reports on high spend areas for additional hours and overtime to the Leader, all Chief Officers and the Head of Service.
- Tighter controls on the usage of additional hours and overtime, including the requirement for all requests to be authorised by the Chief Officer or a senior manager as nominated by the Chief Officer.
- An action plan to reduce overtime costs at service level.

#### **5. Staffing Implications**

5.1 There are no additional staffing implications.

#### **6. Financial Implications**

6.1 There are no additional financial implications.

#### **7. Equal Opportunities implications**

7.1 There are no additional implications.

#### **8. Community Safety implications**

8.1 There are no additional implications.

#### **9. Local Agenda 21 implications**

9.1 There are no additional implications.

#### **10. Planning implications**

10.1 There are no planning implications.

#### **11. Anti-poverty implications**

11.1 There are no anti-poverty implications.

**12. Human Rights implications**

12.1 There are no human rights implications.

**13. Social Inclusion implications**

13.1 There are no social inclusion implications.

**14. Local Member Support implications**

14.1 There are no known implications.

**15. Background Papers**

15.1 Data on the payment of allowances to staff in addition to salary for 2009-2010 and 2010-2011 are attached.

**16. Recommendations**

It is recommended that the Council Excellence and Overview Scrutiny Committee:

- (1) Note the payment of allowances to staff in addition to salary for 2009-2010 and 2010-2011.
- (2) Note the measures in place to reduce the costs.
- (3) Note that a more detailed report will be presented to the next ordinary Committee meeting in January 2011.

**Bill Norman**  
**Director of Law, HR and Asset Management**

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# 2009/10 and 2010/11 Pay Bill Costs

2009-10 Spend

2010-11 Apr to Oct

2010-11 Full Year  
Forecast

Appendix One

	2009-10 Spend	2010-11 Apr to Oct	2010-11 Full Year Forecast
<b>Salary Costs</b>	<b>£123,192,126</b>	<b>£71,409,277</b>	<b>£123,695,637</b>
Basic	£122,952,157	£71,280,267	£123,478,472
Teacher Allow	£239,970	£129,010	£217,773
<b>Allowances</b>	<b>£7,330,996</b>	<b>£3,823,126</b>	<b>£6,297,172</b>
Enhanced	£3,049,439	£1,463,148	£2,396,027
Saturday	£906,854	£396,558	£652,666
Sunday	£755,541	£330,360	£545,295
Add Hours x 1.33	£104,701	£52,864	£82,148
Add Hours x 1.5	£251,989	£129,034	£207,283
Add Hours x2	£46,187	£30,955	£43,910
Bank Holiday	£178,847	£117,362	£177,533
Bonus	£85,398	£46,920	£78,476
Enhanced	£83,571	£48,499	£82,173
Night	£280,035	£139,726	£234,433
Shift	£5,014	£3,007	£5,050
Sleep In	£130,516	£67,296	£114,526
Unsocial	£220,678	£100,569	£169,003
Weekend	£109		£0
Mileage	£2,123,062	£1,282,324	£2,203,652
Cycle	£3,128	£2,431	£4,309
Lump Sum	£771,507	£474,778	£811,907
Mileage	£1,283,379	£767,013	£1,323,971
Mileage Home 2 Work	£65,048	£38,102	£63,529
Overtime	£1,760,073	£854,658	£1,333,407
Payments	£398,422	£222,996	£394,769
Adoption	£8,614	£440	£779
Agile Working	£560	£273	£419
Baths Duty	£828		£0
Call Out	£14,374	£7,003	£10,836
Clothing	£4,139	£2,250	£4,135
Disturbance	£56,301	£30,780	£48,938
Expenses	£40,723	£22,069	£39,911
First Aid	£35,262	£20,633	£35,454
Golden Hello	£32,000	£18,000	£32,000
Long Service	£196	£185	£185
Pay Protection	£80,653	£51,461	£98,130
Phone Rental	£4,678	£2,479	£4,112
Qualification	£897	£523	£897
Retainer		£297	£510
Standby	£102,143	£58,247	£107,894
Training Allow	£729	£185	£318
Travel	£16,327	£8,171	£13,772
<b>Grand Total</b>	<b>£130,523,122</b>	<b>£75,232,402</b>	<b>£129,941,098</b>

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WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW & SCRUTINY COMMITTEE – 18 NOVEMBER 2010

REPORT OF THE DIRECTOR OF LAW, HR AND ASSET MANAGEMENT

OFFICE RATIONALISATION UPDATE

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## **1. EXECUTIVE SUMMARY**

1.1 This report provides an update on the office rationalisation project.

## **2. Background**

2.1 At its meeting on 21 September 2010 this Committee discussed the office rationalisation project and considered a report on Office Rationalisation that was to be submitted to Cabinet on 23 September 2010.

2.2 The Committee was made aware of interest from Wirral Partnership Homes (WPH) in the potential acquisition of Westminster House. WPH was conducting an option appraisal for its future office needs which was expected to be completed by 5 October 2010.

2.3 The Committee resolved that Cabinet be advised of its views:

- (a) That there should be an early resolution in relation to the future of Westminster House.
- (b) That urgent progress should be made in relation to agile working, in order to reduce the occupancy of buildings and to establish ways of working in communities to the benefit of local residents.

2.4 At its meeting on 23 September 2010 Cabinet resolved that:

- (1) The Director of Law, HR and Asset Management be authorised to discuss the potential sale of Westminster House with Wirral Partnership Homes and report to the Cabinet at the earliest opportunity the outcome of those discussions, and
- (2) In the event of Wirral Partnership Homes wishing to purchase Westminster House, the report back to Cabinet will include an evaluation by the Interim Director of Corporate Services of the environmental, economic and regeneration impacts of the two options set out in the report, together with a recommended approach, taking all the relevant factors into account.

## **3. Present Position**

3.1 Following the Cabinet resolution, further discussions have been held with Wirral Partnership Homes who have indicated that the purchase of Westminster House is their preferred option. In accordance with the Cabinet resolution, it is intended to report to the Cabinet meeting on 25 November 2010; seeking approval to the terms of disposal; advising members of the impact of the disposal on the wider rationalisation

project; and seeking approval to further actions that will be required as a result of a decision to sell.

3.2 A report is currently being prepared for the Cabinet meeting on 25 November 2010 and when the agenda is published it will be available for this Committee to consider.

3.3 Cabinet on 23 September 2010 also approved a scheme and estimate report for the conversion of the former Pensby Park primary school to office accommodation for locality based staff from Children and Young People's Services, with the facility for 'touchdown' use by other staff working on an agile basis.

3.4 Other actions since the meeting of the Committee on 21 September have included:

- Assessment of options for relocation of staff following the disposal of Westminster house.
- The preparation of a scheme and estimate report for the refurbishment of the North and South Annexes.
- Consideration of options for the future use of other buildings within the scope of the project.

#### **4. Financial implications**

4.1 Detailed financial implications will be addressed in the Cabinet report to be circulated separately.

#### **5. Staffing implications**

5.1 All administrative staff will potentially be affected by the rationalisation of the Council's administrative estate and the implementation of new ways of working. A comprehensive communication strategy will be developed for the project.

5.3 Full engagement will take place with trades unions, and discussions have already begun on revised policies to support agile working.

#### **6. Equal Opportunities/Equality Impact implications**

6.1 An equality Impact Assessment has been completed for the overall rationalisation project. More detailed assessments will be undertaken as workplace changes are implemented. Refurbishment of existing accommodation and new build will allow the development of more accessible environments than exist in current accommodation.

#### **7. Community Safety implications**

7.1 None arising directly from this report.

#### **8. Local Agenda 21 implications**

8.1 None arising directly from this report.

#### **9. Planning implications**

9.1 None arising directly from this report.



**10. Anti-poverty implications**

10.1 None arising directly from this report.

**11. Human Rights implications**

11.1 None arising directly from this report.

**12. Social Inclusion implications**

12.1 None arising directly from this report.

**13. Local Member Support implications**

13.1 None arising directly from this report.

**14. Background Papers**

14.1 Report to Council Excellence Overview and Scrutiny Committee 21 September 2010  
– Office Rationalisation.  
Report to Cabinet 23 September 2010 – Office Rationalisation

**15. Asset Management Implications**

15.1 None arising directly from this report.

**16. RECOMMENDATIONS**

16.1 That the report be noted.

**Bill Norman**

Director of Law, HR and Asset Management

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## **UPDATE ON WORK PROGRAM : COUNCIL EXCELLENCE SCRUTINY COMMITTEE - 18/11/10**

### **Reports to assist in monitoring the Committee's work programme**

It was agreed by the Scrutiny Chairs Group in September 2008 to use the following reports to monitor the work programme for each Scrutiny Committee. The last item on each Scrutiny Committee agenda should be 'Review of the Committee Work Programme'.

#### **Report 1 - Monitoring Report for Scrutiny Committee Work Programme**

This report will list all items that have been selected by the Committee for inclusion on the work programme for the current year.

It will also include items, such as previous Panel Reviews, where recommendations have been made to Cabinet. It is important that the implementation of these recommendations is monitored. Otherwise there is no measure of the success of scrutiny.

For each item on the work programme, the report will give a description, an indication of how the item will be dealt with, a relative timescale for the work and brief comments on progress.

#### **Report 2 - Suggestions for Additions to Work Programme**

The Work Programme for the Committee should be reviewed at each meeting. This will enable members to ask for new Items to be added to the programme. This report will list any newly suggested items. Committee will then have the opportunity to agree (or not) for them to be added to the programme.

#### **Report 3 - Proposed Outline Meeting Schedule for the Municipal Year**

The report will, for each scheduled Committee meeting, list those items which are likely to be on the meeting agenda. This will give the opportunity for Committee members to take a greater lead in organising their work programme.

#### **Report 4 - Progress Report on In-Depth Panel Reviews**

This report will give a very brief update on progress / timescales for in-depth panel reviews which are in the 'ownership' of the Committee.

**REPORT 1**  
**MONITORING REPORT FOR SCRUTINY COMMITTEE WORK PROGRAMME**  
**COUNCIL EXCELLENCE : 2010 / 2011**

Date of New item	Topic Description	How the topic will be dealt with	Estimated Complete Date	Comments on Progress	Complete?
17/03/10	Community Cohesion	Officer Report (Carolyn Curr)		Council Excellence Committee meeting of 17 <sup>th</sup> March 2010 requested that this item be included on the Committee's work programme for 2010/11.	
17/03/10	Freedom of Information Act	Officer Report (Ian Coleman)		Follow-up report (from meeting held on 17 <sup>th</sup> March 2010) presented to 8 <sup>th</sup> July meeting. No further actions requested.	Complete
08/07/10	Future of Performance Management / replacement of CAA: - How will performance management operate once the CAA and statutory Performance Indicators have been removed? - Who collects the current PI data, how much effort is involved, and what use is made of it? - Which Performance Indicators are relevant and should be retained? - What information do members need to monitor the local authority effectively?	Officer Report (Carolyn Curr)		A verbal report on the current view of the future for performance monitoring in the authority was provided at the meeting on 21 <sup>st</sup> September. Further report to meeting on 31 <sup>st</sup> January 2011 to include: - Performance Indicators that could be useful in the future; - How might comparative data with statistical neighbours be delivered?	
08/07/10	Performance Monitoring (Quarterly updates on existing performance indicators – 'Exceptions' only will be reported).	Officer Reports (Carolyn Curr)		Quarterly Performance Monitoring Reports will be included on each agenda from September onwards.	
08/07/10	Strategic Change Programme: - Regular updates on proposed savings; - Monitor the effectiveness of the Change Programme;	Officer Reports (Dave Green)		A report on the progress of the Strategic Change Programme Board was provided for the meeting on 18 <sup>th</sup> November. A further report is planned for the Special meeting arranged for 28 <sup>th</sup> October 2010.	

Date of New item	Topic Description	How the topic will be dealt with	Estimated Complete Date	Comments on Progress	Complete?
08/07/10	Common Administrative Processes	Officer Reports (Dave Green)		Suggested report on progress of the project at the meeting on 18 <sup>th</sup> November.	
08/07/10	Financial Reporting / Budget: - Monitoring the financial statements - How the authority performs against savings targets; - Review the impact on local residents where savings are made; - Impact of the Comprehensive Spending Review on the borough;	Officer Reports (Ian Coleman)		Financial / Budget Monitoring reports will be included on each meeting agenda.	
08/07/10	'Total Place': - What is the role for the concept of 'Total Place' in the borough?; - What is happening with partners to establish areas for cooperation, for example, how will DASS and NHS work together to streamline 'elderly' care?	Officer Reports (Carolyn Curr)		Report on the background to 'Total Place and successor arrangements – Community Budgets' provided at the meeting on 21 <sup>st</sup> September. <b>Report to be produced for the meeting on 31<sup>st</sup> January to include:</b> - Examples of both successful and unsuccessful practice from elsewhere; - Further Government advice; - Progress on discussions with local partners regarding shared services, etc..	
08/07/10	Office Accommodation: - The EC Harris report was referred to the Council Excellence Committee by Cabinet (24 June 2010); - Need to understand the Cabinet timetable; - What are the implications for the Council's Data Centres?; - Future role for agile working	Officer reports plus site visits. (Bill Norman / Ian Brand)		Special meeting of the Committee arranged for 24 <sup>th</sup> August 2010. Further report provided at the meeting on 21 <sup>st</sup> September. <b>Further report requested for the meeting on 18/11/10.</b>	

Date of New item	Topic Description	How the topic will be dealt with	Estimated Complete Date	Comments on Progress	Complete?
08/07/10	Future of Cultural Services: - Where should Cultural Services fit in the organisation?; - How can the service be best managed?;	Possible joint work with Sustainable Communities Overview and Scrutiny Committee		Suggested report at the meeting on 31 <sup>st</sup> January 2011. As a report is due to be discussed at Cabinet on 23/09/10, the Council Excellence meeting of 21/09/10 agreed to take this item no further.	Close
08/07/10	Monitoring of items of expenditure exceeding £500: - How does the system operate?	Officer report to a future meeting (Ian Coleman)		Issue initially raised by a member at the Committee meeting on 08/07/10. Report on 'Publication of Expenditure' provided at the meeting on 21 <sup>st</sup> September. A further report, expected on 31/01/11, was requested to explain the staffing implications of publishing the expenditure data.	
21/09/10	Employee Forums – What issues do they cover? What are the participation levels? What is the cost of providing the Forums?	Officer report (Carolyn Curr)		Issue initially raised by a member at the Committee meeting on 21/09/10. Report planned for the meeting on 18 <sup>th</sup> November.	
21/09/10	Reaching Excellent Level of the Equality Framework for Local Government (EFLG)	Officer report (Carolyn Curr)		Progress report presented to meeting on 21/09/10. Further report, expected 10/03/11, requested in six months time. Report to include the reasons for low levels of Black and Ethnic Minority individuals accessing mainstream services.	
21/09/10	Income from Golf Courses, to include: Why is projected income not met on an annual basis? Is security of courses a determinant in loss of income?	Officer report (Jim Lester)		Issue initially raised by a member at the Committee meeting on 21/09/10. Report requested for meeting on 18/11/10.	

Date of New item	Topic Description	How the topic will be dealt with	Estimated Complete Date	Comments on Progress	Complete?
21/09/10	Measures to reduce the number of payments by cheque	Officer report (Ian Coleman)		Issue initially raised by a member at the Committee meeting on 21/09/10. Report planned for the meeting on 18 <sup>th</sup> November.	
21/09/10	Policy on mobile phone entitlement and operation of the system	Officer report (Bill Norman / Chris Hyams)		Issue initially raised by a member at the Committee meeting on 21/09/10. Report planned for the meeting on 18 <sup>th</sup> November.	
21/09/10	Allowances paid to staff (on top of salary)	Officer report (Bill Norman / Chris Hyams)		Issue initially raised by a member at the Committee meeting on 21/09/10. Report planned for the meeting on 18 <sup>th</sup> November.	
21/09/10	'Wirral's Future – Be a part of it' – Independent Task Forces	Officer report		Issue initially raised by a member at the Committee meeting on 21/09/10. Report planned for the meeting on 28 <sup>th</sup> October.	

**REPORT 2**  
**SUGGESTIONS FOR ADDITIONS TO WORK PROGRAMME**  
**COUNCIL EXCELLENCE : 21/09/10**

Topic Description	Topic suggested by	How the topic will be dealt with	Estimated Completion Date
Several additions to the Work Programme were agreed by members at the Council Excellence meeting held on 21/09/10. These items are listed above (on Report 1), where the 'Date of New Item' column is shown as 21/09/10.			



**REPORT 3**  
**PROPOSED OUTLINE MEETING SCHEDULE FOR THE MUNICIPAL YEAR**  
**COUNCIL EXCELLENCE : 2010 / 2011**

Meeting Date	Topic Description
08/07/10	Financial Monitoring Housing Benefit / Council Tax Benefit Annual Report Customer Services Annual Report Treasury Management Annual Report Audit Commission Performance Management Review Anti-Fraud and Corruption Policy Freedom of Information requests (follow-up report from meeting held on 17 <sup>th</sup> March 2010) Forward Plan Office Accommodation Work Programme Update Forward Plan
24/08/10	Office Accommodation (Special Meeting)
21/09/10	<b>Update on Strategic Change Programme</b> Financial Monitoring <b>Revenues &amp; Benefits</b> Budget Projections 2011-15 Treasury Management Customer Services Focus Group Publication of Expenditure <b>Audit Commission Report</b> - Managing Attendance Delivering efficiency and measuring and reporting Value for Money Gains in Local Services Q1 Performance Monitoring – Report concentrating on red / amber ‘exceptions’ plus a verbal update on the future plans for performance monitoring ‘Total Place’ and successor arrangements – Community Budgets Office Accommodation / <b>Rationalisation</b> <b>Reaching Excellent Level of the Equality Framework for Local Government (EFLG) – Quarter One 2010/11</b> Work Programme Update Forward Plan Catering tenders <b>Schools Risk Management</b>

Meeting Date	Topic Description
28/10/10	<p>Special Meeting:  Strategic Change Programme Board – Update on progress (Dave Green)  ‘Wirral’s Future – Be a part of it’ – Independent Task Forces</p>
18/11/10	<p>Financial Monitoring (Ian Coleman)  Revenues and Benefits (Ian Coleman)  Budget Projections 2011-15 (Ian Coleman)  Treasury Management (Ian Coleman)  Impact of the Comprehensive Spending Review – Initial View (Ian Coleman)  Presentation – Operation Black Vote (Carolyn Curr)  Q2 Performance Monitoring – Report concentrating on red / amber ‘exceptions’ (Carolyn Curr)  Common Administrative Processes (Dave Green)  Office Accommodation / Rationalisation (Bill Norman / Ian Brand)  Golf Income (Jim Lester)  Employee Forums (Carolyn Curr)  Measures to reduce the number of payments by cheque (Ian Coleman)  Policy on mobile phone entitlement and operation of the system (Bill Norman / Chris Hyams)  Allowances paid to staff (on top of salary) (Bill Norman / Chris Hyams)  Work Programme Update  Forward Plan</p>
31/01/11	<p>Financial Monitoring (Ian Coleman)  Revenues and Benefits (Ian Coleman)  Budget Projections 2011-15 (Ian Coleman)  Treasury Management (Ian Coleman)  Publication of Expenditure – Update on Staffing implications (Ian Coleman)  Community Budgets (formerly ‘Total Place’) - Update (Carolyn Curr)  Progress of Change Programme (Dave Green)  Q3 Performance Monitoring – Report concentrating on red / amber ‘exceptions’ (Carolyn Curr)  Future of Performance Management (Carolyn Curr)  Work Programme Update  Forward Plan</p>

Meeting Date	Topic Description
16/03/10	Financial Monitoring (Ian Coleman) Revenues and Benefits (Ian Coleman) Budget Projections 2011-15 (Ian Coleman) Treasury Management (Ian Coleman) Reaching Excellent Level of the Equality Framework for Local Government (EFLG) (Carolyn Curr) Work Programme Update Forward Plan

**REPORT 4**  
**PROGRESS REPORT ON IN-DEPTH PANEL REVIEWS**  
**COUNCIL EXCELLENCE : 18/11/10**

Title of Review	Members of Panel	Progress to Date	Date Due to report to Committee
None at present			

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

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