



Council Excellence Overview and Scrutiny Committee

Date:	Tuesday, 27 November 2012
Time:	6.00 pm
Venue:	Committee Room 1 - Wallasey Town Hall

Contact Officer: Lyndzay Roberts
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AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

Members of the Committee are asked to declare any disclosable pecuniary and non pecuniary interests, in connection with any item(s) on the agenda and state the nature of the interest.

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 - 10)

To receive the minutes of the meetings held on 1 October 2012 and 7 November 2012.

3. IMPROVEMENT PLAN - PROGRESS REPORT

In consultation with the Chair, it has been agreed that this item is to follow

4. OFFICE RATIONALISATION (Pages 11 - 22)

5. **REVENUE MONITORING 2012/13 MONTH 6 (SEPTEMBER 2012)**
(Pages 23 - 50)
6. **TREASURY MANAGEMENT PERFORMANCE MONITORING**
(Pages 51 - 62)
7. **SOCIAL FUND REFORM - WIRRAL LOCAL WELFARE ASSISTANCE SCHEME** (Pages 63 - 106)
8. **SOCIAL WELFARE REFORM - LOCAL COUNCIL TAX SUPPORT SCHEME**

To Follow

9. **QUARTERLY ANALYSIS OF FREEDOM OF INFORMATION REQUESTS AND LOCAL GOVERNMENT OMBUDSMAN CONTACTS** (Pages 107 - 118)
10. **AWARD OF TENDER FOR THE PROVISION OF MICROSOFT SOFTWARE** (Pages 119 - 124)
11. **FORWARD PLAN**

The Forward Plan for the period November 2012 to February 2013 has now been published on the Council's intranet/website and 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.

12. **REVIEW OF SCRUTINY WORK PROGRAMME**
13. **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)**
14. **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

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

RECOMMENDED – That in accordance with section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

15. EXEMPT APPENDIX - AWARD OF TENDER FOR THE PROVISION OF MICROSOFT SOFTWARE (Pages 125 - 126)

Appendix 1 to agenda item 10 , exempt by virtue of paragraph 3.

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

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COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Wednesday, 7 November 2012

Present:

Councillor	J Hale (Chair)	
Councillors	A Cox	S Whittingham
	S Williams	J Williamson
	C Muspratt	P Gilchrist

33 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

Members of the Committee were asked to declare any disclosable pecuniary and non pecuniary interests, in connection with any item(s) on the agenda and state the nature of the interest.

Members were also 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.

No such declarations were made.

34 CONSIDERATION OF FINDINGS - WHAT REALLY MATTERS CONSULTATION

The Committee considered a report of the Chief Executive which was to be presented to Cabinet on 8 November with the results of the first stage of the consultation process. The consultation results contained within the report were intended to provide a good understanding of residents', partners' and employees' views on the Council's future priorities and appropriate methods in which savings should be delivered. All of the comments provided through the consultation had been analysed and summarised within the report, and all comments would be published on the Council website during November 2012.

Subject to Cabinet approval, the report would be followed by a second stage of consultation which would begin in November 2012. This second stage would involve consultation with residents, employees and other stakeholders to gather views on a range of detailed options for achieving the necessary budget savings for 2013/14.

The Committee received a presentation from Lucy Barrow, Senior Policy Manager, in the Chief Executive's Department, on the process and findings of the consultation. Over the period of six weeks the team had spoken to just over 13,000 residents. There had been 6,921 responses to the questionnaire, of which 1,133 were staff responses. Responses were broadly geographically and demographically representative.

There was broad approval for each of the four main themes:

- Increasing income
- Alternative delivery
- Shaping Community Services
- Stopping or reducing

Charges for some services should be raised but not to disadvantage people and being careful not to create a domino effect of an overall loss of income. People were very strongly in favour of shared services, although with any service which was outsourced there was a need to retain control. The results also showed that the Council should look at consolidating services into a smaller number of buildings but without leaving any community isolated. Officer options for savings would be published at the end of week to be followed by a further period of consultation through to January and Overview and Scrutiny Committees would be meeting again in December to consider these options.

The three top priorities were ranked in order as:

- Protecting our vulnerable adults and children
- Creating jobs and attracting investment
- Tackling poverty and inequalities in health

Ms Barrow circulated consultation results broken down on a ward by ward basis.

A Member commented that the response rate for the whole of the Borough was less than 3% and with 15% of the respondees being employees, the response from the public was 2.4%. Ms Barrow indicated that initial research had shown that the response rate was higher than any other comparable exercise in the UK; the team had also engaged with thousands more people to raise awareness of the consultation. It was acknowledged that work would continue to encourage as many people as possible to take part in the next stage of the consultation. The Council now had a 7000 distribution base which could be built upon to continue to the next stage.

In response to Members, Ms Barrow indicated that stage two of the process would be undertaken over a longer period and the team would continue to try to engage with those areas where there had been less of a response rate. It was indicated that although results indicated that just under 7,000 responses had been received, the team had spoken to over 13,000 people and attended 150 events.

In relation to the Service Status reports, Ms Barrow indicated that information regarding these were made available on the website.

Peter Timmins, Interim Director of Finance indicated that outcomes from the proposals would be circulated on Friday. In terms of consultation periods this would be dependent on the nature of the proposals, some would run for six weeks other for 12 weeks.

Members felt that the consultation needed to be more specific to generate a higher response rate, for example, informing people of the cost generated, cost to the individual and the impacts highlighting what the changes are.

Members asked for the information contained within the charts in the report could be made available on ward by ward basis.

In response to Members, Ms Barrow indicated that she would feed back to members as to the make up of the 9.9% respondents describing their ethnicity as something other than White- English.

Members indicated that non-universal, optional services such as libraries should be referred to as non-statutory. Members also sought clarification the term “domino effect”

Mr Timmins indicated that work on the figures was ongoing and that the most complex savings would be given the most time before final decisions made, but there were choices in year 1. In response Members indicated that they had hoped there would be a review of this process and that less complex proposals be taken quicker to enable savings to be made more efficiently.

Members thanked all the officers involved in the consultation process.

Resolved –

- (1) That the Council Excellence Overview and Scrutiny Committee thanks everyone who contributed to the “What Really Matters” consultation and the report be noted; and**
- (2) That the Cabinet be asked to refer to the comments made by the Committee to consider as part of the consultation process.**

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COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

Monday, 1 October 2012

Present:

Councillor	J Hale (Chair)	
Councillors	A Cox	C Muspratt
	S Williams	S Whittingham
	P Doughty	J Williamson
	S Hodrien	P Gilchrist
	C Jones	

21 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST/PARTY WHIP

Members of the Committee were asked to declare any disclosable pecuniary and non pecuniary interests, in connection with any item(s) on the agenda and state the nature of the interest.

Members were also 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.

No such declarations were made.

22 MINUTES

In relation Minute 9, Paragraph 2 – Welfare and Debt Advice Services, it was commented that the minute should read “Councillor J Williamson also declared a personal Interest in the item by virtue of her being a Bankruptcy Examiner” and not Councillor S Williams as previously stated.

In relation to Minute 6 – Financial Monitoring Statement, Councillor Whittingham indicated that he was a volunteer at the Wirral Transport Museum and not the British Transport Museum as stated.

Resolved – That subject to the above amendments, the minutes of the meeting held on 4 July 2012, be approved as a correct record.

23 WIRRAL IMPROVEMENT PLAN

The Committee considered the report of the Chief Executive which set out Wirral's Improvement Plan and identified the mechanisms for its successful management and delivery. The Plan as detailed in appendix 1 to the report set out the key targets and objectives for improvement as well as the anticipated success criteria and delivery timetable.

The report detailed how delivery of the Improvement Plan would be managed through a governance model which illustrated clear lines of responsibility in relation to programme management and assurance. There was an outline of the resource requirements to set up and initiate the programme supported by a delivery model which demonstrated how the initial resource plan would be expanded upon. The report included reporting arrangements and a summary of how risk would be managed.

The plan was endorsed by the Improvement Board at its last meeting on 20 July 2012 and approved by Cabinet on 6th September 2012, resolving that delivery should commence as a matter of urgency.

Fiona Johnston, Director of Policy, Performance and Public Health indicated that the Committee was responsible for ensuring the plan was implemented and suggested that Members indicated what types of reports they required and timescales to be set. Members suggested that special meetings or a standard item be introduced on the agenda to discuss the improvement plan.

In response to Members comments in relation to sanctions for Members in relation to the revised Code of Conduct of Corporate Governance, Surjit Tour Acting Director of Law, HR and Asset Management indicated that work was currently being done to update the Code of Practice and Member/Officer behaviour policy. Mr Tour indicated that the Code was already in place and the processes there; these would be added to, to define the culture of the organisation.

In relation to Member training, Members suggested that as mandatory training could not be enforced; training documents could be circulated to those Members unable to attend training events. It was further suggested that online training could be a possible option.

Resolved –

That the Improvement Plan, the proposed governance model and initial resource requirements to enable the commencement of delivery as a matter of urgency be approved.

24 **ICT STRATEGY**

The Committee considered the report of the Director of Finance informing of the progress made on implementing the ICT Strategy as presented to Cabinet on 13 October 2011. The strategy focused on the key areas that linked it to other significant strategies, both internal and external. These included the influences exerted by the office rationalisation programme, and agile working initiatives; improvement of services to Members, reduction of the use in paper in the Committee processes, plus the Government's ICT Strategy. The report outlined the potential benefits that may be derived from these strategies.

The ICT Strategy promoted the Council's corporate priorities in that ICT underpinned service delivery in most areas and was an enabler in the realisation of benefits associated with most corporate initiatives. Implementation of the Strategy would assist in cost savings as ICT supported the changes its business processes and

working practices to take best advantage of the available technology. The Council did not have a statutory duty to deliver ICT services.

Geoff Patterson, Head of IT Services indicated that there was a lot of duplication in relation to document management within the Council, there was scope to rationalise these systems, this would not save money for the Council but would reduce the amount of IT support needed.

In relation to recovery data centres, Mr Patterson indicated that the Council currently had two data centres which serve as a back up to each centre; through office rationalisation plans were being introduced to relocate the centres across the Borough to separate the two centres.

Members asked about the current testing on-going with the pilot scheme in relation to mobile working and asked if work could be done with the firewall to enable network access from own devices. In response, Mr Patterson indicated that this could be done by adding an extra layer to the network this wouldn't connect personal devices but would enable access via mobile phones. At present Members and staff are able to access their emails from home computers or laptops via the use of a council key fob. Due regard was need to be given to the security of information.

In relation to the business case it was explained that this contained the details of outcomes, associated costs, and benefits, return of investment and improvements and savings. The business case justifies why IT is being implemented.

Mr Patterson answered questions from Members in relation to budget projections, use of data systems and Microsoft Office and virtualised hardware.

It was suggested and agreed that a Working Party to include Councillors Williams, Gilchrist and Whittingham and Mr Patterson be set up to look at the IT infrastructure and best practice and agree a terms of reference ensuring that the working party did not infringe on the work of Members Equipment Steering Group.

Resolved – That

- (1) the report updating on the IT Strategy be noted; and**
- (2) the Head of IT be requested to set up a Working Party to include Councillors Williams, Gilchrist and Whittingham to look at the IT infrastructure and best practice and agree a terms of reference to ensuring that the working party did not infringe on the work of Members Equipment Steering Group.**

25 FREEDOM OF INFORMATION REQUESTS AND LOCAL OMBUDSMAN CONTACTS

The Committee considered the report of the Interim Director of Finance providing a quarterly analysis of requests received under the Freedom of Information Act 2000 ('FOIA') and matters being dealt with by the Local Government Ombudsman, as recommended by Cabinet at its meeting on 12 April 2012 (Minute No. 404 refers).

Additional qualitative information was offered on service performance in response to contacts, highlighting any exceptions.

In reference to the extreme number of Freedom of Information requests that the Council received, Geoff Paterson, Head of IT Services indicated that with the implications of the KLOE 6 that authors have produce shorter reports and appendices, work would be undertaken to improve structure of the website to try and reduce the number of requests received.

Surjit Tour, Interim Director of Law, HR and Asset Management indicated that work would also be undertaken to improve the content of the Mod.gov library and ensure that where possible all information is in the public domain.

In response to Members, Mr Tour indicated that a quarterly report on the requests not processed could be provided if requested by the Committee,

Resolved –

That the report updating on the Freedom of Information requests be noted.

26 **TREASURY MANAGEMENT**

The Committee considered the report of the Interim Director of Finance, which presented a review of Treasury Management policies, practices and activities during the first quarter of 2012-13 and confirmed compliance with treasury limits and prudential indicators. The report had been prepared in accordance with the revised CIPFA Treasury Management Code and the revised Prudential Code for Capital Finance in Local Authorities.

Resolved –

That the Treasury Management Performance Monitoring Report be noted.

27 **REVENUES, INCOME AND BENEFITS - MONITORING 2012/13**

The Committee considered the report of the Director of Finance providing information on the position regarding Council Tax, National Non Domestic Rate, general debt and cash income collection and the payment of benefits.

In response to Members in relation to recoveries from the Adult Social Services and Legal Departments, Malcolm Flanagan, Head of Revenues, Benefits and Customer Services indicated that that a lot work had been undertaken to recover as reasonably as possible; action is taken when required and help and advice is offered in relation to debt management.

Members raised the issues of building control fees and car parking charges, and indicated that in relation to car parking the Council needed to be more competitive. In response, it was commented that Liverpool City Council had reduced their car parking charges to increase revenue.

Resolved – That

- (1) the report be noted;**
- (2) the Head of Revenues, Benefits and Customer Services be requested to forward information to Members on the proportion of fees uncollected in relation to golf course fees; and**
- (3) the Deputy Director of Technical Services be requested to investigate the points raised by Members in relation car park fees and report back to them in writing.**

28 REVENUE MONITORING 2012/13 MONTH 4 (JULY 2012)

The Committee considered the report of the Interim Director of Finance setting out the revenue position for 2012/13 as at Month 4 (July 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.

Resolved-

That the report on the revenue monitoring 2012/13 for month 4 (July 2012 be noted.

29 OFFICE RATIONALISATION UPDATE

Prior to consideration of the item Councillor C Muspratt declared a Personal Interest by virtue of her being Secretary of the Mayer Trust. The Committee considered the report of the Acting Director of Law, HR and Asset Management updating on recent activity in respect of the Office Rationalisation Programme. The report indicated that Rationalisation of the Council's administrative accommodation would support the corporate priority of improving the efficiency and value for money of Council services and would result in financial savings to the Council. Office rationalisation was not a statutory duty.

Resolved -

The report updating on Office Rationalisation be noted.

30 FORWARD PLAN

The Committee considered the Forward Plan for the period September to December 2012 had 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 Forward Plan be noted.

31 **REVIEW OF SCRUTINY WORK PROGRAMME**

The Chair referred to the Committee's Work Programme and sought the views of Members as to whether any matters should be recommended for inclusion in the Work Programme of the Committee for the 2012/2013 municipal year.

In relation to the work programme, the Chair referred to the special meetings that may be needed to discuss budget provisions he indicated that he would like to meet with the two Spokespersons to discuss this information and set an appropriate timetable for discussion.

Resolved – That

- (1) the Work Programme be noted;**
- (2) a meeting to discuss budget implication meetings be arranged and attended by the Chair and Spokespersons.**

WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

27 NOVEMBER 2012

SUBJECT:	OFFICE RATIONALISATION
WARD/S AFFECTED:	ALL WARDS
REPORT OF:	DIRECTOR OF LAW, HR AND ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ADRIAN JONES
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update Committee in respect of the office rationalisation programme
- 1.2 Rationalisation of the Council's administrative accommodation will support the corporate priority of improving the efficiency and value for money of Council services and will result in financial savings to the Council.
- 1.3 Office rationalisation is not a statutory duty.

2.0 RECOMMENDATIONS

- 2.1 The report be noted

3.0 REASONS FOR RECOMMENDATIONS

- 3.1 This update is provided for information.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 Members last received an update on office rationalisation on 1 October 2012.
- 4.2 In respect of individual buildings within the rationalisation programme the present position is as follows:

Bebington Town Hall

IT services are arranging for the servers and communication links to be removed from the building and redirected as necessary. A detailed project plan depends on work that is required to be undertaken by BT, and at this stage it is still estimated that all IT connections should have been removed by April 2013.

Bebington Town Hall Annexe

Meetings have been arranged with building occupiers to agree alternative locations.

Liscard Municipal Building

Meetings have been arranged with building occupiers to agree alternative locations.

Old Courthouse, Wallasey

Work to move the Moreton one stop shop and integrate it with the library is due to start in January 2013, the work programme will be for six weeks. The accommodation will then be prepared to allow relocation of the Old Courthouse staff to Moreton. It is estimated that the works should take 8 weeks and consist primarily of security & IT requirements. It is planned to vacate the Old Courthouse by April 2013.

4.5 Birkenhead Town Hall

Work commenced on 12th November to replace the Fire Alarm, this being phase 1 of a programme to bring the Town Hall back into main use within the Office Rationalisation Project.

Early consultation with the Conservation Officer has taken place and work to refurbish the first floor is scheduled to begin week commencing 3 December 2012 with completion early July 2013.

4.6 Wallasey Town Hall

Cabinet on 8 November 2012 accepted the tender from Lockwoods Construction for the scheme to install two additional staircases and a second lift (to address issues over means of escape and access).

Anticipated start date is during January 2013 with completion July 2013.

Building occupiers will be updated regularly on progress and informed of anticipated disturbance. Some events & meetings have been diverted to Birkenhead Town Hall.

Refurbishment of the existing lift will commence after the completion of the contract for the new lift & fire escape project. Anticipated start date August 2013.

Works on the third floor to create open plan office accommodation is expected to commence before Christmas, subject to listed building consent. The alterations and refurbishment are expected to take six weeks.

4.7 Cheshire Lines

A scheme to replace the existing electrical & data infrastructure to enable more intensive use of the accommodation is being drawn up. It is anticipated to issue tenders in early December with a view to commence works at the beginning of February.

5.0 RELEVANT RISKS

5.1 Risk management for office rationalisation takes place within the governance arrangements of the Strategic Change Programme.

6.0 OTHER OPTIONS CONSIDERED

6.1 Options for accommodation change are developed and considered within the Strategic Change programme.

7.0 CONSULTATION

7.1 Consultation is undertaken with staff and services affected by building rationalisation and/or office moves.

7.2 Consultation is now taking place on a budget option for the closure of a further administrative building in Birkenhead – Finance Municipal Building – and on the proposed closure of Acre Lane. The outcome will be reported to Cabinet as part of the overall consultation.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no implications in this report for voluntary, community or faith groups.

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

9.1 Financial – The rationalisation programme will proceed in line with available capital and revenue resources.

9.2 IT Implications. Weekly meeting coordinate the deployment of IT Resources.

9.3 Staffing – none beyond those referred to in the body of this report

9.4 Asset Management implications are dealt with in the body of the report.

10.0 LEGAL IMPLICATIONS

10.1 There are no specific legal implications associated with this report.

11.0 EQUALITIES IMPLICATIONS

11.1 An initial Equality Impact Assessment (EIA) was completed for the office rationalisation programme. A detailed EIA will be completed for each building identified for closure. An initial EIA has been completed for the budget option for the closure of two further buildings.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 Closure of buildings will reduce the Council's CO2 emissions.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no specific Planning and Community Safety implications associated with this report.

REPORT AUTHOR: **Ian Brand**
 Head of Asset Management
 telephone: (0151 606 3880)
 email: ianbrand@wirral.gov.uk

APPENDICES

None

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet – Office Accommodation	24th June 2010
Cabinet – The Former Birkenhead Town Hall	22nd July 2010
Council Excellence Overview & Scrutiny Committee Office Rationalisation	18th November 2010
Cabinet – Office Rationalisation	25th November 2010
Cabinet – Capital Programme	21st February 2011
Council Excellence Overview & Scrutiny Committee Office Rationalisation and Agile Working	31st January 2011
Cabinet – Capital Programme & Capital Funding	21st February 2011
Council Excellence Overview & Scrutiny Committee Office Rationalisation	16th March 2011
Council Excellence Overview & Scrutiny Committee – Office Accommodation Update Report	12th July 2011
Council Excellence Overview & Scrutiny Committee – Office Accommodation Update Report	15th September 2011
Council Excellence Overview & Scrutiny Committee – Office Accommodation and Agile Working	17th November 2011
Cabinet – Office Rationalisation	2nd February 2012

Council Excellence Overview & Scrutiny Committee – Office Accommodation Update Report	26th March 2012
Council Excellence Overview & Scrutiny Committee – Office Accommodation Update Report	1st October 2012

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Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details

EIA lead Officer: Ian Brand

Email address: ianbrand@wirral.gov.uk

Head of Section: Ian Brand

Chief Officer: Surjit Tour

Department: Law HR & Asset Manangement

Date: November 2012

Section 2: What Council proposal is being assessed?

Office Rationalisation

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes / No If 'yes' please state which meeting and what date

Overview & Scrutiny – 27th November 2012

Please add hyperlink to where your EIA is/will be published on the Council's website <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/law-hr-asset-management>

.....

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

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

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Which group(s) of people could be affected	Potential positive or negative impact	Action required to mitigate any potential negative impact	Lead person	Timescale	Resource implications
All staff	Closure of administrative accommodation is considered unlikely to have any significant negative impact. It is considered that suitable alternative accommodation is available within the Borough.	A detailed EIA specific to each building will be prepared when it is confirmed where staff will be relocate, to ensure any potential negative impacts and individual requirements are addressed.	Phil Ashley	EIA to be undertaken as each building is identified for closure.	To be taken from existing resources

Section 5a: Where and how will the above actions be monitored?

Within the Strategic Change Project for the rationalisation of administrative accommodation.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

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

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

Yes

If 'yes' please continue to section 8.

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

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

Section 8: How will consultation take place and by when?

Consultation will take place with staff affected by each building proposal to identify and implications of relocating.

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)**
- b) **Include any potential positive impacts as well as negative impacts? (section 5)**
- c) **Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?**
- d) **Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?**

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WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW & SCRUTINY COMMITTEE

27 NOVEMBER 2012

SUBJECT	REVENUE MONITORING 2012/13 MONTH 6 (SEPTEMBER 2012)
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report was previously considered by Cabinet on 8 November 2012. This report continues the new format and sets out the revenue position for 2012/13 as at Month 6 (September 2012). It identifies the latest financial projections and prioritises the risks for ongoing management actions, to ensure the year-end position will result in spend remaining within the budget allocated.

2 BACKGROUND

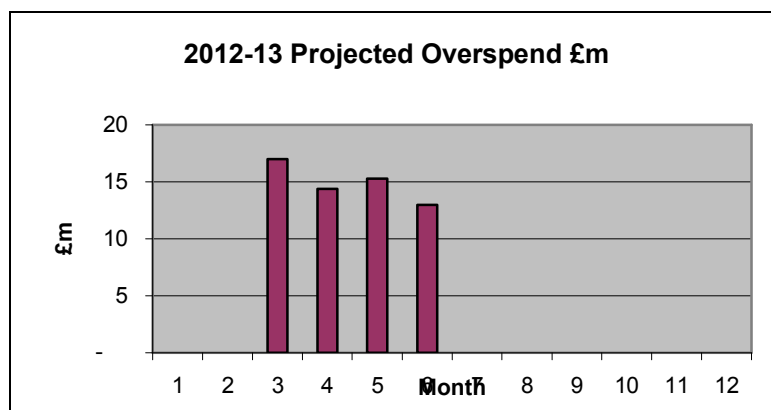
- 2.1 Cabinet on 6 September 2012, when considering the Month 3 monitor, instituted a spending freeze, in the light of a significant projected overspend. Items included in the first two weeks of the freeze were agreed by Cabinet on 18 October. Further items from weeks three to six are recommended for inclusion as per Appendix 7.

- 2.2 A monthly Capital Monitor is separately reported to Cabinet.

OVERALL POSITION AT MONTH 6 (SEPTEMBER 2012)

- 2.3 The projected revenue forecast for the year, at Month 6 (to end September 2012), shows a potential General Fund **overspend of £13.2m**, down £2.1m on the M5 projection of a £15.3m overspend.

Graph 1: Wirral Council – 2012/13 General Fund Variance, by month



CHANGES TO THE AGREED BUDGET AND VARIATIONS

- 2.4 The Budget for 2012/13 was agreed by Council on 1 March 2012 and is detailed in Appendix 2; any increase in the Budget has to be agreed by full Council. Changes to the budget have occurred since it was set and these are summarised in the table below. They presently comprise variations approved by Cabinet / Council and will in future include approved virements relating to the use of the Efficiency Investment Fund, reserves, any budget realignments to reflect any changes to the departmental structure and responsibilities, expenditure freeze decisions as well as any technical adjustments. These are detailed in Appendix 3.

Table 1: 2012/13 Original & Revised Net Budget analysed by Department

	Original Net Budget	Approved Budget Virements Month 1-5	Freeze Decisions Weeks 1-2	Approved Budget Virements Month 6	Revised Net Budget
	£000	£000		£000	£000
Adult Social Services	66,660	-	-85	-66	66,509
Children & Young People	73,665	-	-172	-	73,493
Finance	24,610	27	-142	66	24,561
Law, HR & Asset Management	13,901	224	-53	50	14,122
Regeneration, Hsg & Planning	25,764	34	-22	69	25,845
Technical Services	59,478	392	-526	-119	59,225
Freeze Savings	-	-	1,000	-	1,000
Net Cost of Services	264,078	677	0	0	264,755

Note: the month 6 virements reflect movement of posts between departments relating to Building Control, Welfare Rights and Community Services personnel.

- 2.5. The main report will only comment on large variations (Red and Yellow items). The 'variations' analysis distinguishes between overspends and underspends and the proposed 'risk band' classification is:
- Overspends - Red (over +£301k), Amber (+£141k to +£300k)
 - Acceptable - Green (range from +£140k to -£140k)
 - Underspends - Blue (-£141k to -£300k), Yellow (over -£301k)

Table 2: RAGBY Classification of 2012/13 Departmental Projected General fund Budget variations (Month 5 in brackets)

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Adults	4	2 (2)	0 (0)	1 (1)	0 (0)	1 (1)
Children & YP	7	3 (3)	1 (0)	1 (1)	0 (1)	2 (2)
Finance	6	0 (0)	0 (0)	4 (4)	0 (0)	2 (2)
Law,HR & AM	7	2 (2)	1 (0)	3 (4)	0 (1)	1 (0)
Reg, Hsg & Plan	5	1 (1)	0 (0)	3 (3)	0 (0)	1 (1)
Technical Servs	7	2 (1)	0 (1)	5 (5)	0 (0)	0 (0)
TOTAL	36	10 (9)	2 (1)	17 (18)	0 (2)	7 (6)

2.6 The reporting process identifies over or underspends and classifies them into risk bands. The projection is for a total potential General Fund overspend of £13.2m across the six Directorates for 2012/13, as set out in the table below, which records four departments on red and two on yellow (up one on M5).

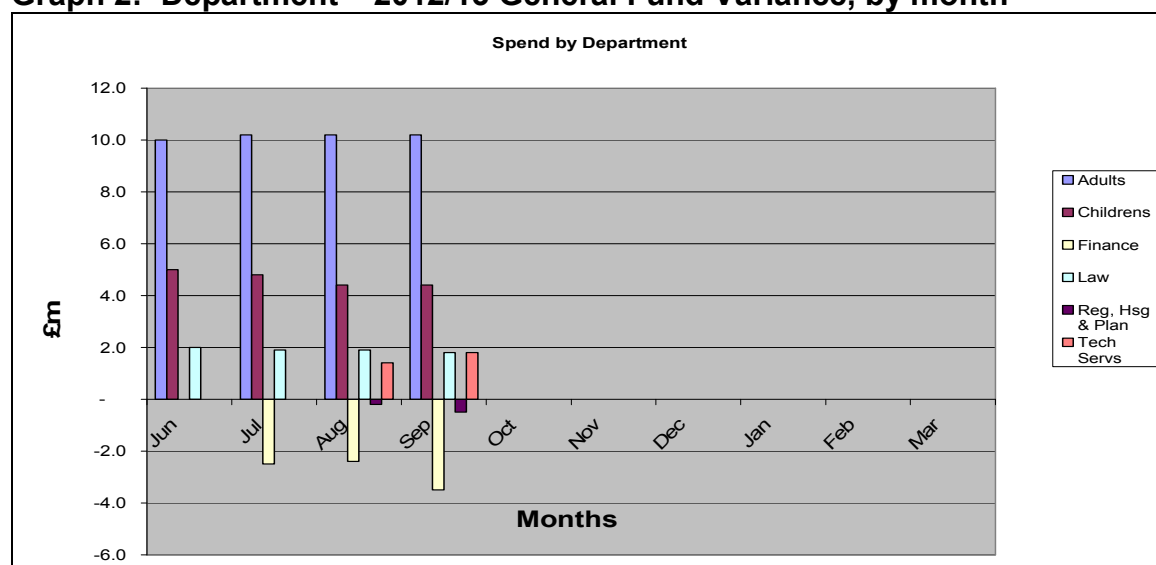
Table 3: 2012/13 Projected General Fund Budget variations by Department

Department	Revised Budget	Forecast Outturn	(Under) Overspend	RAGBY Classification	Month 5 (Under)/Overspend	Change
	£000	£000	£000		£000	£000
Adults	66,509	76,709	10,200	R	10,200	-
Children & YP	73,493	77,893	4,400	R	4,400	-
Finance	24,561	21,061	-3,500	Y	-2,400	-1,100
Law,HR & AM	14,122	15,922	1,800	R	1,900	-100
Reg, Hsg & Plan	25,845	25,345	-500	Y	-200	-300
Technical Servs	59,225	61,025	1,800	R	1,400	+400
Freeze wks 1-2	1,000	0	-1,000		-	-1,000
TOTAL	264,755	277,955	13,200		15,300	-2,100

2.7 Within the various departments, there have been the following developments:

- **Adult Social Services** there is a potential overspend of £10.2m, unchanged since M5.
- **Children and Young People** there is a potential overspend of £4.4m, unchanged from M5.
- **Law, HR and Asset Management** there is a potential overspend of £1.8m, down £0.1m on M5.
- **Finance** is projecting a £3.5m underspend, £1.1m more than in M5. This is largely due to a reassessment of housing benefit claims and related likely grant receipt
- **Regeneration, Housing and Planning** are forecasting a £0.5m underspend an improvement of £0.3m on M5
- **Technical Services** are forecasting a £1.8m overspend an increase of £0.4m on M5.

Graph 2: Department – 2012/13 General Fund Variance, by month



2.8 To complete the analysis, the table below sets out the position by category of spend/income. The main areas of variance are under employees and supplies & services, the latter incorporating the cost of care for adults and children.

Table 4: Projected Departmental Variations by Spend and Income

	Reported Budget	Virements Month 6	Revised Budget	Forecast Outturn	Variance	RAG BY	Change from Month 5
	£000	£000	£000	£000	£000	£000	£000
Gross Expenditure							
Employees	141,962		141,962	144,062	2,100	R	-900
Premises	21,970		21,970	22,870	900	R	-400
Transport	8,561	-1,313	7,248	8,748	1,500	R	-
Supplies and Services	112,780		112,780	123,780	11,000	R	-150
Third Party Payments	73,227		73,227	73,227	-	G	-
Transfer Payments	163,072	7,301	170,373	170,373	-	G	-
Support Services	78,978	1,313	80,291	80,291	-	G	-
Financing Costs	71,961	-560	71,401	70,001	-1,400	Y	-400
Schools Expenditure	442,596		442,596	441,196	-1,400	Y	-1,400
Total Expenditure	1,115,107	6,741	1,121,848	1,134,548	12,700		-3,250
Gross Income							
Schools Income	439,851	-	439,851	438,451	1,400	R	1,400
Government Grants	205,025	6,741	211,766	213,916	-2,150	Y	-1,000
Other Grants/Reimbursements	17,810		17,810	18,210	-400	Y	-
Customer and Client Receipts	45,838	-	45,838	44,198	1,640	R	240
Other	130	-130	0	0	-	G	-
Interest	875	130	1,005	1,105	-100	G	400
Recharge to Other Rev A/c	140,823	-	140,823	140,713	110	G	110
Total Income	850,352	-6,741	857,093	857,993	500		1,150
Net Expenditure	264,755	-	264,755	277,955	13,200		2,100

2.9 Schools expenditure is funded from the Dedicated Schools Grant. As this grant is ringfenced any over/underspend will not impact on the General Fund financial position.

2.10 A number of virements have been made in the month. These include the impact of the housing benefit mid year claim review which has increased claims (transfer payments) and associated grant by £7.3 million, the reclassification of a recharge within DASS for transport costs from transport to support services and adjustments for financing costs and grant receivable relating to regeneration schemes

RAGBY REPORTING AND OTHER ISSUES

2.11 The Red and Yellow RAGBY issues that are the subject of corporate focus are detailed in the following sections by Business Area (by Department identifying the service) and then by Subjective Area (by the type of spend / income). The Business Areas are defined as the high level Objective Summary as per the Council Estimates (Blue Book).

2.12 Business Area Reds

Adult Social Services: Two of the Department's Business Areas are reported as red (unchanged from month 5); Personnel Assessment and Planning; and Personal Support. A forecast overspend of £10.2 million remains forecast for the department. The issues involve underlying pressures in Community Care, shortfall in 2011/12 re-provision and unachieved income which total £6.55 million. There is slippage across a number of savings targets including market review £1.6 million, corporate EVR/VS £1.35 million and £0.7 million relating to staff savings targets

Children and Young People: Three of the Department's Business Areas are flagged as red (unchanged from month 5) with a total £4.4 million overspend forecast for the department. The red areas are Children's Services, the Integrated Transport Unit and Capital and Support Services. Children's Services pressures relate in the main to social care costs and case numbers. The Children's Services overspend has increased by £100,000 in the month due to increases in numbers in foster care and court costs. A reduction of £100,000 has occurred in residential care costs due to clients with relatively high cost care packages having left the system. Transport is provided by the department on behalf of all departments and the projected overspend remains projected at £1.2m reflecting both Special Education Needs and Adults transport. Capital and Support Services is overspending due to difficulties in achieving vacancy control targets which are held within this area.

Law, HR and Asset Management: Two areas remain flagged red (as per month 5) with a forecast overspend of £1.7m. The red areas are Asset Management and Human Resources. Both of these areas continue to report issues regarding the non-achievement of savings across a number of activities. These include business transformation and terms and conditions within Human Resources and facilities management, office rationalisation and asset disposal under Asset Management.

Regeneration, Housing and Planning: One area is flagged as red (as in month 5) although in overall terms the department is forecasting a £500,000 underspend. The red area is Strategic Development which continues to have shortfalls on income within Planning and Building Control.

Technical Services: Two areas are flagged as red (up from one in month 5). The additional red area is Parks and Open Spaces where income from golf and from cemeteries and crematoria is projected to be significantly underachieved. Engineers is also flagged as red and includes shortfalls in car parking income and income relating to inspection and alteration of highways is similarly below target.

Schools. The authority is currently in discussion with the department for education regarding the possible loss of £1.4 million of grant for schools. Table 4 reflects a potential loss of grant with a corresponding reduction in schools income.

2.13 Business Area Yellows

Adult Social Services: one area, Finance and Performance is flagged as yellow. Some of this budget is to be allocated against Community Area.

Children and Young People: Two areas remain flagged as yellow, LEA School Costs and Non-School Costs. LEA School Costs reflect the receipt of additional refund of deducted grant and fees in respect of Academies plus general expenditure savings. The non school variance is due to savings relating to the Connexions and Troubled Families Grant.

Finance: Two areas are flagged as yellow. Financial Services reflects savings on Treasury Management; lower borrowing costs and higher than forecast investment returns will provide benefit of £1.5m. Benefits and Revenue Services are forecast to provide a further £1m of savings from additional grant receipts.

Law, Human Resources and Asset Management: One new area Regulatory Services is flagged up as yellow for month 6. The variation is due to higher than anticipated income for Community Patrol services and the Fair Trading scheme combined with an underspend in expenditure within Environmental Health transport costs.

Regeneration, Housing and Planning: Housing and Regeneration Services are forecasted at yellow due to variances on Supporting people contracts and savings on regeneration implementation costs.

2.14 Subjective Area Reds

Employees. Departments have been allocated additional vacancy control targets for 2012/13 whilst for Adults there remains the achievement of savings expected from the Early Voluntary Retirement / Voluntary Severance Scheme. There are also savings targets under Employees Terms and Conditions and Business Transformation change projects which have yet to be progressed. The freeze decision regarding local pay has helped to reduce the level of projected overspend within this area.

Premises. This relates to the delivery of savings under the rationalisation of office accommodation which is not progressing in accordance with the expected timetable. A number of freeze decisions have helped to reduce the projected overspend.

Transport. The Integrated transport unit is managed by Children & Young People and the budget continues to be under pressure as a consequence of the demands in respect of Adults Services and Special Education Needs. There is also a projected overspend of £0.3m on the social workers car allowances budget.

Supplies and Services. The variation is mainly comprised of pressures within Adult Social Services and Children & Young People relating to care service costs and it is projected that the overspends will be in the order of £8.2m and £3.7m respectively, partly offset by variances from other departments.

Customer and Client Receipts. This mainly reflects likely income shortfalls within the Technical Services department. Areas forecasting to underachieve budget are car parking, Cultural Services, cemeteries and crematorium fees and highways inspection and inspection fees.

2.15 Subjective Area Yellows

Government Grants. The Authority is forecasting an increased level of Housing and Council Tax Benefit grant receipts.

Other Grants and Reimbursements: This includes additional monies received including in respect of Academy funding

Interest: This area has dropped from yellow to green. This reflects the use of reserves to fund short term borrowing. This has resulted in larger savings within capital financing costs.

MANAGEMENT ACTIONS

- 2.16 The Departmental Directors and the Executive Team continue to seek to identify actions to keep spend within the Budget allocated – these actions are detailed in Appendix 4. Besides the normal Management actions to address the financial pressures, the spending freeze was implemented by Cabinet on 6 September 2012. Administrative arrangements have been put in place to differentiate between critical expenditures, where the freeze will not apply, and non-critical expenditures, that will cease. The impact of freeze decisions will begin to be reflected from the month 6 monitor.
- 2.17 A number of items have been identified as recurring issues, such as the inability to meet income targets in cultural services and car parking. There is an exercise being undertaken to review the accuracy of budgets, in order to:
- Identify short-term funding for 2012/13, if there is a net increase in cost; and,
 - As part of compiling next year's budget, propose growth or savings to ensure that the budget inaccuracies are corrected and budgets are soundly based,
- and a parallel review of Earmarked Reserves is being undertaken.
- 2.18 A series of actions is being undertaken to produce a further reduction in the overspend in coming months. A review of current policy options has been undertaken and is included within the freeze proposals below. The Efficiency Investment Fund is currently being reviewed and changes to its operation may result in significant savings. Future monitors will also include additional savings from the HR freeze process.

FREEZE PROCESS AND OUTCOMES

- 2.19 The Freeze process was agreed on September 6 and developed further as reported in the month 5 monitor. Cabinet on 18 October agreed a recommendation to reject £1,071,638 of expenditure in weeks 1 and 2 of the freeze. This amount has been reduced by £72,000 as an item previously rejected relating to play area improvements is classed as capital expenditure and there has been a corresponding increase to the capital monitoring figure. The revised weeks 1-2 freeze figure of £999,638 has been incorporated into the current monitoring forecast.

2.20 The whole point of the exercise is to reduce the projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council, that is, all its Members. The outcome of the recommendations for rejection, for the next three weeks of the exercise are set out below. The savings of just under £1.5m would feed into the M7 monitor:

	£
Week 3 (4/10)	351,858
Week 4 (11/10)	0
Week 5 (18/10)	940,371
Week 6 (25/10)	0
Total saving	1,292,229

2.21 An analysis by department of the freeze items so far agreed is detailed in the following table. M7 will include any items agreed as per this months monitor.

Table 5: Freeze savings analysed by department

Description	DASS	CYP	Finance	LAWHRAM	RHP	Tech Serv	Total
	£	£	£	£	£	£	£
Weeks1-2	85,038	171,500	141,900	53,300	21,586	526,314	999,638

3 RELEVANT RISKS

3.1 The possible failure to deliver the Revenue Budget will be mitigated by the monthly review by Chief Officers, charged with improving performance. There are a number of risks that may impact adversely on the forecast expenditure for the remaining months of the year including:-

- Individual budgets may turn out to be unsound, for the excess of codes has given scope to behaviours that have spread expenditure over inappropriate budgets;
- Increased demand for services, particularly within Adult and Children's Social Care Services, where greater than forecast numbers coming into care services can impact significantly on financial forecasts. Cabinet on 18 October 2012 also considered a report on fees for residential and nursing home care. A consultation is currently taking place on three options which could result in a nil increase (which would risk a legal challenge) or increased costs of £757,473 or £1,401,942 over a full financial year.
- The impact of the economic downturn significantly affects both the demand for services and also levels of income, such as fees and charges and arrears collection. This report already forecasts a potential under recovery of fees and charges which may need to be revised if the economic downturn was to worsen.
- The Council's arrangements for the implementation of a new pay and grade structure under Single Status are progressing and an earmarked reserve for the costs of implementation has been established. There remains uncertainty as to the likely final costs.

- There are budget saving options still to be delivered and these are detailed in Appendix 5. Those yet to be delivered are reflected in the forecast overspends of the Departments.

4 OTHER OPTIONS CONSIDERED

- 4.1 Options are included for Cabinet to consider on increasing the level of the General Fund balance.

5 CONSULTATION

- 5.1 No consultation has been carried out in relation to this report.

6 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 As yet there are no implications for voluntary, community or faith groups.

7 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

- 7.1 The agreed level of General Fund balance was set at £6m, as part of the March budget decision. The reduction in the overspend this month means that the balance has now risen above this policy level. However there are a number of areas which could result in adverse future pressures on the budget and the General Fund Balance.

Table 6 : SUMMARY OF THE PROJECTED GENERAL FUND BALANCES

Details	£m	£m
Projected balance 31 March 2013 when setting the Budget 2012/13		8.8
Add : Increase following completion of 2011/12 accounts	+2.0	
Add : Council Tax re-imburement met in 2011/12 rather than budgeted 2012/13	+3.9	
		14.7
Less : Cabinet decisions since the 2012/13 Budget was agreed	-0.7	
Add : Cabinet decision September 6 to release Earmarked Reserve	+7.0	+6.3
Less : Potential overspends, at M6		-13.2
Projected balance 31 March 2013		7.8

- 7.2 The current levels of Earmarked Reserves are shown in Table 7 with a full listing included at Appendix 6.

Table 7: Earmarked Reserves 2012/13

	Balance at 1 April 2012 £000s	Movement in year £000s	Current Balance 30 Sept 2012 £000s
Housing Benefit Reserve	11,155	-	11,155
Insurance Fund	9,635	-	9,635
Working Neighbourhoods Fund	7,959	(7,000)	959
Debt Restructuring Fund	7,941	-	7,941
Grant Reserves	1,884	-	1,884
Management of other risks	32,530	(50)-	32,480
School Balances and Schools Related	15,144	-	15,144
Total Reserves	86,248	(7,050)	79,198

Note: Cabinet on 6 September 2012 agreed to release £7m of an Earmarked Reserve (Working Neighbourhood Fund).

8 LEGAL IMPLICATIONS

- 8.1 The whole report concerns the duty of the Council to avoid a budget shortfall as outlined at paragraph 2.20.

9 EQUALITIES IMPLICATIONS

- 9.1 An Equalities impact assessment is attached to this report. This is essentially a monitoring report which reports on financial performance. However any budgetary decisions including freeze recommendations need to be assessed for any equality implications.

10 CARBON REDUCTION IMPLICATIONS

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

11 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

12 RECOMMENDATIONS

- 12.1 Cabinet is asked to note that:

- a) At Month 6 (September 2012), the full year forecast projects a potential General Fund overspend of £13.2m;
- b) A review of over/underspends and Earmarked Reserves has been undertaken and will be reported to a forthcoming Cabinet;

- 12.2 The Cabinet is asked to agree

- a) the rejected freeze items, set out at Appendix 7, in the columns 'Rejected' totalling £1,292,229, as evidenced at para 2.20.

13 REASONS FOR THE RECOMMENDATIONS

- 13.1 The Council, having set a Budget at the start of the financial year needs to ensure that the delivery of this Budget is achieved. This has to be within the allocated and available resources to ensure the ongoing financial stability of the Council. Consequently there is a requirement to regularly monitor progress so that corrective action can be taken when required which is enhanced with the monthly reporting of the financial position.

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APPENDICES

- Appendix 1 Revenue Monitoring and Reporting Timetable 2012/13.
- Appendix 2 General Fund Revenue Budget for 2012/13 agreed by Council.
- Appendix 3 Changes to the Budget 2012/13 since it was set.
- Appendix 4 Management actions
- Appendix 5 Progress on delivering agreed savings 2012/13
- Appendix 6 Earmarked Reserves – General Fund
- Appendix 7 Freeze outcomes, weeks 3 - 6

SUBJECT HISTORY

Council Meeting	Date
Revenue monitoring reports have previously been submitted as part of the Performance & Financial Review presented to Cabinet on a quarterly basis and from September 2012 are being submitted monthly.	

REVENUE MONITORING AND REPORTING TIMETABLE 2012/13

Budget Monitoring Timetable 2012/13

Period Number	Month	General Ledger Updated and Reports Available To Be Produced	Review by Departmental Teams	Reports Available For The Executive Team	Reports Available For Cabinet	Reports Available For Council Excellence Overview & Scrutiny Committee
			Monthly	Monthly	Monthly	Quarterly
1	April	06-May	-		-	-
2	May	11-Jun	-		-	04-Jul
3	June	06-Jul	-	23-Aug	06-Sep	01-Oct
4	July	07-Aug	-	04-Oct	18-Oct	-
5	August	07-Sep	tbc	04-Oct	18-Oct	-
6	September	05-Oct	tbc	25-Oct	08-Nov	27-Nov
7	October	07-Nov	tbc	29-Nov	13-Dec	-
8	November	07-Dec	tbc	03-Jan	17-Jan	-
9	December	08-Dec	tbc	24-Jan	07-Feb	26-Mar
10	January	07-Feb	tbc	28-Feb	14-Mar	-
11	February	07-Mar	tbc	tbc	tbc	tbc
12	Outturn (Provisional)	tbc	tbc	tbc	tbc	tbc

GENERAL FUND REVENUE BUDGET 2012/13

AGREED BY COUNCIL ON 1 MARCH 2012

Department	Current Budget
Expenditure	£000
Adult Social Services	66,660
Children & YP (plus Schools)	73,665
Finance	24,610
Law, HR and Asset Mgt	14,151
Regeneration, Housing and Planning	25,764
Technical Services	59,905
Merseytravel	29,060
Local Pay Review + Low Pay	248
EVR/VS Scheme	(290)
Council Tax Reimbursement	3,990
Contribution from Balances	(10,282)
Budget Requirement	287,481
Income	
Government Grant	144,737
C/Tax Freeze Grant	6,573
Local Services Grant	1,805
Council Tax	132,911
Collection Fund	1,455
Total Income	287,481
Statement of Balances	
As at 1 April	18,405
Contributions from Balances	(9,605)
Balances	8,800

**CHANGES TO THE BUDGET AGREED SINCE THE 2012/13 BUDGET WAS SET
RELATING TO THE COMPLETION OF THE 2011/12 ACCOUNTS**

Cabinet	Items	£m
21 Jun 12	2011/12 Financial Outturn report resulted in an improvement in balances due to a net underspend in the year	-5.9
	OVERALL IMPACT OF THESE DECISIONS	-5.9

VARIATIONS TO THE APPROVED BUDGETS 2012/13

Cabinet	Items	£m
29 Mar 12	Pacific Road Theatre – Law/Technical Services Increase budget	+0.6
12 Apr 12	Streetscene Contract Review - Increase budget	+0.1
	OVERALL IMPACT OF THESE DECISIONS	0.7

VIREMENTS BELOW LEVEL REQUIRING CABINET APPROVAL

Cabinet	Items	£m
The following adjustments have no bottom line impact on the authority budget:		
n/a	Adjustment of Community Asset Transfer capital financing budget from LawHRAM to Finance	0.077
n/a	Employee budget transferred from LawHRAM to HRP	0.034
n/a	Employee budget transferred from Technical Services to LawHRAM	0.035
n/a	Technical Services reallocation of Internal Savings Targets within budget lines	1.4
n/a	Reallocation of Home Insulation Works within Regeneration, Housing and Planning between Supplies and Services category and Third Party payments	1.1
n/a	Movement of posts between departments relating to Building Control, Welfare Rights and Community Services personnel. The housing benefit review increase claims (transfer payments) and associated grant of £7.3 million, the reclassification of DASS transport recharge from transport to support services and adjustments for financing costs and grant receivable relating to regeneration schemes.	

MANAGEMENT ACTIONS

ACTIONS TAKEN BY THE EXECUTIVE TEAM / DEPARTMENTAL DIRECTORS TO REDUCE SPEND / INCREASE INCOME

Department	Items	£000
Children	Connexions – Further reductions in the contract costs (in excess of the agreed savings target)	500
	Troubled Families –Successful submission for Government Grant which will help meet some of the existing costs.	250
	Academies – Increased income being achieved through a review of charges to academies for services provided.	100
	Academies – additional monies received from refund of 'top slice from Department for Education	150
All	Reviews of on going expenditure across all departments	tbc
DASS	Review of all voluntary sector contracts	tbc
DASS	Overarching commissioning strategy developed	tbc
All	Spending freeze weeks 1-2	1,000
	Total savings from these actions	2,000

PROGRESS ON DELIVERING THE AGREED SAVINGS 2012/13 £000's

Department	16,441	Comments / progress on implementation	RA GB Y	4,732	1,519	10,190
	100%			28.8	9.2	62.0
DASS				R	A	G
Commissioning Of Services	1,600	The Department is currently reviewing how services are commissioned to deliver savings of £1.6m. An overarching commissioning strategy has been developed and was presented to 21 June Cabinet	R	1,600		
Prevention Services	500	The Department is currently undertaking a review of all voluntary sector contracts and is seeking to re-commission this activity at a more efficient cost.	R	500		
Employee Budgets 2%	400	This saving is in addition to the Department's existing staff turnover target of £496,100. The shortfall against the total target of £896,100 is estimated at £700,000.	R	400		
Procurement	26	It is anticipated that this saving will be achieved	G			26
Austerity – Supplies	24	It is anticipated that this saving will be achieved	G			24
EVR Scheme	17	Saving have been achieved in full	G			17
CHILDREN & YOUNG PEOPLE						
Early Intervention Grant	1,000	Has been achieved	G			1000
Employee Budgets 2%	750	Progress remains difficult, with pressures on Social work.	R	750		
EVR Scheme	386	Staff who left were from self funded areas, so no budget saving possible.	R	386		
Connexions contract	250	Achieved, with a further £500k contract saving.	Y			250
Schools Intervention Funding	250	Achieved	G			250
Procurement	246	Allocated across Social Care	R	246		
Austerity – Supplies	16	Will be achieved within expenditure controls	G			G
FINANCE						
Efficiency Investment Budget	2,500	The Efficiency Investment Budget has been reduced	G			2,500
Housing Benefit	1,200	This has been built into HB budgets	G			1,200
IT and Printing Services	550	This is part of the departments strategic savings target	A		550	
Employees Budget 2%	520	This is part of the departments strategic savings target	A		520	
EVR Scheme	343	This is part of the departments strategic savings target	G			343
Procurement	189	This is part of the departments strategic savings target	A		189	

Austerity – Supplies	8	This saving has been built into departmental budgets	G			8
LAW,HR,ASSET MGT						
Facilities Management	500	£250k achieved through the reduction in Maintenance budgets, the balance remaining is to be identified.	R	250		250
Business Transformation	300	Target will not be achieved in 2012/13	R	300		
Employee Terms & Conditions	300	Target will not be achieved in 2012/13	R	300		
Employee Budgets 2%	260	Currently on target to be achieved in year.	A		260	
Office Rationalisation	260	Achieved	G			260
Disposal of Assets	100	Achieved.	G			100
Procurement	33	Budgets reduced to reflect these savings.	G			33
Austerity – Supplies	6	Budgets reduced to reflect these savings.	G			6
REG,HSG & PLANNING						
Broadband Facility	1,075	Achieved	G			1,075
Home Insulation Programme	1,000	Achieved	G			1,000
Employee Budgets 2%	160	On target to achieve	G			160
Supporting People Contracts	150	Achieved	G			150
Merseyside Info Service	50	Achieved	G			50
EVR Scheme	13	Achieved	G			13
Austerity – Supplies	8	Achieved	G			8
TECHNICAL SERVICES						
Procurement	745	Currently anticipated to be achieved. Biffa contract part of this	G			745
Employee Budgets 2%	380	Currently anticipated to be achieved.	G			380
EVR Scheme	150	Currently anticipated to be achieved.	G			150
Street Lighting	100	Currently anticipated to be achieved.	G			100
Highways Administration	80	Currently anticipated to be achieved.	G			80
Austerity – Supplies	12	Currently anticipated to be achieved.	G			12

EARMARKED RESERVES - GENERAL FUND

Earmarked Reserves	Balance at 1 April 2012 £000	Movement In Year	Current Balance 30 Sept 2012 £000
Schools Balances	11,767	-	11,767
Housing Benefit	11,155	-	11,155
Insurance Fund	9,635	-	9,635
Working Neighbourhood Fund	7,959	(7,000)	959
Debt Restructuring	7,941	-	7,941
Minimum Revenue Provision	4,400	-	4,400
Community Fund Asset Transfer	3,301	-	3,301
Intranet Development	3,161	-	3,161
Local Pay review	2,641	-	2,641
One Stop Shop/Libraries IT Networks	2,119	-	2,119
Supporting People Programme	1,505	-	1,505
Cosyhomes Insulation	1,244	-	1,244
School Harmonisation	1,241	-	1,241
Stay, Work, Learn Wise	908	-	908
Schools Capital Schemes	777	-	777
Matching Fund	558	-	558
20 MPH Zones	550	-	550
Home Adaptations	537	-	537
West Wirral Schemes	530	-	530
Merseyside Information Service	500	-	500
ERDF Match Funding	500	-	500
Strategic Asset Review	495	-	495
Planned Preventative Maintenance	483	-	483
Heritage Fund	420	-	420
Schools Automatic Meter Readers	415	-	415
Children's Workforce Development Council	399	-	399
Schools Contingency	370	-	370
Business Improvement Grant	342	-	342
Local Area Agreement Reward	322	-	322
Primary Care Trust Physical Activities	300	-	300
Schools Service IT	294	(16)	278
Schools Summer Term	280	-	280
Homeless Prevention	271	-	271
Other Reserves	<u>8,928</u>	<u>(34)</u>	<u>8,894</u>
	86,248	(7,050)	79,198

Note : Cabinet on 6 September 2012 agreed to release £7m of an Earmarked Reserve (Working Neighbourhood Fund).

Appendix 7

Revenue Freeze Executive Team October 4 2012 - Decisions

Dept	Ref	Project Title	Requested	Agreed	Suspend	Rejected	Reason for Recommendation
DASS	49	Consultancy support £10.75k, 50/50 funded with Health	5,375	5,375			Improve efficiency of re-enablement service
FIN	50	Improvement Plan - Concerto software - moving from individual licences to a site licence	33,750	33,750			Better VFM
CYP	51	Area Youth Forum Award Funding	10,000		10,000		Area funding - hold for review
CYP	52	NICEIC Electrical Testing Programme	60,000	60,000			Health & Safety
CYP	53	Improved outside car park lighting at Pensby Children's Centre	822	822			Health & Safety
CYP	54	Tea, coffee & water for staff & elected members Youth Parliament	75	75			In line with previous decision
FIN	55	Review of UPS Systems	6,000	6,000			Produces an overall saving
FIN	56	Financial Services - latest code of accounting practice	680	680			Operational necessity
FIN	57	Revenues and Benefits - National IRRV Conference	390	390			Operational necessity
FIN	58	Libraries - book fund £509k; £376 left	376,000	25,000		351,000	Provision for disabled and disadvantaged.
REGEN	59	Match funding for Homeless Prevention Opportunities	60,000	60,000			Supported by Grant
LHR	60	Security lighting & CCTV imagery Beechwood Recreation Centre	2,800	2,800			Health & Safety
LHR	61	Buffer cleaner for Grosvenor Assembly Rooms	858			858	They provide the buffer from income
TECH	62	Highway Maintenance - HESPE contract	10,000	10,000			Operational necessity
TECH	63	Remedial works - Holly Hedge Cottage Telegraph Road, Caldy	13,437	13,437			Commitment to property owner
TECH	64	Highway Management Investigatory works	14,000	14,000			Operational necessity
LHR	65	Hoylake Allotments - extension	1,320	1,320			Required to discharge planning obligations
TECH	66	Street Lighting for remote dimming £210k pilot	15,000	15,000			Required to complete project
			610,507	248,649	10,000	351,858	
V Oct 30			100.0	40.7	1.6	57.6	

Revenue Freeze Executive Team October 11 2012 - Decisions

Dept	Ref	Project Title	Requested £	Agreed £	Suspend £	Rejected £	Reason for Recommendation
CYP	67	Provision of Holocaust Memorial Day	950	950			Statutory duty
CYP	68	Staff Personal Protective Equipment	106	106			Personal protective equipment
CYP	69	Dance & Drama Wirral Youth Theatre	1,655	1,655			Looked after Children social development
FIN	70	Customer Services - ICT upgrade	17,500	17,500			To meet Equality Legislation - net savings of £2,700pa
FIN	71	Committee Processes & Councillors ICT Systems	350	350			Trial of already purchased I-Pads for Councillors; necessary software
FIN	72	WiFi Implementation Wallasey Town Hall	50,000	50,000			Further information required
LHR	73	Community Energy Efficiency Fund	27,550	27,550			7 schemes to reduce energy costs
LHR	74	Memorial Plaques to honour the war dead	3,250	3,250			Event already planned/committed to
RHP	75	Wirral Enterprise Strategy Update	3,000	3,000			Improve evidence base for better decision making
PEC	76	Traffic & Transportation - provision of on-street parking bays for disabled	3,000	3,000			But report to Cabinet on the implications of the policy
			<hr/>	<hr/>	<hr/>	<hr/>	
			107,361	107,361	0	0	
			<hr/>	<hr/>	<hr/>	<hr/>	
			100.0	100.0	0.0		

Revenue Freeze Executive Team October 18 2012 - Decisions

Dept	Ref	Project Title	Requested £	Agreed £	Suspend £	Rejected £	Reason for Recommendation
CYP	77	Oaklands Outdoor Education Centre - Annual AHOEC conference, fee only as lift sharing - find out from others about managing change and budget pressures	200			200	Nice to have, not life or limb
CYP	78	14-19 Team Community & Faith Sector Get involved project which started June 2012 to engage 16/17 year old NEETs to equip them with skills to get a job this autumn	17,043	17,043			Support employment, reduce crime
CYP	79	Raising of the Participation Age - provision of tools and data for forthcoming statutory duty	81,600	81,600			To keep within the law
CYP	80	Universal Youth Support Service Healthy Eating	171			171	Funding is from an Area Forum
CYP	81	Universal Youth Support Service Apple Final Cut - software	200	200			To upskill young worker-trainees and maintain employment
LHR	82	Intercom Installation Reception Cheshire Lines	700	700			Provide an intercom to eliminate need for receptionist
RHP	83	Private Sector Housing Stock Condition & Home Energy Survey - Housing Act 2004 requirement	30,000	30,000			Legal. Jointly procured with Sefton, saving 5%
RHP	84	Wirral Business Support Programme	500,000	500,000			Use of reserve - no effect on outturn
	85	Review of Policy options - 7 schemes	1,320,000	230,000	150,000	940,000	See below
			<u>1,949,914</u>	<u>859,543</u>	<u>150,000</u>	<u>940,371</u>	

V Oct 30

100.0 44.1 7.7 48.2

One off Policy Options

CYP		Child care pilot	100	100			Could be stopped and would impact on ability to respond to school readiness following work by Cambridge and an Early School Attendance Pilot (about £50k would be needed).
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CYP	Work Experience Neets	120	120		Commitments are to a seconded post from Wirral Met and phase 1 of an extended work experience programme for young people (pre-apprentice). The uncommitted amount is for a 2nd and 3rd cohort, this would significantly restrict access for NEET young people to this programme.
LHR	Allotment Fund	50		50	Extensive works are needed on sites to maintain and the existing maintenance budget is insufficient to address all necessary works. The option was targeted for such works and bids were submitted in July and evaluated by an External Panel with 41 sites identified for funding. This has not been progressed beyond that stage. To be considered with other Allotment initiatives
RHP	Empty shops	500		500	Portas Pilots - bids invited and currently being assessed. Could stop process, but bids already made. Would be issues regarding support for town centres
RHP	Green Economy	450	10	440	Market Place event = £20k; Green Skills Growth for Business=£175k; Green Growth skills for individuals=£25k; Apprentices=£235k Green Skills for Business could be reduced, but would impact on number of businesses supported. Green Apprentices- Currently out for applications for 24 places specifically in green economy. No indication about demand.
TECH	Car Parking Free after 3 - saving in form of increased income, not reduced spend	100		100	Potential impact on local economy if shoppers chose not to return and pay for parking but instead shop elsewhere. A decision to end the scheme in October would impact from January with a potential saving of £100,000. However if shoppers did not return this may not be fully achieved. Further advice being sought.
		1320	230	150	940

Revenue Freeze Executive Team October 25 2012 - Decisions

Dept	Ref	Project Title	Requested £	Agreed £	Suspend £	Rejected £	Reason for Recommendation
CYP	86	Looked After Children's Xmas Party	244	244			Part of corporate parenting for disadvantaged children
FIN	87	Tables & Chairs for Birkenhead Central Library	2,400	2,400			The expenditure will be refunded by the Friends of Birkenhead library.
FIN	88	Customer Services - software to improve website	2,750		2,750		Require recommendation of IT also
LHR	89	Trading Standards Business Approval Scheme	13,622	13,622			Invest to save, funded out of income
LHR	90	Flu Vaccination Programme	5,000	5,000			Manage sickness and so retain efficiency
RHP	91	Legal and Financial Compliance	10,000	10,000			Requirement of BIS to unlock investment funds
RHP	92	Inward Investment Support	12,000	12,000			Will ensure staff remain updated in creating investment opportunities.

	46,016	43,266	2,750	0
Percent	100.0	94.0	6.0	0.0

Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details: Peter Molyneux

EIA lead Officer: Peter Molyneux

Email address: petemolyneux@wirral.gov.uk

Head of Section: Tom Sault

Chief Officer: Peter Timmins

Department: Finance

Date: 9 October 2012

Section 2: What Council proposal is being assessed? Revenue Monitoring (including freeze proposals)

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes

**If 'yes' please state which meeting and what date
Cabinet 18 October 2012**

Please add hyperlink to where your EIA is/will be published on the Council's website <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- ✓ **Services**
- ✓ **The workforce**
- ✓ **Communities**
- ✓ **Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- ✓ Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

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

Which group(s) of people could be affected	Potential positive or negative impact	Action required to mitigate any potential negative impact	Lead person	Timescale	Resource implications
All groups Page 48	Budgetary overspends will result in requirement to reduce expenditure in year with consequences on communities and staff. Rational decision making to tackle issues will enhance good relations and minimise negative impacts	Budgetary control including regular monitoring, freeze procedures and budgetary reviews will assist in limiting impact	Peter Timmins	On Going	Budgetary overspends would require funding from resources
All groups	Reduction in expenditure from freeze proposals could impact on services delivered to communities	Freeze process includes exemptions for critical service areas. Process allows for business case to be submitted to exempt expenditure from freeze	Peter Timmins	On Going	Freeze proposals will assist enabling control of expenditure

Section 5a: Where and how will the above actions be monitored?

Monthly monitoring report to Cabinet. This will include recommendations for approval of spending freeze decisions

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

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

Budgetary forecast information

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

Yes / No – (please delete as appropriate) No

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why: Urgent decisions required to tackle budgetary position. Freeze proposals undergo review process and involve officers and members

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

Section 8: How will consultation take place and by when?

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting its legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)**
- b) **Include any potential positive impacts as well as negative impacts? (section 5)**
- c) **Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?**
- d) **Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?**

WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

27 NOVEMBER 2012

SUBJECT	TREASURY MANAGEMENT PERFORMANCE MONITORING
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report was presented to Cabinet on 8 November 2012, when the report was accepted in meeting the Council's obligations under the Treasury Management Code. It is presented for information.
- 1.2 This report presents a review of Treasury Management policies, practices and activities during the second quarter of 2012/13 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 for Capital Finance in Local Authorities.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Cabinet approves the Treasury Management and Investment Strategy at the start of each financial year. This identifies proposals to finance capital expenditure, borrow and invest in the light of capital spending requirements, the 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. In accordance with the revised Treasury Management Code, a Treasury Management monitoring report is presented to Cabinet on a quarterly basis.

CURRENT ECONOMIC ENVIRONMENT

- 2.2 Domestically, the outlook moves to the third quarter, with renewed optimism supported by the strong employment data and declining inflation that should feed through some stability in real incomes. Whilst the effect of the Olympics undoubtedly played a part, despite its temporary nature, the underlying data pointed to a more resilient and optimistic outlook. With ongoing fragile conditions in Europe, any meaningful recovery may still be some time off.
- 2.3 Inflation fell back to 2.5% in August from 2.6% as measured by CPI. Looking ahead, the Office for National Statistics have said a number of factors could put upward pressure on prices including potential utility price increases and poor harvests in many parts of the world, which could impact on food prices.

However, many economists say weak demand in the UK economy will outweigh these pressures, meaning the inflation rate will continue to fall towards the Bank of England target of 2%.

- 2.4 The Monetary Policy Committee have maintained the Quantitative Easing (QE) scheme at a total of £375 billion, whilst also maintaining the Bank Rate at 0.5%. The Government's Funding for Lending (FLS) initiative, intended to lower banks' funding costs, commenced in August. The Bank of England will assess its effects in easing the flow of credit before committing to further policy action.
- 2.5 The Eurozone crisis has continued over quarter two, with the Spanish economy causing increasing concern as it edges ever nearer to requesting a full IMF bailout. Funding problems, increasing debt and further austerity measures are the issues which threaten to push the Eurozone yet further into difficulty.
- 2.6 Further afield, Japan is embarking on another round of Quantitative Easing. It follows the U.S Federal Reserve's recent decision to inject further liquidity into its economy through the purchase of Mortgage Backed Securities. Alongside the European Central Bank's new Outright Monetary Transactions (OMT) facility - where it will buy the debt of a government in receipt of a bailout - it is clear that QE in a number of forms is very much here to stay.

THE COUNCIL TREASURY POSITION

- 2.7 The table shows how the position has changed since 30 June 2012.

Summary of Treasury Position

	Balance 30 Jun 12 (£m)	Maturities (£m)	Additions (£m)	Balance 30 Sep 12 (£m)
Investments	122	(164)	155	113
Borrowings	(263)	6	0	(257)
Other Long-Term Liabilities	(61)	0	0	(61)
Net Debt	(202)	(158)	155	(205)

INVESTMENTS

- 2.8 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 and daily cashflow/ working capital.

2.9 At 30 September 2012 the Council held investments of £113 million.

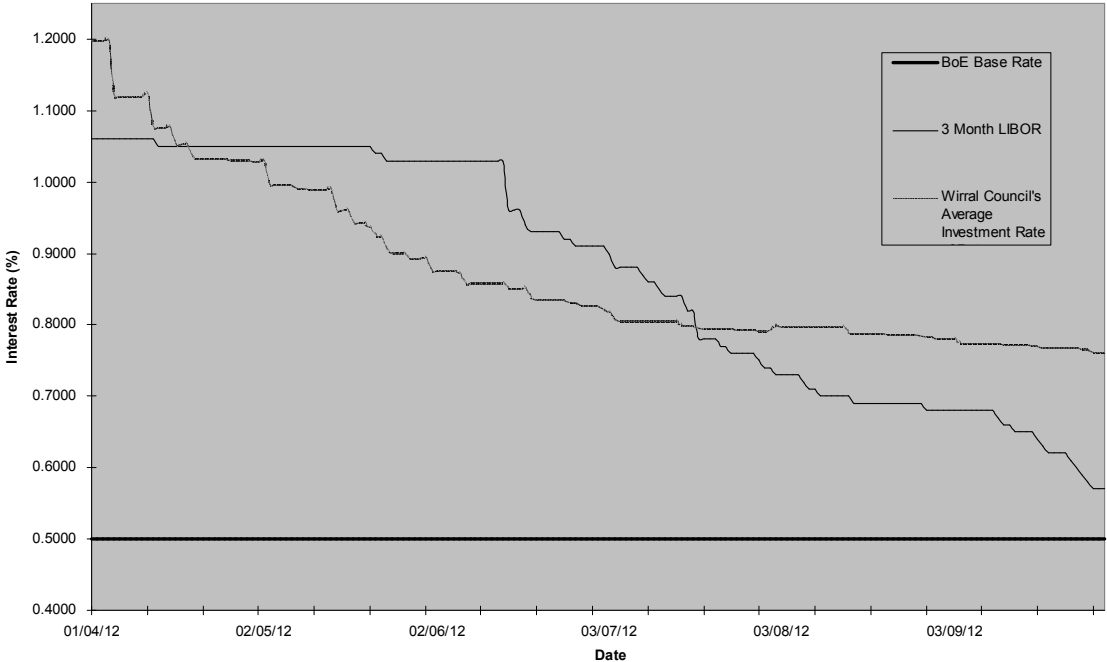
Investment Profile

Investments with:	31 Mar 12 £m	30 Jun 12 £m	30 Sep 12 £m
UK Banks	35	36	47
UK Building Societies	6	0	0
Money Market Funds	20	43	22
Other Local Authorities	34	35	36
Gilts and Bonds	8	8	8
TOTAL	103	122	113

2.10 Of the above investments, £51 million is invested in instant access funds, £36 million is invested for up to 1 year and £26 million is invested for up to 5 years.

2.11 The average rate of return on investments as at 30 September 2012 is 0.76% (at 30 June it was 0.83%). The graph shows how the Treasury Management Team rate of return compares favourably against the Bank of England base rate and the 3 month LIBOR (the inter bank lending rate):

Investment Rate of Return in 2012/13



2.12 The rate at which the Council can invest money continues to be low, in line with the record low Bank of England base rate. As the Council moves funds away from counterparties with increased risks and into more secure investments, the increased security comes at a price of reduced investment returns. This approach is in line with the Authority’s Treasury Management & Investment Strategy:

In accordance with Investment Guidance issued by the Department for Communities and Local Government (CLG) and best practice Wirral's primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yields earned on investments are important but are secondary considerations.

- 2.13 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. Counterparty credit quality is also assessed and monitored with reference to, credit default swaps; GDP of the country in which the institution operates; the country's net debt as a percentage of GDP; sovereign support mechanisms /potential support from a well-resourced parent institution; share price.
- 2.14 The ratings of most of the UK banks, Nationwide Building Society and non-UK banks have been either downgraded or placed on review for possible downgrade. For the UK banks, the downgrades largely reflected the reassessment by the agencies of the extent of future systemic support that would be forthcoming from the sovereign. For Eurozone banks, the worsening sovereign debt crisis and poor growth outlook led to pressure on sovereign ratings and consequently on bank ratings.
- 2.15 The downgrades resulted in the long-term rating of several UK institutions falling below the Council's previous minimum criteria of A+. As part of the Treasury Management and Investment Strategy 2012/15, the minimum criterion was revised to A-. Counterparties with a credit rating of A- are defined as having high credit quality, low credit risk and a strong ability to repay. Along with the revision of the minimum criterion, limits regarding the length of investment with the affected counterparties were also reconsidered. NatWest/RBS and Santander are currently restricted to deposits no longer than 35 days, whilst Barclays, Nationwide, Lloyds TSB and Bank of Scotland have a limit of 100 days. HSBC and Standard Chartered are limited to 12 months. Where the Council had previously entered into a fixed term deposit with these institutions the investment will be allowed to mature as originally planned.
- 2.16 The Council's main bank account is with NatWest Bank, although in the process of transferring to Lloyds TSB, with both having an appropriate rating allowing them to be used for shorter term liquidity requirements and business continuity arrangements.
- 2.17 To compensate for the restricted counterparty list the Council has actively sought investments with other Local Authorities as well as increasing its investments in AAA rated money market funds. These sources of investment offer greater security but with a reduced investment return.

- 2.18 The Treasury Management Team will continue to monitor the developing financial situation and make appropriate operational adjustments, within the approved Treasury Management Strategy, to maintain the security of public money and manage the associated risks while also maximising returns within these constraints.
- 2.19 The 2012/13 investment income budget has been set at £0.86 million, reflecting the low interest rates that are anticipated to continue throughout the financial year. At present income is set to achieve the budget.

Icelandic Investment

- 2.20 The Authority has £2 million deposited with Heritable Bank, a UK registered Bank, at an interest rate of 6.22% which was due to mature on 28 November 2008. The Company 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 the Council acted, and continued to act, prudently and properly in its investment activities.
- 2.21 The latest creditor progress report issued by the Administrators Ernst and Young, dated 28 July 2011, outlined that the return to creditors is projected to be 90p in the £ by the end of 2012 and the final recovery could be higher. To date, £1,570,528 has been received with further payments due 2012/13. The amounts and timings of future payments are estimates as favourable changes in market conditions could lead to higher than estimated repayments.

Heritable Bank Repayments

	£
Initial Investment	2,000,000
Actual Repayments Received	
As at 30 Sept 12	1,570,528
Estimate of Future Repayments	325,173
Estimate of Minimum Total Repayment	1,895,701

- 2.22 If Heritable Bank is unable to repay in full, a pre-emptive claim against Landsbanki Islands HF has been made 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.

BORROWING AND OTHER LONG TERM LIABILITIES

- 2.23 The Council undertakes borrowing to fund capital expenditure. However the use of internal resources in lieu of borrowing, in the main, continues to be the most cost effective means of funding capital expenditure. This lowers overall treasury risk by reducing both external debt and temporary investments. However, it is acknowledged that this position is not sustainable over the medium term and the Council expects to borrow for capital purposes. Therefore the borrowing options and the timing of such borrowing will continue to be assessed in conjunction with the Council's treasury advisor.
- 2.24 The Public Works Loans Board (PWLB) remains the Council's preferred source of borrowing given the transparency and control that its facilities continue to provide.
- 2.25 Other Long-Term Liabilities include the schools Private Finance Initiative (PFI) scheme and finance leases used to purchase vehicles plant and equipment. Under International Financial Reporting Standards (IFRS) these are shown on the Balance Sheet as a Financial Liability and therefore need to be considered within any Treasury Management decision making process.
- 2.26 The Council has not entered into any new lease agreements during the second quarter of 2012/13.
- 2.27 The table shows Council debt at 30 September 2012.

Council Debt at 30 September 2012

Debt	Balance 30 Jun 12 (£m)	Maturities (£m)	Additions (£m)	Balance 30 Sep 12 (£m)
<u>Borrowings</u>				
PWLB	(89)	6	0	(83)
Market Loans	(174)	0	0	(174)
<u>Other Long Term Liabilities</u>				
PFI	(59)	0	0	(59)
Finance Leases	(2)	0	0	(2)
TOTAL	(324)	6	0	(318)

- 2.28 Given the latest projections in respect of the capital programme and the continuing use of internal funding in lieu of external borrowing it is anticipated that in 2012/13 there will be a 'one-off' underspend of £1.5 million in respect of capital financing. This will be subject to further change as decisions are taken in respect of the capital programme in light of the Spending Freeze agreed in September 2012.

MONITORING OF THE PRUDENTIAL CODE INDICATORS

- 2.29 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. The following indicators demonstrate that the treasury management decisions are in line with the Strategy, being prudent and affordable.

Net Debt and Capital Financing Requirement (CFR) Indicator

- 2.30 The CFR measures the underlying need to borrow money to finance capital expenditure. The Prudential Code stipulates that net debt (debt net of investments) should not, except in the short term, exceed the CFR for the previous year plus the estimated additional CFR requirement for the current and next two financial years.

Net Debt compared with CFR

	£m
CFR in previous year (2011/12 actual)	375
Increase in CFR in 2012/13 (estimate)	0
Increase in CFR in 2013/14 (estimate)	0
Increase in CFR in 2014/15 (estimate)	0
Accumulative CFR	375
Net Debt as at 30 Sep 2012	205

- 2.31 Net Debt does not exceed the CFR and it is not expected to in the future. This is a key indicator of prudence.

Authorised Limit and Operational Boundary Indicators

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

Authorised Limit and Operational Boundary Indicator

	Jul 12 (£m)	Aug 12 (£m)	Sep 12 (£m)
AUTHORISED LIMIT	482	482	482
OPERATIONAL BOUNDARY	467	467	467
Council Borrowings	263	263	257
Other Long Term Liabilities	61	61	61
TOTAL	324	324	318

- 2.34 The table shows that neither the Authorised Limit nor the Operational Boundary was breached between July 2012 and September 2012. This is a key indicator of affordability.

Interest Rate Exposure Indicator

- 2.35 The Prudential Code also requires Local Authorities to set limits for the exposure to the effects of interest rate changes. Limits are set for the amount of borrowing/ investments which are subject to variable rates of interest and the amount which is subject to fixed rates of interest.

Interest Rate Exposure

	Fixed Rate of Interest (£m)	Variable Rate of Interest (£m)	TOTAL
Borrowings	(257)	0	(257)
Proportion of Borrowings	100%	0%	100%
Upper Limit	100%	0%	
Investments	26	87	113
Proportion of Investments	23%	77%	100%
Upper Limit	100%	100%	
Net Borrowing	(231)	87	(144)
Proportion of Total Net Borrowing	160%	-60%	100%

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

- 2.37 As the environment is one of low interest rates, the Treasury Management Team is working to adjust this position which is restricted by:-
- 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 a costly exercise.

Maturity Structure of Borrowing Indicator

- 2.38 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.

Maturity Structure of Borrowing

Borrowings Maturity	As at 30 Sep 12 (£m)	As at 30 Sep 12 (%)	2012/13 Lower Limit (%)	2012/13 Upper Limit (%)
Less than 1 year	34	13	0	80
Over 1 year under 2 years	18	7	0	50
Over 2 years under 5 years	21	8	0	50
Over 5 years under 10 years	33	13	0	50
Over 10 years	151	59	0	100
Total Borrowing	257	100		

Total Principal Sums Invested for Periods Longer than 364 Days

- 2.39 This indicator allows the Council to manage the risk inherent in investments longer than 364 days. The limit for 2012/13 was set at £30 million. Currently the Council has £26 million of investments which are for a period greater than 364 days during this period.

3.0 RELEVANT RISKS

- 3.1 All relevant risks have been discussed within Section 2 of this report.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 There are no other options considered in this performance monitoring report.

5.0 CONSULTATION

- 5.1 There has been no consultation undertaken or proposed for this performance monitoring report. There are no implications for partner organisations arising out of this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 There are none arising directly out of this report.

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

7.1 As reported in Section 2.19 the 2012/13 investment income budget has been set at £0.86 million and, at present, income is set to achieve the budget. As reported in section 2.28 the latest projections in respect of the capital programme and the continuing use of internal funding in lieu of external borrowing project that in 2012/13 there will be a 'one-off' underspend of £1.5 million in respect of capital financing. This will be subject to further change as decisions are taken in respect of the capital programme in light of the Spending Freeze agreed in September 2012.

7.2 There are no IT, staffing or asset implications arising directly out of this report.

8.0 LEGAL IMPLICATIONS

8.1 This report 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 for Capital Finance in Local Authorities.

8.2 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".

9.0 EQUALITIES IMPLICATIONS

9.1 This a monitoring report on Treasury Management and as there are no equalities implications an Equality Impact Assessment (EIA) is not required.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising directly out of this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising directly out of this report.

12.0 RECOMMENDATION

12.1 That the Treasury Management Performance Monitoring Report be accepted in meeting the Council's obligations under the Treasury Management Code.

13.0 REASONS FOR RECOMMENDATION

- 13.1 The Treasury Management Code requires public sector authorities to determine an annual Treasury Management Strategy and, as a minimum, to formally report on their treasury management policies, practices and activities to 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.

FNCE/186/12

REPORT AUTHOR: Mark Goulding
Group Accountant – Treasury Management
Telephone: 0151 666 3415
Email: markgoulding@wirral.gov.uk

REFERENCE MATERIAL

Code of Practice for Treasury Management in Public Services CIPFA 2011.
Prudential Code for Capital Finance in Local Authorities CIPFA 2011.

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Treasury Management and Investment Strategy 2012/15	21 February 2012
Cabinet - Treasury Management Annual Report 2011/12	21 June 2012
Cabinet - Treasury Management Performance Monitoring Report – Quarter 1 2012/13	6 September 2012
Cabinet - Treasury Management Performance Monitoring Report – Quarter 1 2012/13	8 November 2012

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WIRRAL COUNCIL

COUNCIL EXCELLENCE AND OVERVIEW COMMITTEE

27 NOVEMBER 2012

SUBJECT:	SOCIAL FUND REFORM WIRRAL LOCAL WELFARE ASSISTANCE SCHEME
WARD/S AFFECTED:	ALL
REPORT OF:	ACTING CHIEF FINANCE OFFICER
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report presents the proposed year one policy for a new local discretionary support scheme administered by the local authority from April 2013 to replace the crisis loans and community care grants currently administered by the Department for Work and Pensions. Members are asked for their views for referral to Cabinet and consequential approval by Council.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Government published the White Paper "Universal Credit: welfare that works" on 11 November 2010 which set out proposals to reform the welfare system and which included reform plans for the Social Fund. The subsequent Welfare Reform Act 2012 included powers to end the discretionary elements of the Social Fund.
- 2.2 With effect from April 2013 the discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund administered by the Department of Work and Pensions will be abolished. Funding is being transferred to Local Authorities for them to provide a replacement local scheme.
- 2.3 Crisis Loans were intended for people who were unable to meet their immediate short terms needs in an emergency or as a consequence of disaster, and they were awarded for immediate living expenses in order to avoid serious damage to the health and safety of the applicant or a member of their family. Community Care Grants were primarily intended to help vulnerable people live as independent a life as possible in the community and were dependant on receipt of income related benefit.
- 2.4 The Department for Work and Pensions will continue to administer the discretionary Crisis Loan Alignment and Budgeting Loans which they will be replacing with new national schemes for Short Term Advances and Budgeting Advances, as well as continuing to administer the regulated elements of the Social Fund (Funeral Payments, Cold Weather Payments, Winter Fuel Payments and Sure Start Maternity Grants).

- 2.5 The Department for Work and Pensions (DWP) does not want or expect Local Authorities to replicate the current Crisis Loan and Community Care Grant Schemes as provisions will need to be flexible to meet the needs of local communities. However they do anticipate that local provision will consider the scheme's original purpose when developing local schemes.
- 2.6 The funding provided for the scheme is less than the current DWP spend on Crisis Loans and Community Care Grants, and it will therefore be necessary to create a robust scheme that prioritises those most in need. The DWP expects the funding to be concentrated on those facing greatest difficulty in managing their income and to enable a more flexible response to unavoidable need.
- 2.6 Following consultation with key internal and external stakeholders a policy has been drafted, and members' are asked to approve this policy.
- 2.7 The policy is intended as a year one scheme that takes into account the need to stretch the finite resources of the budget to support as many people as possible and considers what is feasible to have in place by April 2013. The scheme will be closely monitored during year one to identify any changes and development for incorporation for year two.
- 2.9 The policy has been designed with a view to being able to continue to provide support for a wide range of needs which are currently supported by the DWP. To be able to do this we are proposing to change the way in which awards are provided. The DWP currently make a cash payment to the applicant under the existing schemes which will either be based upon a percentage of benefit payment for living expenses, or using a catalogue of items and values for items such as furniture and white goods. We will be looking to avoid cash payments where possible for two main reasons.
- 1) Cash is attractive and more open to abuse and if this is removed then the scheme will be less appealing for any fraudulent applications.
 - 2) If we purchase or can access good quality refurbished items then this can be more cost effective than providing cash to buy new items and those items are less likely to be sold on.
- Where refurbished items are not available we will seek to purchase a new item on behalf of the applicant which ensures that the award is used on what it was intended for. We recognise that this would not eradicate fraudulent applications as items can be sold on, but it does mitigate it further than at present.
- 2.10 It is hoped that through providing awards in a more cost effective way that the number of awards we are able to grant to people who meet the basic eligibility criteria will be maximised. However there is still a high probability that legitimate demand may exceed available funding. The policy makes reference that this will be addressed by prioritising eligible applications through a risk assessment based on the severity of the likely impact if the need is not met. The design of that risk assessment will take place as part of the next phase of the implementation and will form part of the operational procedures that will be produced to support this policy.
- 2.11 Another key consideration has been whether to provide the awards as a grant or as a repayable loan. DWP have the advantage of being able to recover the crisis loans

directly from ongoing benefits and so they are assured of recovery which they can then utilise for future awards. If we were to loan awards then we would not have this advantage and would need to recover any loans via an invoice which would be administratively costly, particularly given the relatively small value of awards for living expenses. The latest data available from DWP shows that the average award for living expenses in Wirral is £54.88. It is therefore proposed that for the year one scheme all first applications will be provided as a grant and so the applicant will not be expected to repay any amount.

- 2.12 The policy does however allow consideration to be given to providing an award as a loan in certain circumstances. Primarily this will be where financial circumstances are expected to change, for example where capital is not currently realisable. Latest DWP data shows that this type of application forms 16% of the current crisis loan awards (excluding alignment which is remaining with DWP) and amounted to £42.5k in the first six months of 2011/12. This approach ensures that those people with resources are still supported to meet their short term needs, but at the same time are not taking funding away from the scheme as they will be repaying their award.
- 2.13 The policy also allows for consideration to making an award as a loan for repeat applications within two years of any previous award. This provision has been included in the policy due to limitations in the data available from DWP to be able to understand the reasons for any repeat applications. We are therefore not in a position to explicitly say that all repeat applications would be denied at this time. Applications will need to be considered to understand whether there is any link to the previous award, why the applicant is in a situation of requiring support through the scheme again, and the implications if the application were refused. There may be circumstances where it is felt that the applicant has not taken steps to avoid the situation they are in but the implications of not providing any support would cause a significant risk to their health and wellbeing, and particularly that of any dependants. However we would expect the award to be repaid to the Council where it can be allocated back into the fund to benefit other applicants. Such loans will only be made where it is assessed that the applicant can make a repayment from their income. Data for any repeat applications will be closely monitored in order to be able to make informed decisions in this area for the year two policy.
- 2.14 We are working towards a fully accessible scheme that will meet the urgent needs of the most vulnerable quickly and effectively. By utilising existing resources we aim to minimise administrative costs as well as acknowledging the Council's financial situation.

3.0 RELEVANT RISKS

- 3.1 A number of key risks associated with the design and implementation of a new scheme have been identified. These are:
- The value of eligible applications could exceed the allocated budget. The DWP currently refuses all applications once the budget has been spent; the aim of this scheme is to continuously monitor and scrutinise spending, and adjust the eligibility criteria to fit the budget available. This may mean that those items that are lower down the list of priorities, such as travel and some items of furniture (eg wardrobes) may no longer be included in the scheme if the budget cannot accommodate them.
 - The number of applications for the new scheme could escalate as other welfare

reforms are rolled out.

- The lack of meaningful data on existing DWP awards mean that we have not been able to model options for the scheme and identify key areas to be addressed.
- There is a limited budget, and we cannot anticipate demand against that budget until the scheme goes live.
- Unable to accurately estimate resources required to administer the scheme.
- As demand levels are not fully anticipated then staff resources could be insufficient to process applications within required timescales.
- Timescales for implementation are very tight.
- Access to the service could present a risk to frontline staff, as Job Centre Plus experience indicates that applicants can become aggressive when requests are declined.
- Capacity for other service areas and external organisations to support the scheme e.g. ability of organisations to support referrals into the scheme, ability for the scheme to make referrals for support such as food bank.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 Another delivery option considered was to divide the funding between existing Council services and duties, such as Section 17 payments and the Housing Priority fund, in order to allow them to help more people. However we do not have the data available to be able to determine how the funding would be allocated, or the capacity to co-ordinate this level of delivery within the timescales.
- 4.2 We are not required by law to have a scheme, however offering no support at all would significantly impact on other areas of the Council e.g. homelessness, crime, child welfare and mental health services.
- 4.3 A further option could have been to outsource the scheme and delivery, however at this time it felt that the Council is best placed to deliver and keep close control of the scheme as we can provide a range of support options which are already in place across the Council.
- 4.4 We could have also replicated the existing schemes by only awarding cash payments, however this is considered to not be suitable as detailed in 2.9 above which is also supported by consultation feedback.

5.0 CONSULTATION

- 5.1 Consultation has taken place through an event held with a number of key external stakeholders from the community and voluntary sector and other organisations such as NHS and Job Centre Plus. An event was also held with a range internal Council staff from related service areas such as Housing, Adult Social Services, Children's and Young People's Department. Subsequently a survey along with a draft policy was made available to external stakeholders and a mix of staff from Council departments. 34 people completed the survey, the results of which are provided in Appendix 2.
- 5.2 Survey results show that the areas of unanimous agreement were:
- That the best way of prioritising need is to carry out a risk assessment based upon the individual circumstances of the applicant and their needs.

- To provide good quality refurbished items rather than new items in order to stretch the budget further and help as many people as possible
- That financial support should not normally be considered for people who have income or savings which they could use to meet their needs

5.3 Other areas highly supported were:

- That the eligibility criteria should be dependent upon evaluation of need and level of risk, rather than focusing on eligible groups of people (94%)
- That the scheme should only be accessible to Wirral residents, or in the case of those who are homeless or leaving an institutional establishment, have established links in Wirral, i.e. it would not support people who live outside of Wirral (94%)
- To provide goods rather than cash to meet the needs of applicants where possible (91%) (3% had no opinion)

5.4 There was significant divide in whether essential travel costs should be provided through the scheme, with 34.4% saying they should not be included. With a higher share (65.6%) agreeing that they should be included and taking into account comments provided against this question this provision has been left in the policy. However, when prioritising applications such requests will be given a lower priority.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 The authority has engaged with representative bodies as part of the consultation exercise detailed above.

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

7.1 The scheme will have significant implications for staff, assets IT and finances.

7.2 The indicative programme funding for the years 2013/14 and 2014/15 is £1,345,925 per annum which is £229,575 less than the DWP's full year expenditure against Crisis Loans and Community care Grants in 2011/12. The programme funding is indicative at this time and we await confirmation of final funding from the DWP.

7.3. Should awards exceed the DWP grant this money would have to be found from the Council current budgets and while all applications will be considered under this policy, officers will be mindful of the impact of awards exceeding grant.

7.3 Set up funding of £13,459 has been provided, along with £284,404 administrative funding for 2013/14 and £260,687 for 2014/15.

7.4 A specific software solution will be required for delivery of the scheme and IT options are in the process of being evaluated.

7.5 The scheme will be managed and administered within the Finance Department utilising the Benefits section for processing and the Customer Service units in the Call Centre and One Stop Shops for front line claim handling. The quantity of staff resources required is not yet defined and will be scoped over the coming months.

8.0 LEGAL IMPLICATIONS

8.1 There is no duty on local authorities in respect of the new provision as government views that authorities need to be able to be flexible to provide this support in a way that is suitable and appropriate to meet the needs of local communities.

8.2 We anticipate that the scheme will be high profile and therefore legal opinion will be sought as we draft the scheme delivery processes.

9.0 EQUALITIES IMPLICATIONS

9.1 A specific Equality Impact Assessment (EIA) has been undertaken as part of Wirral's scheme development and design, and is appended / can be accessed through the following link <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

A national EIA for Welfare Reform can be assessed through the following link: - <http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/welfare-reform-act-2012/impact-assessments-and-equality/>

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising out of this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising out of this report.

12.0 RECOMMENDATIONS

12.1 That Cabinet approves the policy as outlined in Appendix 1 as a year one scheme for 2013/14.

12.2 That a further report be submitted after the first six months of the 2013/14 scheme providing analysis and recommendations for the year two policy.

13.0 REASONS FOR RECOMMENDATIONS

13.1 The recommended policy provides a scheme that continues to consider applications for a wide range of support needs. Given the uncertainty of demand levels the policy allows for prioritisation of applications in order to protect the finite funding available for the scheme.

13.2 Operation of this policy will allow meaningful analysis and interpretation of data from applications received, the reasons why those applications are made, the type of awards being made, and the reasons why any applications are refused. This will allow us to develop and refine the scheme policy for future years.

REPORT AUTHOR: Malcolm Flanagan
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APPENDICES

Appendix 1 *Wirral Local Welfare Assistance Scheme Policy 2013/14*
Appendix 2 *Consultation survey results*

REFERENCE MATERIAL

None

SUBJECT HISTORY

Council Meeting	Date
Cabinet (min 51)	19/07/12
Council Excellence Overview & Scrutiny (min 98)	26/03/12
Council Excellence Overview & Scrutiny (min 138)	17/11/11
Cabinet (min 118)	22/09/11
Council Excellence Overview & Scrutiny (min 64)	16/03/11

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Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details

EIA lead Officer: Tim Games

Email address: timgames@wirral.gov.uk

Head of Section: Malcolm Flanagan

Chief Officer: Peter Timmins

Department: Finance

Date: 2/11/12

Section 2: What Council proposal is being assessed?

The introduction of a new, localised scheme of welfare assistance to be administered from April 2013. The scheme will aim to provide emergency support to people who have insufficient resources to meet their own or their families short term needs, which if not met would pose a serious risk to their health and wellbeing, or would put at risk their ability to remain or establish themselves in the community.

In October 2011 the Department for Work and Pensions completed a national EIA considering Local welfare assistance replacing Social Fund Community Care Grants and Crisis Loans for general living expenses.

www.dwp.gov.uk/docs/eia-social-fund-localisation-wr2011.pdf

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes

If 'yes' please state which meeting and what date

**Overview and Scrutiny Committee 27th November 2012
Cabinet 13th December 2012**

Please add hyperlink to where your EIA is/will be published on the Council's website

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** - Partners, Voluntary & Community Sector

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5:

Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.

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

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Which group(s) of people could be affected	Potential positive or negative impact	Action required to mitigate any potential negative impact	Lead person	Timescale	Resource implications
Socio-Economic Status;	Positive – 1) Families under exceptional pressure approaching local authority for welfare assistance will receive a holistic review of needs e.g. Benefit check, Welfare advice & Housing information (Property Pool Plus). 2) Corporate channels commitment to signposting to relevant support organisations e.g. CAB, DWP, Child Poverty Organisations, HMRC (Tax Credits) Negative – 1) Potential for high demand of local welfare assistance in areas of existing deprivation and poverty.	Review eligibility criteria periodically- to see if support is being targeted effectively at people in need.	Nicky Dixon	Ongoing	

Religion/belief	<p>Negative</p> <ol style="list-style-type: none"> 1) Particular religious dietary requirements may be difficult to cater for from food banks 	<p>Discussions with the Food bank ongoing regarding capacity & requirements.</p> <p>Food banks are one of a range of options being considered to provide welfare assistance.</p>	Vicki Booth / Toni Bosworth	December12	
Disability	<p>Service Users accessing Council Offices</p> <p>Positive</p> <ol style="list-style-type: none"> 1) All of Wirral Council OSS sites can be accessed by those with a disability. 2) Voluntary Sector Orgs will be able to apply on behalf of users who are unable to attend Council Offices. 				
Age	<p>Positive</p> <ol style="list-style-type: none"> 1) People of all ages approaching local authority for welfare assistance will receive a holistic review of needs e.g. Benefit check, Welfare advice, Social Services. 2) Post needs assessment there is an authority commitment to signposting to relevant support organisations e.g. Age UK & Pensions Service; Response Service. <p>Negative</p> <ol style="list-style-type: none"> 1) Qualitative evidence indicates that older people have been cautious in respect of seeking assistance from the Social Fund and tend to underestimate their needs. DWP initiatives to promote take up with older people has had limited success, making the challenge 	<p>Communications strategy will consider engagement with older people.</p> <p>Assistance from Voluntary Sector Orgs such as Age Concern will be able to</p>	<p>Diane Eusoof</p> <p>Vicki Booth / Toni Bosworth</p>	<p>December 12</p> <p>March 13</p>	

	for local authorities to succeed in engagement considerable.	inform older people in need and apply on their behalf. Data monitoring used to review engagement.		Ongoing	
Race	Marketing of LWA scheme Negative 1) Individuals in need who do not have English as first language may be unaware of assistance program.	Engagement with BME groups e.g Wirral Change and Wirral Multicultural Organisation Use of language line facility in OSS & Call Centre	Nicky Dixon Julie Williams	Ongoing Ongoing	

All Groups	<p>Positive-</p> <ol style="list-style-type: none"> 1) All protected groups approaching local authority for welfare assistance will receive a holistic review of needs. 2) Corporate channels commitment to signposting to relevant support organisations 3) Local Authority accessibility to services offer a commitment to equality and diversity as 'integral to delivering excellent service, responsive to reaching all our customers'. <p>Negative-</p> <ol style="list-style-type: none"> 1) Funding arrangements are cash limited and any proposed new scheme may be unable to provide financial assistance as previously available through the national scheme (this will not however disadvantage one protected group over another). 	<p>Clear access routes and applications process for a local scheme.</p> <p>Robust monitoring of applicants and awards to ensure funding is available across the financial year to all groups avoiding discrimination.</p> <p>Regular engagement with internal & external stakeholders to ensure capacity to provide support and assistance is ongoing.</p> <p>Signposting to other internal/external funding & assistance</p>	<p>Vicki Booth / Toni Bosworth</p> <p>Nicky Dixon</p> <p>Nicky Dixon</p>	<p>March 2013</p> <p>Ongoing from April 2013</p> <p>Ongoing from April 2013</p>	
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			Vicki Booth / Toni Bosworth	March 2013	
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Section 5a: Where and how will the above actions be monitored?

A monitoring group will review monthly.
Policy will be reviewed quarterly during 1st year to ensure scheme is meeting the needs of service users.

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

N/A

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

Research

National and local statistics for discretionary social fund loans provided by Department for Work and Pensions (DWP) have been reviewed.

<http://www.dwp.gov.uk/local-authority-staff/social-fund-reform/>

Liaison with related Council service areas and key external organisations to identify priorities and design options.

Benchmarking with neighbouring authorities.

INetwork Knowledge Hub – Local Welfare Assistance Network

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

Yes - Completed

If 'yes' please continue to section 8.

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

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

Section 8: How will consultation take place and by when?

Stage 1 - Consultation with local stakeholders including Age UK, Wirral CAB, NHS Wirral and other groups who provide support and assistance to those who access current Social Fund Scheme was undertaken on 26/9/12. Information obtained from this consultation was used to develop a draft Policy.

Stage 2 – Consultation event held with internal Council staff from related service areas on 19/10/12.

Stage 3 – Stakeholders involved in Stage 1 & 2 were invited to comment on the draft policy using an online survey. The results of this survey led to amendments to the Policy.

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) **Add appropriate departmental hyperlink to where your EIA is/will be published** (section 2b)
- b) **Include any potential positive impacts as well as negative impacts?** (section 5)
- c) **Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?**
- d) **Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?**

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**WIRRAL LOCAL
WELFARE ASSISTANCE
SCHEME
POLICY
2013/14**

CONTENTS

- 1. Introduction**
- 2. Purpose of the Scheme**
- 3. Financial Constraints**
- 4. Eligibility & Assessment Criteria**
- 5. Accessing the scheme**
- 6. Methods of award**
- 7. Appeals**

1. Introduction

- 1.1 The Government published the White Paper “Universal Credit: welfare that works” on 11 November 2010 which set out proposals to reform the welfare system and which included reform plans for the Social Fund. The subsequent Welfare Reform Act 2012 included powers to end the discretionary elements of the Social Fund.
- 1.2 With effect from April 2013 the discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund administered by the Department of Work and Pensions will be abolished. Funding is being transferred to Local Authorities for them to provide a replacement local scheme.
- 1.3 The Department for Work and Pensions will continue to administer the discretionary Crisis Loan Alignment and Budgeting Loans which they will be replacing with new national schemes for Short Term Advances and Budgeting Advances, as well as continuing to administer the regulated elements of the Social Fund (Funeral Payments, Cold Weather Payments, Winter Fuel Payments and Sure Start Maternity Grants).
- 1.4 The Department for Work and Pensions (DWP) does not want or expect Local Authorities to replicate the current Crisis Loan and Community Care Grant Schemes as provisions will need to be flexible to meet the needs of local communities. However they do anticipate that local provision will consider the scheme’s original purpose when developing local schemes.
- 1.5 The funding provided for the scheme is less than the current DWP spend on Crisis Loans and Community Care Grants, and it will therefore be necessary to create a robust scheme that prioritises those most in need. The DWP expects the funding to be concentrated on those facing greatest difficulty in managing their income and to enable a more flexible response to unavoidable need.
- 1.6 Crisis Loans were intended for people who were unable to meet their immediate short terms needs in an emergency or as a consequence of disaster, and they were awarded for immediate living expenses in order to avoid serious damage to the health and safety of the applicant or a member of their family. Community Care Grants were primarily intended to help vulnerable people live as independent a life as possible in the community and were dependant on receipt of income related benefit.

- 1.7 This document sets out the year one policy of the Council's provision which will be reviewed and further developed for subsequent years.

2. Purpose of the scheme

- 2.1. The scheme will aim to provide emergency support to people who have insufficient resources to meet their own or their family's immediate short term needs, which if not met would pose a serious risk to their health and wellbeing, or would put at risk their ability to remain or establish themselves in the community.
- 2.2. The scheme will not be appropriate where the authority considers that the applicant has alternative means of addressing those needs.
- 2.3. Consideration will also be given to those applicants with an identified immediate need that cannot be met through any other channel, and which the applicant cannot reasonably be expected to fund themselves.
- 2.4. The scheme will only be appropriate where the support required is not available through any other provision. Applications received which are covered through other provisions will be refused and the applicant will be appropriately signposted and supported to access that provision.
- 2.5. The scheme intends to avoid cash payments - the intention is to meet the presented needs through the provision of goods or services rather than with cash awards. Cash will only be considered as a last resort where there is no other way of meeting the need.
- 2.6. Support will be targeted at those most in need through consideration of the circumstances of each application, as explained in section 4.
- 2.7. In the longer term, the scheme will aim to provide long term solutions where applicable by addressing any underlying issues identified during the application process. Working with partner organisations we aim to develop a network of support which can be accessed by referral via the scheme.

3. Financial Constraints

- 3.1 Government funding of the scheme is finite and is unlikely to be adequate to support all applications for support through this scheme.
- 3.2 Close and regular financial monitoring of the scheme will take place to understand the pressures on the scheme and to inform the extent to which the scheme can support applications.
- 3.3 The eligibility criteria in section 4 defines the basic criteria required in order for an application to be considered. Having met those basic criteria, decisions on support or awards which can be provided from this scheme will be dependant on the level of resources available.
- 3.4 As this is a new scheme demand levels cannot be fully anticipated, therefore if legitimate demand levels of applicants meeting basic eligibility criteria significantly outweighs available funding then the basic eligibility criteria may need to be amended.

4. Eligibility & Assessment Criteria

4.1 The eligibility criteria for support under this scheme is focused upon the circumstances, presenting need and level of risk rather than focusing on eligible groups of people.

4.2 To be eligible for access to the scheme **all** of the following criteria must be met:

- Aged 16 or over
- Be a Wirral resident or, in the case of those who are homeless or leaving an institutional establishment, have established links with Wirral
- Support is required to address essential needs of yourself and/or your dependants
- It is demonstrated that there are no other resources or other ways of meeting this need

4.3 In order to be eligible for essential immediate support the applicant would also need to be able to demonstrate that there would be a serious risk to the health and wellbeing of the applicant and/or his or her dependants if those needs are not met.

4.4 Examples of essential immediate support needs are:

- Essential food
- Heat/electricity
- Essential supplies associated with infants/children

This list is not exhaustive and applications for other needs claimed as essential and immediate will be considered.

4.5 To be eligible for support to remain or become established in the community where the applicant cannot reasonably be expected to fund items themselves, the following criteria must be met:

- The applicant has been referred to the scheme by an organisation which supports vulnerable people, **and**
- The applicant is due to leave a care home, hospital, or prison within 6 weeks, **and**
- The applicant has essential items or costs associated with establishing or maintaining residence in the community, **and**

- It is demonstrated that there are no other resources or other ways of meeting this need

Or

- The applicant has to replace essential items following a disaster or unforeseen event, **and**
- It is demonstrated that there are no other resources or other ways of meeting this need

4.6 Examples of items or costs that would be considered are:

- Essential domestic appliances¹
- Essential domestic furniture²
- Essential heating appliances
- Essential bedding

This list is not exhaustive and applications for other items or expenses claimed as being required to maintain health and wellbeing in the home or in the community will be considered.

4.7 Applications for support to meet essential travel costs may be considered under this scheme. Travel costs will only be considered for travel within the United Kingdom, overseas travel will not be considered due to the financial constraints of this scheme. Examples of travel that would be considered are:

- Travel to attend the funeral of a close relative³
- Travel to visit a close relative in care or another institution

This list is not exhaustive and applications for other travel costs will be considered.

4.8 The scheme will not be considered for the following:

- Those applicants who have an income or savings which they could use to meet their needs
- To buy (or repair) TV or satellite equipment
- To meet contract costs for TV packages, mobile phones, broadband etc

¹ ie a microwave or cooker, a washing machine for those with dependant children or a disability which increases laundry requirements, a fridge for those applicants who cannot shop on a daily basis or who need to store medication in a fridge.

² A bed and a form of comfortable seating e.g. sofa/arm chair are considered essential, other furniture such as dining table and chairs, and storage will also be considered but will be given a lower priority.

³ A close relative is defined as a spouse, parent, grandparent, sibling, child or grandchild or the spouse of any of these relatives.

- 4.9 If the basic eligibility criteria are met then an application will be risk assessed to quantify the level of priority of the need. This risk assessment will be based upon the severity of the likely impact if the need is not met.
- 4.10 Outcomes from risk assessments will be utilised if legitimate demand levels for support from the scheme outweigh the finite level of support available through the schemes budget. There may therefore be instances where the basic eligibility criteria above are met but an application may be refused because the priority of that application is lower than the scheme's budget can accommodate.
- 4.11 In the longer term an element of the assessment process will be the identification of the underlying causes of the crisis. Applicants will be offered a range of services to support them including benefit maximisation, energy efficiency, debt management and support in finding work or accessing training.

5. Accessing the Scheme

- 5.1 Applications to access the scheme will be accepted by referral from a range of partner organisations and Council services where an applicant either has an existing relationship with that organisation, or has approached them for guidance and support. This is a requirement for applications for support to remain or become established in the community.
- 5.2 For essential immediate support needs the applicant or an authorised representative will also be able to apply for that support directly without the need for a mediated (referring) service.
- 5.3 Applications and referrals will be available through a number of channels to maximise accessibility.
- 5.4 Applicants will need to provide evidence of their identity and residency and, where appropriate, evidence that they meet the eligibility criteria and presenting circumstances.
- 5.5 Initial screening questions will be asked to determine whether
 - an exceptional need has occurred,
 - the basic eligibility criteria are met, and
 - some support can usefully be put in place
- 5.6 Those applicants who meet the eligibility criteria will have their application reviewed with priority given to those requiring emergency support. The scheme will aim to provide a same day decision and award for such emergency cases.
- 5.7 Where appropriate an appointment will be made to review the application, the circumstances of the applicant and the potential options available.
- 5.8 Where it is not possible for the applicant to attend an appointment, alternative arrangements will be put in place to gather sufficient information to allow an assessment to be made.
- 5.9 Out of hours access for essential immediate support needs will be available to the most vulnerable, however this will be a significantly pared down version of the scheme and may require a follow-up appointment with a member of the team.

6. **Methods of Award**

- 6.1 Where a need is identified that cannot be met by any other scheme, consideration will be given to the provision of goods and / or services to meet that need.
- 6.2 In order to maximise the number of people that can be supported by this scheme, where goods are required we will look firstly to provide second hand refurbished furniture and white goods rather than new items.
- 6.3 Where goods cannot be provided directly, consideration will be given to vouchers to enable the purchase of such goods. These vouchers must be used for the purpose for which they have been requested.
- 6.4 Where a voucher is issued, this may not offer a choice of providers / stores. However the Council will work to ensure that the goods offered by any provider it specifies are of acceptable quality and offer good value to the customer.
- 6.5 Cash will only be issued where there is no identifiable alternative to meeting the need of the applicant.
- 6.6 Where cash is awarded, the sum provided will be sufficient to meet the minimum needs of the applicant and his or her dependants for the period until the applicant's circumstances can reasonably be expected to have changed. This sum will be calculated according to a schedule of rates determined by the Council and will be reviewed at regular intervals.
- 6.7 Repeat applications within 2 years will generally be denied unless the reason for the application is unrelated to the previous award. Where a repeat application is awarded then consideration may be given to providing the award as a loan rather than grant depending on the applicant's ability to repay the award value. The value of the loan will be the cost of the goods and / or service provided by the Council, or the amount of the cash awarded where applicable.
- 6.8 It is unlikely that any further loans will be made whilst a previous loan has an outstanding balance payable, however we will consider the individual circumstances of the application including whether there has been an effort to repay the loan and the amount outstanding.
- 6.9 Where a loan has been made to a couple, both partners will be deemed to be liable for the repayment of the loan.

6.10 Where it is likely that an applicant's circumstances will quickly and significantly improve (e.g. a person whose access to bank funds has been temporarily suspended), the first award may be designated as repayable.

6.11 Awards may be made to a person other than the applicant where they are:





- Enduring Power of Attorney
- Lasting Power of Attorney for Property and Affairs
- Department of Work and Pensions Appointee
- Housing benefit appointee provided there is no conflict of interest

7. Appeals





- 7.1 Applicants will have a right of appeal if they do not agree with a decision made as to their eligibility. They will also be able to appeal against a decision not to make an award due to budgetary constraints.
- 7.2 All appeals will need to be made at the time of receiving the decision, and will be considered by a more senior member of staff.
- 7.3 Those appeals of decisions where the need is immediate (i.e. food, essential provisions or heating) will be prioritised, and we will aim to make decisions on the same day where the appeal is made by 1pm, and by 1pm of the following working day where the appeal is lodged after 1pm.
- 7.4 Where the need is for essential items of furniture or support with travel costs, we will aim to review the decision within 5 working days.
- 7.5 There will be no right of appeal against the initial screening process, which is administered on our behalf by partner organisations and services. However any complaints received by the Council about this process will be handled according to the Council's complaint policy, and used to inform future amendments to arrangements, training and communication requirements with our partners and partner services.
- 7.6 Applicants will not be able to appeal against the amounts laid down in the schedule of rates, or about any other matter laid out in this policy. Any disputes relating to the content of this policy will be treated as a complaint and handled according to the Council's complaint procedure.

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1. Your contact details:

		Response Percent	Response Count
Name:		100.0%	34
Organisation:		94.1%	32
Email Address:		97.1%	33
Phone Number:		88.2%	30
		answered question	34
		skipped question	3





2. The eligibility criteria of the scheme should be dependent upon evaluation of need and level of risk, rather than focusing on eligible groups of people?

		Response Percent	Response Count
Strongly agree		39.4%	13
Agree		54.5%	18
No opinion		0.0%	0
Disagree		3.0%	1
Strongly disagree		3.0%	1
		answered question	33
		skipped question	4





3. The scheme should only be accessible to Wirral residents, or in the case of those who are homeless or leaving an institutional establishment, have established links with Wirral i.e. it would not support people who live outside of Wirral.

		Response Percent	Response Count
Strongly agree		54.5%	18
Agree		39.4%	13
No opinion		0.0%	0
Disagree		6.1%	2
Strongly disagree		0.0%	0
answered question			33
skipped question			4

4. The scheme should be aimed at supporting applicants who can demonstrate that they are without immediate resource to meet the basic needs of themselves or their dependents, and can demonstrate that there are no other ways of meeting this need.

		Response Percent	Response Count
Strongly agree		39.4%	13
Agree		51.5%	17
No opinion		3.0%	1
Disagree		6.1%	2
Strongly disagree		0.0%	0
answered question			33
skipped question			4

5. As funding is limited, the scheme will prioritise meeting the needs that pose the most serious risk to the applicant or his or her dependents.

		Response Percent	Response Count
Strongly agree		39.4%	13
Agree		51.5%	17
No opinion		0.0%	0
Disagree		6.1%	2
Strongly disagree		3.0%	1
answered question			33
skipped question			4

6. Do you agree that support should cover the provision of the following?

	Yes	No	Response Count
Essential food	93.9% (31)	6.1% (2)	33
Heating or electricity	97.0% (32)	3.0% (1)	33
Essential travel costs	65.6% (21)	34.4% (11)	32
Essential clothing	78.1% (25)	21.9% (7)	32
Essential household items (eg bedding, crockery etc)	87.9% (29)	12.1% (4)	33
Essential medical costs not met through NHS	71.0% (22)	29.0% (9)	31
Essential domestic appliances for food preservation and cooking	96.9% (31)	3.1% (1)	32
Essential domestic furniture	90.9% (30)	9.1% (3)	33
Essential heating appliances	97.0% (32)	3.0% (1)	33
Is there anything else you think should be included in this list?			11
		answered question	33
		skipped question	4

7. Do you agree that travel costs should be covered for the following:

	Yes	No	Response Count
Travel to attend the funeral of a close relative	59.4% (19)	40.6% (13)	32
Travel to visit a close relative in care or another institution	64.5% (20)	35.5% (11)	31

Is there anything else you think should be included in this list? 12

answered question 32

skipped question 5

8. What domestic furniture or appliance do you consider to be essential for this scheme within the limited budget available?

	Yes	No	Response Count
Bed	100.0% (33)	0.0% (0)	33
Comfortable seating e.g. sofa/armchair	81.3% (26)	18.8% (6)	32
Dining table and chair	51.9% (14)	48.1% (13)	27
Wardrobe	44.4% (12)	55.6% (15)	27
Chest of drawers	44.8% (13)	55.2% (16)	29
Washing machine	71.0% (22)	29.0% (9)	31

Is there anything else you think should be included in this list? 18




answered question 33

skipped question 4

9. Do you agree that financial assistance or support should NOT normally be considered for customers:

	Yes	No	Response Count
Who have an income or savings which they could use to meet their needs	100.0% (33)	0.0% (0)	33
To buy (or repair) TV or satellite	90.9% (30)	9.1% (3)	33
To pay housing costs or rent arrears	57.6% (19)	42.4% (14)	33
To meet motor vehicle expenses	72.7% (24)	27.3% (9)	33
Where the customer is experiencing hardship as a result of sanctions imposed by the DWP	60.6% (20)	39.4% (13)	33
Are there any other circumstances, not included in the policy where you think awards should not be given?			14
		answered question	33
		skipped question	4






10. The best way of prioritising need is to carry out a risk assessment based on the individual circumstances of the applicant and their needs.

		Response Percent	Response Count
Strongly agree		48.5%	16
Agree		48.5%	16
No opinion		3.0%	1
Disagree		0.0%	0
Strongly disagree		0.0%	0

If you disagree how would you suggest that the assessment is made to ensure that the budget is able to support as many applicants in real need as possible? 2

answered question	33
skipped question	4






11. The scheme should be used to try to address the underlying reasons why people apply for help.

		Response Percent	Response Count
Strongly agree		27.3%	9
Agree		57.6%	19
No opinion		6.1%	2
Disagree		6.1%	2
Strongly disagree		3.0%	1

If you disagree please tell us why: 5

answered question	33
skipped question	4

12. Do you agree with our proposals for accessing the scheme as outlined in section 5 of the draft policy?



		Response Percent	Response Count
Strongly agree		3.1%	1
Agree		75.0%	24
No opinion		15.6%	5
Disagree		3.1%	1
Strongly disagree		3.1%	1

Do you have any comments you would like to add? 10

answered question 32

skipped question 5

13. Do you think that your organisation will be looking to make referrals into this scheme?





		Response Percent	Response Count
Yes		71.9%	23
No		28.1%	9

Do you have any other comments? 6



answered question 32

skipped question 5




14. Do you agree with our proposal to provide goods rather than cash to meet the needs of applicants where possible?

		Response Percent	Response Count
Strongly agree		54.5%	18
Agree		36.4%	12
No opinion		3.0%	1
Disagree		6.1%	2
Strongly disagree		0.0%	0
If you disagree please tell us why:			7
answered question			33
skipped question			4

15. Do you agree with our proposal to provide good quality refurbished items rather than new items in order to stretch our budget further and help as many people as possible?

		Response Percent	Response Count
Strongly agree		51.5%	17
Agree		48.5%	16
No opinion		0.0%	0
Disagree		0.0%	0
Strongly disagree		0.0%	0
If you disagree please tell us why:			5
answered question			33
skipped question			4





16. Do you agree with our proposal to provide a voucher rather than cash?

		Response Percent	Response Count
Strongly agree		57.6%	19
Agree		33.3%	11
No opinion		0.0%	0
Disagree		9.1%	3
Strongly disagree		0.0%	0

If you disagree please tell us why: 4

answered question	33
skipped question	4






17. In some instances the Council may consider providing some awards as a loan rather than a non-repayable grant. This has been reflected in 6.7 to 6.9 of the draft policy. Do you agree with this approach?

		Response Percent	Response Count
Strongly agree		21.2%	7
Agree		60.6%	20
No opinion		9.1%	3
Disagree		9.1%	3
Strongly disagree		0.0%	0





If you disagree please tell us why: 10

answered question	33
skipped question	4


18. The Council may also consider making some awards conditional to the applicant undertaking an activity aimed at addressing the underlying causes of the need which is outlined in 6.10 of the draft policy. Do you agree with this?

		Response Percent	Response Count
Strongly agree		27.3%	9
Agree		48.5%	16
No opinion		9.1%	3
Disagree		12.1%	4
Strongly disagree		3.0%	1
If you disagree please tell us why:			10
answered question			33
skipped question			4

19. Do you agree with our proposals for an appeal process as outlined in section 7 of the draft policy?

		Response Percent	Response Count
Strongly agree		6.3%	2
Agree		71.9%	23
No opinion		15.6%	5
Disagree		6.3%	2
Strongly disagree		0.0%	0
If you disagree please tell us why:			5
answered question			32
skipped question			5

20. Please provide your e-mail address if you would like Wirral Council to send you updates about Council services and future consultations. Your information will be managed in accordance with the Council's Data Protection policy and will never be passed on to any unauthorised third party.

		Response Percent	Response Count
E-mail address:		100.0%	21
		answered question	21
		skipped question	16

WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

27 NOVEMBER 2012

SUBJECT	QUARTERLY ANALYSIS OF FREEDOM OF INFORMATION REQUESTS AND LOCAL GOVERNMENT OMBUDSMAN CONTACTS
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report was considered by Cabinet on 8 November 2012 and is presented to this Committee primarily for information.
- 1.2 The purpose of this report is to provide Members with quarterly analysis of requests received under the Freedom of Information Act and contacts made by the Local Government Ombudsman, as recommended by Cabinet at its meeting on 12 April 2012 (Minute 404). Additional qualitative information is offered on service performance in responding to contacts, highlighting any exceptions.

2.0 BACKGROUND AND KEY ISSUES

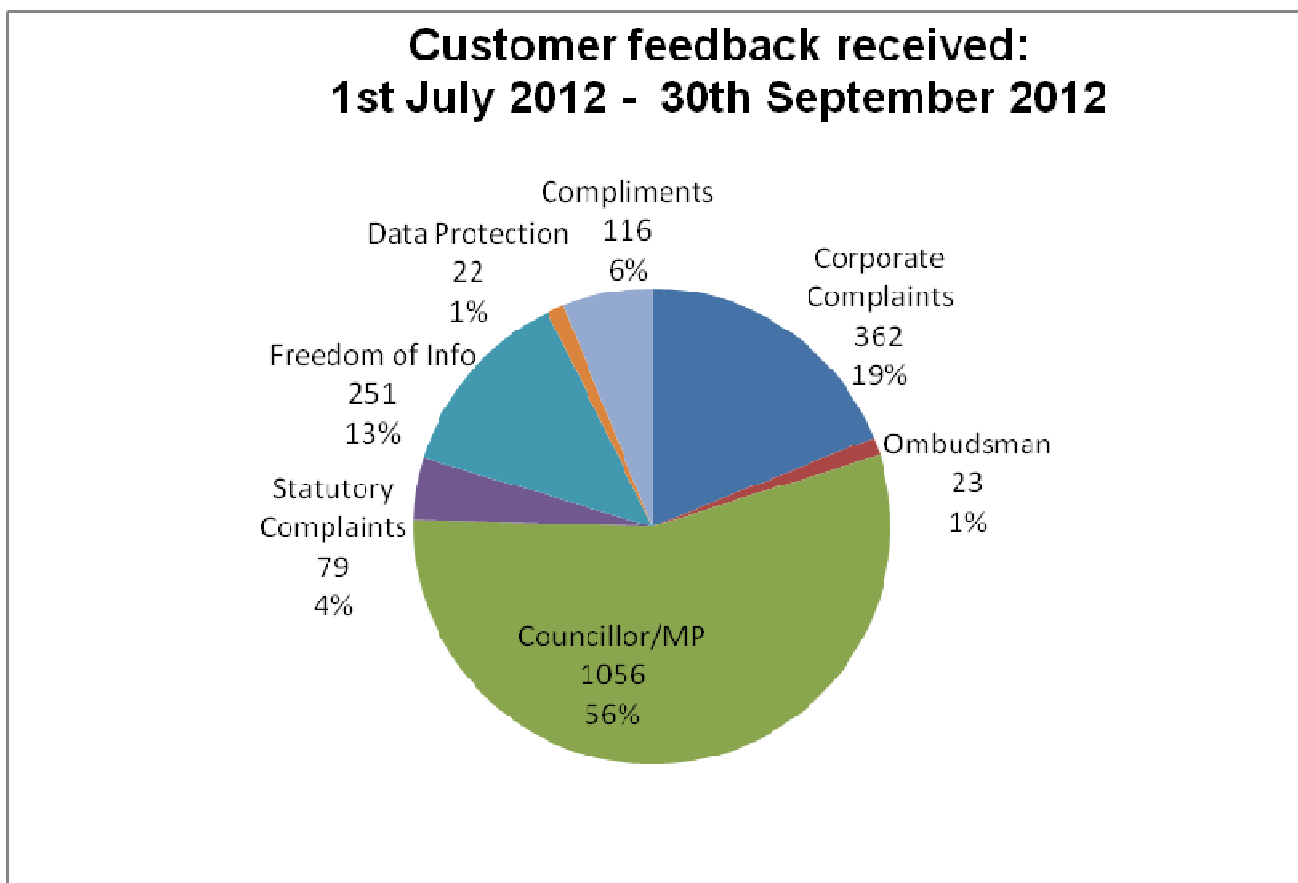
- 2.1 For a full overview of Freedom of Information (Fol) requests and Local Government Ombudsman (LGO) contacts please refer to Council Excellence Overview and Scrutiny Committee 01 October 2012 (Minute 6).
- 2.2 In summary, Fol requests, made under the Freedom of Information Act 2005 and supplemented by the Environmental Information Regulations 2004, have a response target of 20 working days and are categorised as:
- Freedom of Information requests
 - Requests made under the Environmental Information Regulations
 - Internal Reviews (internal appeals e.g. against a delay in providing the requested information or a failure to disclose/fully disclose)
 - Contacts from the Information Commissioners Office (external appeals on similar grounds to internal reviews)
- 2.3 LGO contacts, which have a standard response target of 28 calendar days and are generally received after the Council has had the opportunity to resolve the issue through its own corporate or statutory procedure, are categorised as:
- Initial requests for information
 - Follow-up enquiries/clarification sought
 - Investigations

2.4 Once the LGO has reviewed a submitted complaint it provides both the complainant and the Council with a finding, categorised as:

- Premature complaints - Council not had an opportunity to consider the complaint.
- Outside jurisdiction - precluded from investigation by LGO due to legal statute.
- Local settlement – during course of LGO investigation the Council takes some course of action which the LGO considers a satisfactory resolution of issue.
- Ombudsman’s discretion – discontinued as complainant withdraws complaint; LGO unable to maintain contact with complainant; the complainant takes court action or insufficient injustice found to continue the investigation.
- No evidence of maladministration – Council has acted appropriately and no indication of any wrong-doing.

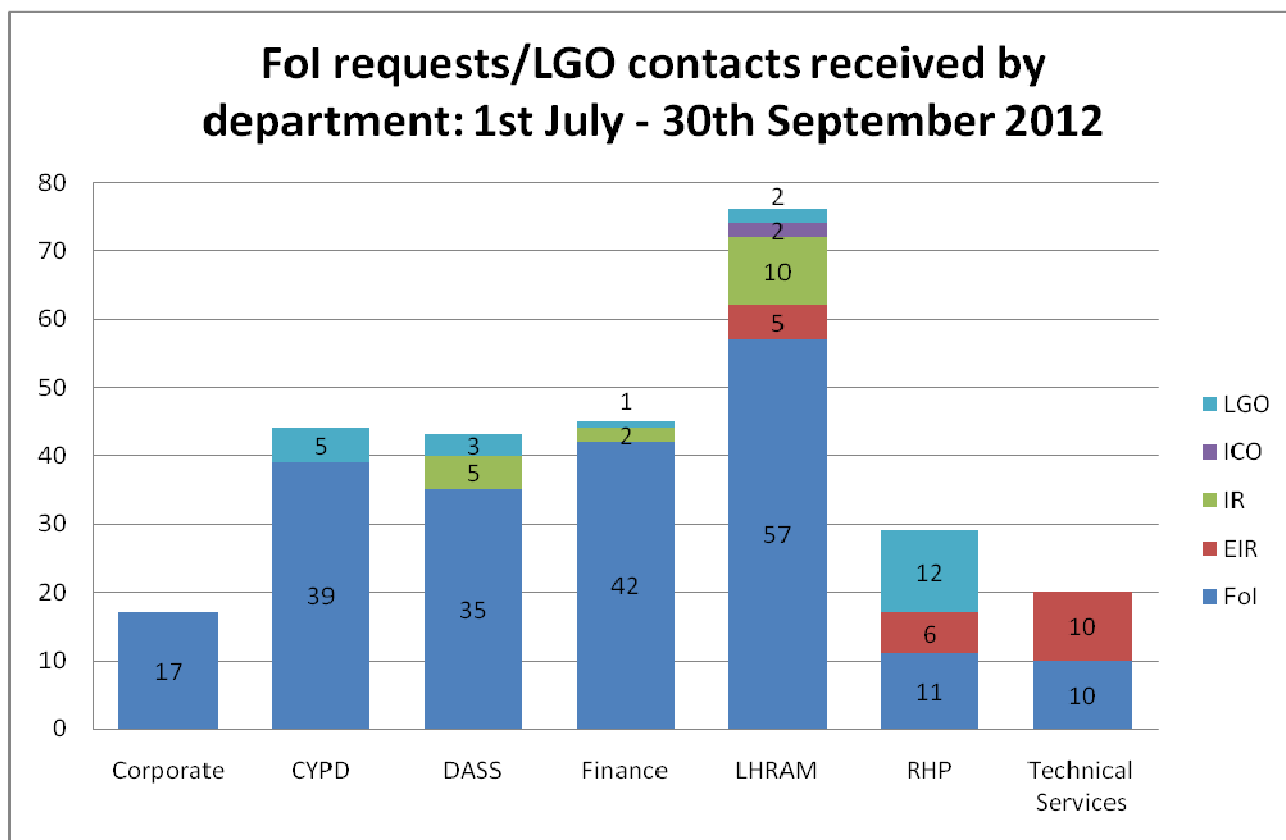
PERFORMANCE QUARTER 2 2012/13

2.5 For context and to offer volume comparisons, FoI and LGO contacts are displayed in the table below as part of wider customer feedback contacts received in this quarter:



2.6 FoI contacts, which recorded a 26% reduction in overall contacts received in comparison with the last quarter (Q1), were split over FoI requests (84%); requests made under the Environmental Information Regulations (8%); internal reviews (7%) and Information Commissioner’s Office (ICO) requests (1%). LGO contacts, which recorded a 44% increase in overall contacts received in comparison with the last quarter, were split over requests for information (96%) and a full investigation (4%).

2.7 By department Fol/LGO contacts were split as follows:



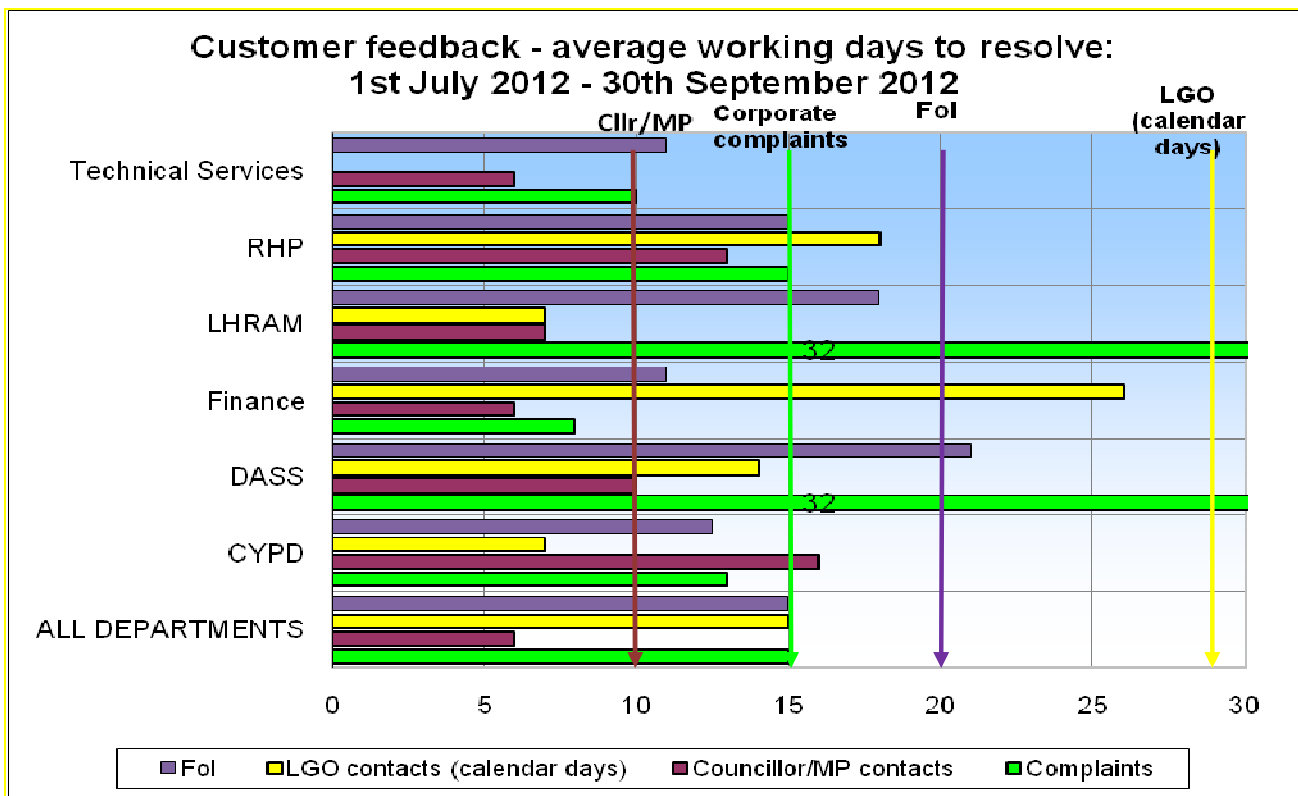
2.8 Analysis within the figures displayed in the table above reveals the following high volume service areas across departments.

- CYPD social care/schools accounted for 15% of total Fol requests received (17% in Q1) and 80% of all Fol requests received by this department. The schools service also accounted for 80% of this department's LGO contacts.
- DASS access and assessment accounted for 16% of total Fol requests received (18% in Q1) and 100% of all Fol requests received by this department. This service also accounted for 29% of all requests for internal reviews (62.5% in Q1). It should be noted that the access and assessment generic heading covers a wide range of services delivered by the department. Care services accounted for 100% of LGO contacts received by this department.
- Finance support services accounted for 7% of total Fol requests received (no change from Q1) though this includes some requests handled by the Fol coordinator on behalf of the Council/other departments. The benefits; miscellaneous incomes and revenues services accounted for 55% of all Fol requests received by this department. The only LGO contact was for the revenues services and was a request to instigate a full investigation into the issues raised.

- LHRAM human resources and legal and member services accounted for 15% of total Fol requests and 68% of requests received by this department. Legal and member services accounted for all of this department's internal review requests and 53% of all internal reviews received by the Council in this quarter. This service also received 2 Information Commissioners Office requests due to delays in responding to previous Fol requests.
- RHP development control and land charges accounted for 42% of all Fol/EIR requests received by this department; planning services accounted for 52% of all LGO contacts received (12.5% in Q1) and 100% of LGO contacts received for this department.
- DTS highway maintenance enforcement accounted for 30% of all Fol/EIR requests by this department.

2.9 As reported in Q1, both departmental and specific service area Fol contact totals have been inflated by numerous requests received from a single source, accounting for 9% of all Fol requests (19% in Q1) and 47% of all internal review requests (81% in Q1) received in this quarter. From a service area perspective, this single source accounts for 33% of all Fol requests received for DASS access and assessment; 80% of all Finance benefits requests and 30% of all LHRAM legal and member services requests received in the quarter.

2.10 Again, for comparison against other key customer feedback contacts, Fol and LGO performance information is provided in the table below.

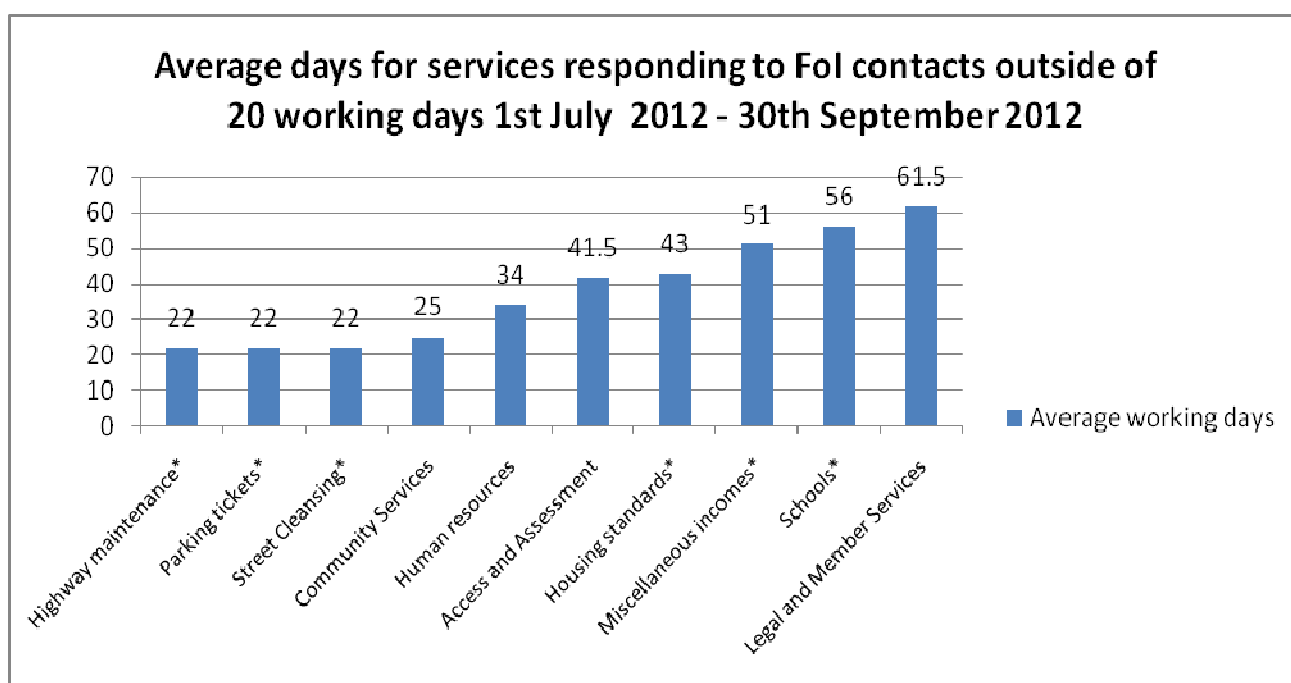


2.11 All departments apart from DASS (21 working days) maintained an average response rate within the standard Fol response target (20 working days). All departments maintained an average within the LGO target (28 calendar days) for contacts closed in the quarter. DASS (21 working days) and LHRAM (18 working days) took the longest to respond to Fol contacts with Technical Services (11 working days) taking the least amount of time to respond.

2.12 Across all Fol contacts closed in the quarter the Council, within the Fol legislation, requested an additional 20 working days to respond for 4 contacts in total (3 of these being for LHRAM human resources).

2.13 Of all the LGO contacts responded to in the quarter, the LGO has communicated a final decision in 5 cases: 3 resolved within the ombudsman’s discretion and 2 with no evidence of maladministration found (see point 2.4).

2.14 Service areas responding to Fol contacts outside of the designated target during this quarter were as follows:

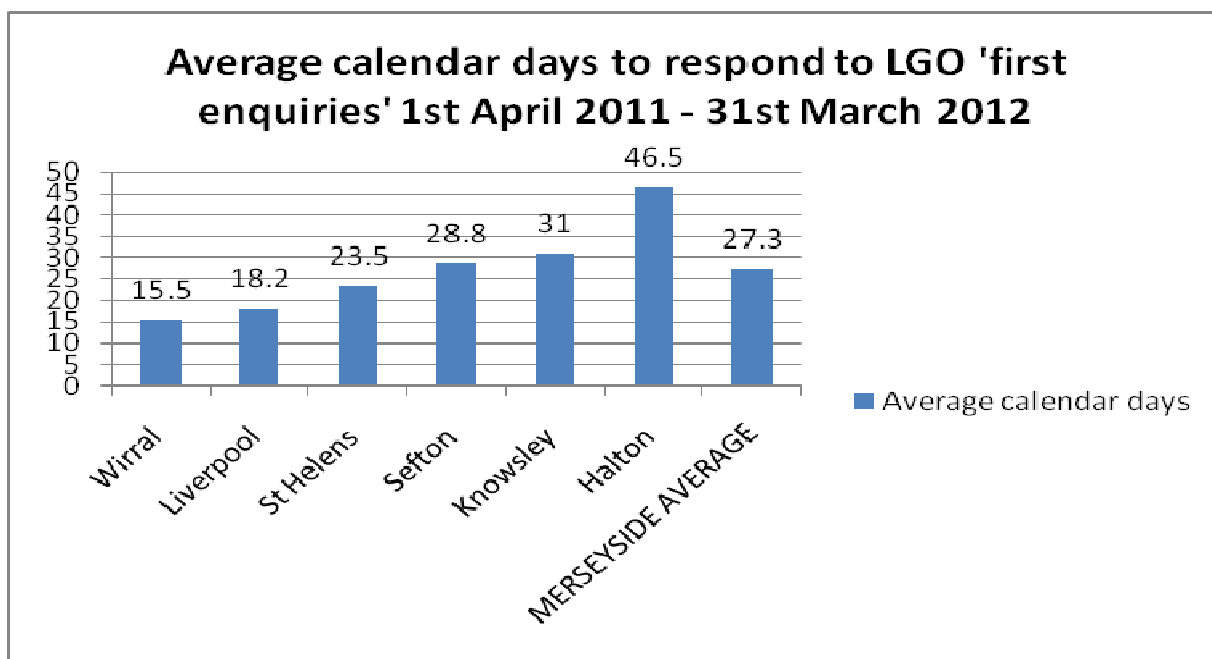


*indicates single contact only

2.15 Issues relating to finite resources available to respond to a particularly high volume of Fol requests were a key factor in these response times for (DASS) access and assessment and (LHRAM) legal and member services. As per point 2.9 a number of Fol requests from a single source focused on specific service areas, which created greater pressures on Council resources to effectively respond to incoming requests.

2.16 The ability to record and monitor Fol contacts alongside other customer feedback received by the Council, including LGO contacts, should offer improved visibility over future quarters to identify trends and take remedial action were necessary to address performance issues.

2.17 A separate report will be presented to Standards Committee on 17 November 2012 detailing the annual review letter received from the LGO, covering the Council's performance in responding to LGO contacts during 2011/2012. This report will highlight the key performance indicator used by the LGO of responses to 'first enquiries' which Wirral recorded an average of 15.5 calendar days and can be favourably compared to the reported performance in the immediate North West region:



3.0 RELEVANT RISKS

3.1 That the Council fails to meet target responses, which is mitigated by the performance review offered here and the opportunity to address identified performance related issues.

4.0 OTHER OPTIONS CONSIDERED

4.1 None.

5.0 CONSULTATION

5.1 No consultation has been carried out in relation to this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are no implications for voluntary, community or faith groups.

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

7.1 There are no significant resource implications other than those already referred to in the body of the report (point 3.11).

8.0 LEGAL IMPLICATIONS

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

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No because there is no relevance to equality within the report.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None.

12.0 RECOMMENDATION/S

12.1 That the report be noted.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To ensure Members are informed of the number and nature of FoI and LGO requests received by the Council and the level of performance in responding to these contacts.

REPORT AUTHOR: **Geoff Paterson**
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SUBJECT HISTORY

Council Meeting	Date
Standards Committee	29 September 2009
Standards Committee	29 March 2010
Standards Committee	29 September 2010
Standards Committee	02 December 2010
Standards Committee	26 January 2011
Standards Committee	29 September 2011
Cabinet	12 April 2012
Council Excellence Overview and Scrutiny Committee	01 October 2012
Cabinet	8 November 2012

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Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details

EIA lead Officer: Geoff Paterson

Email address: Geoffpaterson@wirral.gov.uk

Head of Section: Geoff Paterson

Chief Officer: Peter Timmins

Department: Finance

Date: 14/11/2012

Section 2: What Council proposal is being assessed?

Statistical report of FOI requests quarter 2 2012

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

~~Yes~~/ No

If 'yes' please state which meeting and what date

.....

Please add hyperlink to where your EIA is/will be published on the Council's website (see your Departmental Equality Group Chair for appropriate hyperlink)

.....

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Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- Services**
- The workforce**
- Communities**
- Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- ✓ **None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

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WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY

27 NOVEMBER 2012

SUBJECT:	AWARD OF TENDER FOR THE PROVISION OF MICROSOFT SOFTWARE.
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER:	(RELEVANT CABINET MEMBER)
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report informs members of the award of a contract for the provision of Microsoft software for the three years to October 2013. The contract was awarded under delegated authority to Trustmarque Ltd., who submitted the lowest priced tender. Tenders for the continued provision of the service will be invited towards the end of the contract term.
- 1.2 Appendix 1 shows the matrix used to evaluate the tenders and contains commercially sensitive information. It should therefore be considered exempt from publication under Schedule 12A of the Local Government Act 1972.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Government Procurement Service has negotiated a catalogue of prices with Microsoft, known as Select Plus, for the provision of software to UK public sector organisations. Microsoft does not sell software directly to end user organisations but trades through a number of Large Account Resellers (LAR) that are accredited to provide support and value added services to organisations that purchase the software.
- 2.2 Tenders were invited from Microsoft LARs that are registered with the Government Procurement Service and were published via the Chest procurement portal. The process was conducted in accordance with the Council's Contract Procedure Rules and with the assistance of the corporate Procurement Unit. Responses were received from three potential suppliers, Phoenix, Trustmarque and Softcat, which were assessed against pre-determined evaluation criteria based on the Council's purchases of Microsoft software over the past three years. Trustmarque achieved the highest score and had also submitted the lowest priced bid; consequently they were awarded the contract under delegated authority.

3.0 RELEVANT RISKS

- 3.1 There is a risk that the contractor ceases to trade however there are a number of other Microsoft accredited organisations who would be prepared to supply the Council.

4.0 OTHER OPTIONS CONSIDERED

4.1 Microsoft offer a number of software licensing schemes that were assessed however the Select Plus programme was considered to be the most appropriate for the Council's current needs.

5.0 CONSULTATION

5.1 The corporate Procurement Unit were consulted during the tendering process.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are no implications for voluntary, community or faith groups.

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

7.1 Funding for Microsoft software is contained within existing corporate and departmental budgets.

8.0 LEGAL IMPLICATIONS

8.1 There are no legal implications arising from the report.

9.0 EQUALITIES IMPLICATIONS

9.1 There is no relevance to equality contained within the report.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are no carbon reduction implications.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are no planning or community safety implications.

12.0 RECOMMENDATION/S

12.1 That Members note the award of a contract under delegated authority to Trustmarque for the provision of Microsoft software. The contract will run for a period of three years to October 2015.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 Trustmarque submitted the lowest priced bid and scored highest against the tender evaluation criteria.

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APPENDICES

Appendix 1 ~ Tender Evaluation Matrix

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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