

CABINET

Thursday, 18 October 2012

<u>Present:</u>	Councillor	P Davies (Chair) G Davies	Leader of the Council Finance Housing and Community Safety
	Councillors	P Hackett AER Jones AR McLachlan C Meaden H Smith T Smith	Regeneration and Planning Strategy Corporate Resources Environment Improvement and Governance Culture, Tourism and Leisure Streetscene and Transport Services Children's Services and Lifelong Learning

Apologies Councillor A McArdle Adult Social Care and Public Health

99 **LEADERS ANNOUNCEMENTS**

Councillor P Davies indicated that he would be bringing Item No. 15 – Fees for Residential and Nursing Home Care forward on the agenda as there were members of the public present with an interest in that item (Minute No. 114 refers).

100 **MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

All Members of the Cabinet declared a Personal Interest in respect of Item No. 15 – Fees for Residential and Nursing Home Care (Minute No. 114 refers) by virtue of their appointment as LEA appointed Governors.

Councillors P Hackett, B.Kenny and H.Smith declared a further Personal Interest in respect of Item No. 15 – Fees for Residential and Nursing Home Care (Minute No. 114 refers) by virtue of their relatives residing in a care home.

101 **MINUTES**

RESOLVED:

That the Minutes of the meetings of the Cabinet held on 27 September 2012 be confirmed as a correct record.

102 **FEES FOR RESIDENTIAL AND NURSING HOME CARE**

Prior to consideration of the item the leader gave the home owners the opportunity to speak if they so wished. This opportunity was declined.

The Cabinet considered the report of the Director of Adult Social Services detailing the outcome and process of consultation with independent residential and nursing home care providers regarding cost modelling for the sector; presenting options and recommendations with regard to fees paid by the Council to independent sector residential and nursing homes and seeking authorisation for the approved fee proposal to be consulted on. The proposals would contribute to the Council priority to safeguard vulnerable adults and promote choice and control.

Councillor Phil Davies informed the Cabinet that unfortunately Councillor McArdle was unable to attend the meeting but indicated that she had a keen interest in the issue. Councillor P Davies indicated that due regards needed to be given in relation to the cost of care and sought assurances that appropriate consultation had taken place with care home owners. Councillor Davies indicated that Cabinet Members had received the papers from Wirral Care Homes Association and were aware of their views on the proposed Option 2, however, discussions needed to be held to look at the cost of provision and the return of profit. Option two detailed within the report would put Wirral in the mid range with other authorities.

RESOLVED: That

- (1) the fee framework reflecting actual cost as set out in Option 2, be presented to providers for consultation with a further report to be presented to Cabinet on 29 November taking account of the views of providers prior to final agreement and implementation;**
- (2) all old contracts based on 2010/11 be terminated by giving the required 3 months written termination notice and that all payments following this period are made at the fee level set for 2012/2013;**

- (3) the Council only contract for residential and nursing care using the current contract;**
- (4) once residential and nursing rates are agreed further work be undertaken to establish variations to the model for specialist providers;**
- (5) the revised fees are back dated to 9 April 2012 and financial contingencies be explored to allow this to be achieved within the Council's budget; and as a consequence of this work the agreed fee levels be built into the budget 2013/2014;**
- (6) all new top ups be made to be part of the contract to be managed by the Council with effect from April 2013; and**
- (7) Service users be advised of the new rates and charges to be adjusted with effect from January 2013.**

103 ANNUAL GOVERNANCE STATEMENT

The Cabinet considered the report of the Director of Finance indicating that the preparation and publication of an Annual Governance Statement (AGS) was necessary to meet the statutory requirement set out in the Accounts and Audit Regulations 2003 (amended in 2006 and 2011). He explained the requirement for the Authority to produce the AGS and commented upon the degree to which it met the CIPFA/SOLACE 'Delivering Good Governance in Local Government' Framework.

The report indicated that the Cabinet (minute 18 (21 June 2012) refers) considered and agreed the AGS and, with an amendment to the conclusion, agreed to it being appended to the Statement of Accounts. The revised statement was approved by the Audit and Risk Management Committee on 19 September 2012 (minute 26 refers).

Resolved – That

- (1) the revised Annual Governance Statement for 2011/2012 be approved; and**
- (2) updates on progress against the Action Plan be presented to future meetings of the Committee.**

104 **STATEMENT OF ACCOUNTS 2011/2012**

The Cabinet considered the report of the Director of Finance updating on the Council Constitution which allocated responsibility for the approval of the Statement of Accounts to the Audit and Risk Management Committee. The draft Statement for 2011/12 was published on 29 June 2012 and was then subject to audit. The District Auditor presented his findings, within the Annual Governance Report (AGR) and an additional update to Audit and Risk Management Committee on 19 September 2012. The Statement of Accounts 2011/12 was then published on 28 September 2012 before the statutory deadline of 30 September 2012.

The Statement of Accounts included the Merseyside Pension Fund (MPF) accounts as Wirral Council was the Administering Authority for MPF. As the MPF received a separate Annual Governance Report this was considered by Pensions Committee on 18 September 2012 and Audit and Risk Management Committee on 19 September 2012 as part of approving the Accounts.

RESOLVED:

That the Statement of Accounts for 2011/12 and the Annual Governance Report be approved.

105 **ANNUAL GOVERNANCE REPORT - WIRRAL COUNCIL**

The Cabinet considered a report of the District Auditor presenting the Annual Governance Report for Wirral Council, which summarised the findings from the 2011/2012 audit which was substantially complete. The report included the key messages that had arisen from the audit and the results of the work that had been undertaken to assess the Council's arrangements to secure value for money in the use of resources.

Councillor A. McLachlan stated that a lot of key issues and key themes had been acknowledged and was confident that the statement would differ next year.

RESOLVED:

That the report, and the improvements achieved in the current year, be noted.

106 **STATEMENT OF ACCOUNTS 2011/2012 - MERSEYSIDE PENSION FUND**

The Cabinet considered the report of the Director of Finance which updated Members with the audited Accounts of the Merseyside Pension Fund for 2011/12 and to respond to the Annual Governance Report (AGR) from the Audit Commission.

RESOLVED:

That the Statement of Accounts for 2011/12 and the Annual Governance Report be approved.

107 **ANNUAL GOVERNANCE REPORT - MERSEYSIDE PENSION FUND**

The Cabinet considered the Annual Governance Report, which summarised the findings from the 2011/2012 audit of the Merseyside Pension Fund financial statements.

Resolved – That the report be noted.

108 **CAPITAL MONITORING 2012/2013 MONTH 5 (AUGUST 2012)**

The Cabinet considered the report of the Interim Director of Finance informing Members of the current position regarding the Council's 2012-13 to 2014-15 capital programme. The report reflected:

- The re-profiled 2012-13 capital programme budget;
- The expenditure to date, which continues to be less than it should be;
- The projected outturn figures for 2012-13, which suggested slippage of at least £11m and,
- The current funding of the programme and its future affordability, which in the light of the Revenue monitor required review.

The report sought approval for a proposed increase in the programme of £676,000 per annum between 2012/13 and 2014/15. This was to deliver a number of sustainable transport measures which would be financed from a specific capital grant.

Councillor P Davies welcomed the report and asked if any action could be taken in relation to unsupported borrowing. Councillor P Davies further indicated that that he welcomed the schemes contained within appendix two of the report.

Mr Graham Burgess, Chief Executive sought approval from the Cabinet to release the Moreton Library and One Stop Shop re-modelling scheme and Rock Ferry Centre re-modelling scheme from the current spending freeze.

RESOLVED: That

- (a) the Period 4 increase of £1.789 million to the to the latest 2012-13 Capital Programme as detailed in Appendix 1 to the report be approved;**
- (b) the revised Capital Programme of £74.473m be approved;**
- (c) the spend to date at month 5 of £12million, which represented 16.1% of the revised capital budget, with 42% of the financial year having elapsed be noted;**
- (d) the £48.8m of new unsupported borrowing included over the next three years, which would result in approximately a £4.9m additional revenue costs be noted;**
- (e) the work to detail the schedule of sites to validate the estimate of capital receipts be noted; and**
- (f) note that a future report would include proposals to cease or reduce schemes arising from a review of the current capital programme; and**
- (g) the release of the Moreton Library and One Stop Shop re-modelling scheme and Rock Ferry Centre re-modelling scheme from the current spending freeze be approved.**

109 REVENUE MONITORING 2012/2013 MONTH 5 (AUGUST 2012)

The Cabinet considered the report of the Interim Director of Finance setting out the revenue position for 2012/13 as at Month 5 (August 2012). It identified the latest financial projections and prioritised the risks for ongoing management actions, to ensure the year-end position would result in spend remaining within the budget allocated.

The report indicated that Cabinet on 6 September 2012 instituted a spending freeze in the light of the projected overspend. An overview of the first two weeks of the freeze was detailed within the recommended outcomes appended to the report along with a review of the process.

Councillor Phil Davies indicated that it was clear that the Council had to reduce the overspend and that the current spending freeze was a responsible action, he also stressed importance of the process being transparent. In

relation to the Neighbourhood Grants Councillor P Davies indicated that these had been suspended and not cut, which he also felt was a responsible action to assist in addressing the budget issues.

Councillor P Davies circulated an amendment to the recommendations contained within the report and indicated that the amendments offered clarification to the reporting of the overspend which was inherited and to ensure that targets set were achievable. Councillor P Davies further suggested that he be requested to write to the Secretary of State for Communities and Local Government, to seek an urgent meeting in the face of unprecedented cuts in Government funding at a time of increased demand for services with Wirral facing a reduction of around a third in the Council's budget over the next three years, He invited the party Leaders to join him on a cross party basis.

Councillor P Davies moved an amendment, duly seconded, and it was –

RESOLVED: That

- (1) the Cabinet notes the following: That**
 - (a) at Month 5 (August 2012), the full year forecast projected a potential General Fund overspend of £15.3m;**
 - (b) the potential overspend for 2012/13 was not the result of poor financial management in the first half of the financial year, but was mainly attributable to a 14.6m overspend carried forward from 2011/12;**
 - (c) a number of the targets set for savings and income in 2012/13 were unrealistic. Cabinet welcomes the review being undertaken by the Interim Director of Finance of our over/underspends and Earmarked Reserves with a view to ensuring that budget inaccuracies are corrected and future budgets are soundly based;**
 - (d) the M4 monitor will be presented with this M5 monitor.**
- (2) the Cabinet agrees to the following:**
 - (a) The rejected freeze items set out at Appendix 8 in the columns 'Rejected' totalling £1,071,638, as evidenced at paragraph 2.20 within the report;**
 - (b) That the Leader of the Council write to the Secretary of State for Communities and Local Government, to seek an urgent meeting in the face of unprecedented cuts in Government funding at a time of**

increased demand for services with Wirral facing a reduction of around a third in the Council's budget over the next three years.

110 **BANK SIGNATORIES**

The Cabinet considered the report of the Interim Director of Finance seeking approval to amend the nominated personnel on the existing bank mandates.

The Acting Director of Law, HR and Asset Management indicated that the report referred to Director of Finance as one of the proposed signatories this should read the Acting Director of Law, HR and Asset Management

RESOLVED: That

National Westminster and Santander be authorised to accept cheques and other instructions on behalf of the Council signed in accordance with existing mandates by the following:-

Acting Director of Law, HR and Asset Management	Surjit Tour
Interim Director of Finance	Peter E. Timmins
Deputy Director of Finance	David L.H. Taylor-Smith
Head of Financial Services	Thomas W. Sault
Head of Benefits, Revenues and Customer Services	Malcolm J. Flanagan
Head of IT Services	Geoffrey W. Paterson

Plus in respect of Council, but not Merseyside Pension Fund, transactions:

Chief Accountant	Peter J. Molyneux
Chief Accountant	Jenny Spick

Plus in respect of the Merseyside Pension Fund transactions only: -

Principal Pensions Officer	Yvonne M. Caddock
MPF Operations Manager	Guy W. Hayton
MPF Group Accountant	Donna S. Smith
MPF Members Services Manager	Margaret M. Rourke
MPF Members Services Manager	Susan J. Roberts

111 **COMMITTEE REFERRAL - REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)**

Further to Minute 29 of the Audit and Risk Management Committee 19 September 2012. The Cabinet considered the report of the Acting Director of

Law , HR and Asset Management summarising the use of covert surveillance by the Council between 11 June 2012 and 1 September 2012.

The report summarised the outcome of the inspection carried out on 8 June 2012 by Sir David Clarke, Assistant Surveillance Commissioner and recommended some consequential amendments to the existing Policy and Procedure on covert surveillance.

RESOLVED:

- 1. the contents of the report on the use of covert surveillance be noted;**
- 2. the amendments and additions to the Council's Policy and Procedure on RIPA as advised by the OSC and as contained in Appendix 2 be approved;**
- 3. the Office of Surveillance Commissioners (OSC) recommendations on the use of RIPA to select under age sales of alcohol and tobacco be approved; and**
- 4. the recommendations referred to in (2) and (3) above be adopted on behalf of the Council.**

112 LOCAL SUSTAINABLE TRANSPORT FUND (LSTF) - ACCEPTANCE OF MAJOR BID FUNDING

The Cabinet considered the report of the Interim Director of Technical Services outlining the successful funding bid made by the Merseyside Transport Partnership (MTP) to the Department for Transport (DfT) to deliver a programme of sustainable transport measures.

The report indicated that the funding would assist the Council to support Wirral residents to access employment opportunities, as well as encourage the use of sustainable transport and contribute to reducing carbon emissions in the Borough.

The report sought authority from Cabinet to accept and commit the funding from Merseytravel, and to give delegated authority to the Interim Director of Technical Services, in conjunction with the Acting Director of Law, HR and Asset Management, to enter into a funding agreement with Merseytravel.

The report set out the projects included in the bid and detailed how the programme would be delivered and developed and also sought delegated authority for the Interim Director of Technical Services to approve the identified scheme(s) for delivery in 2012/13

In response to Members questions in relation to the remit of Area Forums in relation to traffic calming schemes, the Interim Director of Technical Services indicated that Officers had met with the Area Forums regarding this and it was planned to revisit the Area Forums to further consult with them on future plans.

Councillor H Smith asked the Cabinet to consider the following addition to the recommendations detailed within the report and it was -

RESOLVED: That

- (1) the success of Wirral Council Officers and other partners in securing Local Sustainable Transport Major Bid Funding be noted;**
- (2) the acceptance of £3,215,116 of Major Bid funding from Merseytravel over the three financial years 2012/13 to 2014/15 of which £1,149,049 is revenue funding, £2,026,550 is capital funding and £39,517 for maintenance be approved;**
- (3) the Interim Director of Technical Services in conjunction with the Acting Director of Law, HR and Asset Management be authorised to finalise the funding agreement between Wirral Council and Merseytravel (ITA) as the lead authority and accountable body;**
- (4) the delivery of the programme for 2012/13 as set out in Section 3 of the report including delegated authority to the Interim Director of Technical Services following discussions with the Cabinet Member for Streetscene and Transport Services and Party Spokespersons to approve the identified scheme(s) for delivery in 2012/13 be approved;**
- (5) Officers be requested to report to a future meeting on the progress in delivering Local Sustainable Transport Major Bid Funding and provide detailed plans for delivery for 2013/14 onwards;**
- (6) the award of this extra LSTF funding to support the Council's LTP Programme which includes £220,000 for use by Area Forums be noted , and the Interim Director of Technical Services be instructed to release the funding with immediate effect and consult with each Area Forum with a view to using this allocation for 20mph or other road safety schemes.**

113 **HIGHWAYS AND ENGINEERING SERVICES CONTRACT AWARD AND MANAGEMENT - ACTION PLAN**

The Cabinet considered the report of the Chief Executive to consider and approve the Action Plan prepared in response to the recommendations made in the Audit Commission's Public Interest Report: Highways and Engineering Services Contract Management and Award dated 8 June 2012. The Public Interest Report was detailed in Appendix 1 to the report.

RESOLVED:

That the Public Interest Report – Action Plan as detailed in Appendix 2 to the report be approved.

114 **SCHOOL FUNDING FORMULA**

The cabinet considered the report of the Acting Director of Children's Services summarising the responses from a consultation on changes that will be made to the Local Funding Formula for Schools and Academies from April 2013. The proposals are supported by the Schools Forum and must be submitted to the Education Funding Agency by 31st October 2012.

Councillor T Smith indicated that he was really pleased with the way the Children and Young Peoples Department undertook the consultation, he commented that at a difficult time it was great to get all the schools agreement. He commended the Department on a great piece of work.

RESOLVED: That

- 1. the Acting Director of Children's Services be requested to proceed with the proposals described in this report for the mainstream School Funding and High Needs Provision;**
- 2. the place changes in maintained specialist provision detailed in the report be approved.**