



Cabinet

Date: Thursday, 10 October 2013

Time: 6.15 pm

Venue: Committee Room 1 - Wallasey Town Hall

Contact Officer: Mark Delap

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AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Cabinet are asked to consider whether they have any disclosable pecuniary or non pecuniary interests in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

2. MINUTES

The minutes of the last meeting have been printed and published. Any matters called in will be reported at the meeting.

RECOMMENDATION: That the minutes be approved and adopted.

FINANCE

3. ANNUAL GOVERNANCE STATEMENT 2012/13 (Pages 1 - 40)

4. STATEMENT OF ACCOUNTS 2012/2013 (Pages 41 - 52)

5. TREASURY MANAGEMENT ANNUAL REPORT 2012/2013 (Pages 53 - 64)

6A FINANCIAL MONITORING 2013/2014 (MONTH 4) (Pages 65 - 118)

6B FINANCIAL MONITORING 2013/2014 (MONTH 5) (Pages 119 - 172)

GOVERNANCE AND IMPROVEMENT

7. CORPORATE PLAN PERFORMANCE MANAGEMENT REPORT (AS AT 31 AUGUST, 2013) (Pages 173 - 192)

CENTRAL AND SUPPORT SERVICES

- 8. DISCRETIONARY HOUSING PAYMENT FUND 2013/2014 POLICY - SUPPORTING TENANTS SHORTFALL IN RENT (Pages 193 - 200)**
- 9. COUNCIL TAX SUPPORT SCHEME
- DISCRETIONARY RELIEF POLICY (Pages 201 - 210)**

ENVIRONMENT AND SUSTAINABILITY

- 10. APPROVAL OF WIRRAL COASTAL STRATEGY (Pages 211 - 228)**
- 11. WIRRAL COASTAL STRATEGY - VARIATION TO FEE CEILING (Pages 229 - 232)**
- 12. SCRAP METAL DEALERS ACT 2013 (Pages 233 - 242)**

HIGHWAYS AND TRANSPORTATION

- 13. UPDATED TRANSPORTATION CAPITAL PROGRAMME 2013/14 (Pages 243 - 258)**

HEALTH AND WELLBEING

- 14. PUBLIC HEALTH OUTCOMES FUNDING (Pages 259 - 272)**
- 15. HEALTHY CHILD PROGRAMME - 5-19 YEARS OLD (Pages 273 - 280)**
- 16. DRUG AND ALCOHOL SERVICES (Pages 281 - 286)**

CHILDREN AND FAMILY SERVICES

- 17. PROPOSED CHANGES TO SCHOOLS FUNDING FORMULA (Pages 287 - 298)**
- 18. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)**

To consider any other business that the Chair accepts as being urgent.

- 19. EXEMPT INFORMATION
- EXCLUSION OF THE PRESS AND PUBLIC**

The following items contain exempt information.

RECOMMENDATION: That, under section 100 (A) (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 I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

ECONOMY

- 20. APPLICATION FOR FINANCIAL ASSISTANCE (Pages 299 - 304)
(Exempt by virtue of paragraph 3)**
- 21. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR
(PART 2)**

To consider any other business that the Chair accepts as being urgent.

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WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT:	ANNUAL GOVERNANCE STATEMENT 2012/13
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF EXECUTIVE
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).
- 1.2 This report presents Cabinet with the final Annual Governance Statement (appendix 1) and an action plan (appendix 2) for approval.
- 1.3 The Council's updated code of corporate governance and evidence of compliance is also attached at appendix 3 of this report.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 It is necessary for the Council: to have approved and adopted a Code of Corporate Governance that complies with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government; and to report publicly through the Annual Governance Statement the extent to which the governance processes outlined in the Code are operating effectively in practice.
- 2.2 The Framework identifies six core principles of good governance:
 - 1. Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area.
 - 2. Members and officers working together to achieve a common purpose with clearly defined functions and roles.
 - 3. Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
 - 4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
 - 5. Developing the capacity and capability of Members and Officers to be effective.
 - 6. Engaging with local people and other stakeholders to ensure robust accountability.

3.0 ANNUAL GOVERNANCE STATEMENT 2012/13

- 3.1 The production of the Council's Annual Governance Statement is based on relevant supporting evidence provided by Internal Audit, with the overall direction provided by the Chief Executive Strategy Group to ensure high level corporate engagement and ownership.

The Council's Internal Audit team has been responsible for undertaking the relevant assurance work; however it is important to note that the Annual Governance Statement is not owned by the audit function and is a Council statement on the effectiveness of its governance processes.

4.0 RELEVANT RISKS

- 4.1 Potential failure of the Council to comply with the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).

5.0 OTHER OPTIONS CONSIDERED

- 5.1 Not applicable due to the statutory requirement.

6.0 CONSULTATION

- 6.1 Full consultation has taken place with members of the Council's Chief Executive Strategy Group regarding the production of the Annual Governance Statement.
- 6.2 A draft Annual Governance Statement was reported to Audit and Risk Management Committee in June 2013 to review its content and consider the significant governance issues that had been identified through discussions with Chief Executive's Strategy Group.
- 6.3 Wirral's Improvement Board and the External Auditor have also had the opportunity to consider the draft Annual Governance Statement and comment accordingly.
- 6.4 A final draft of the 2012/13 Annual Governance Statement and action plan was presented to Audit & Risk Management Committee on 18 September 2013 where it was agreed by the committee.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 There are none arising directly from this report.

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

- 8.1 There are none arising directly from this report. Any implications identified in the production of the Annual Governance Statement will be reported to the Chief Executive's Strategy Group, Cabinet and the Audit and Risk Management Committee to identify the appropriate action that will be taken.

9.0 LEGAL IMPLICATIONS

- 9.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).

10.0 EQUALITIES IMPLICATIONS

- 10.1 There are none arising directly from this report.

11.0 CARBON REDUCTION IMPLICATIONS

- 11.1 There are none arising directly from this report. Any implications identified in the production of the Annual Governance Statement will be reported to the Chief Executive's Strategy Group, Cabinet and the Audit and Risk Management Committee to identify the appropriate action that will be taken.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 12.1 There are none arising directly from this report. Any implications identified in the production of the Annual Governance Statement will be reported to the Chief Executive's Strategy Group, Cabinet and the Audit and Risk Management Committee to identify the appropriate action that will be taken.

13.0 RECOMMENDATIONS

- 13.1 That the Annual Governance Statement and action plan for 2012/13 and the updated code of corporate governance be approved.

14.0 REASON FOR RECOMMENDATION

- 14.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).

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APPENDICES

1. Annual Governance Statement 2012/13
2. Action Plan
3. Code of Corporate Governance & evidence of compliance

REFERENCE MATERIAL

- CIPFA/SOLACE Delivering Good Governance in Local Government: Guidance Note and Framework (2012).
- CIPFA Annual Governance Statement: A Rough Guide for Practitioners 2007/08.
- Accounts and Audit Regulations (England) 2011.
- CIPFA Code of Practice for Internal Audit in Local Government 2006.
- CIPFA The Role of the Chief Financial Officer in Local Government 2010.
- CIPFA The Role of the Head of Internal Audit in Public Service Organisations 2010.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit and Risk Management Committee - Annual Governance Statement 2012/13	18 th September 2013
Audit and Risk Management Committee - Annual Governance Statement 2012/13	19 th March 2013
Audit and Risk Management Committee - Annual Governance Statement 2012/13	10 th June 2013

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ANNUAL GOVERNANCE STATEMENT 2012/13

1. Scope of Responsibility

Wirral Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. Wirral Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised.

In discharging this overall responsibility including as accountable body for the Merseyside Pension Fund, Wirral Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes activities for the management of risk.

Wirral Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. A copy of the code is available on our website at www.wirral.gov.uk. This statement explains how Wirral Council has complied with the code and also meets the requirements of regulation 4 of the Accounts and Audit Regulations Act 2011 in relation to consideration of the findings of a review of the system of internal control and approval and publication of an annual governance statement.

2. The Purpose of the Governance Framework

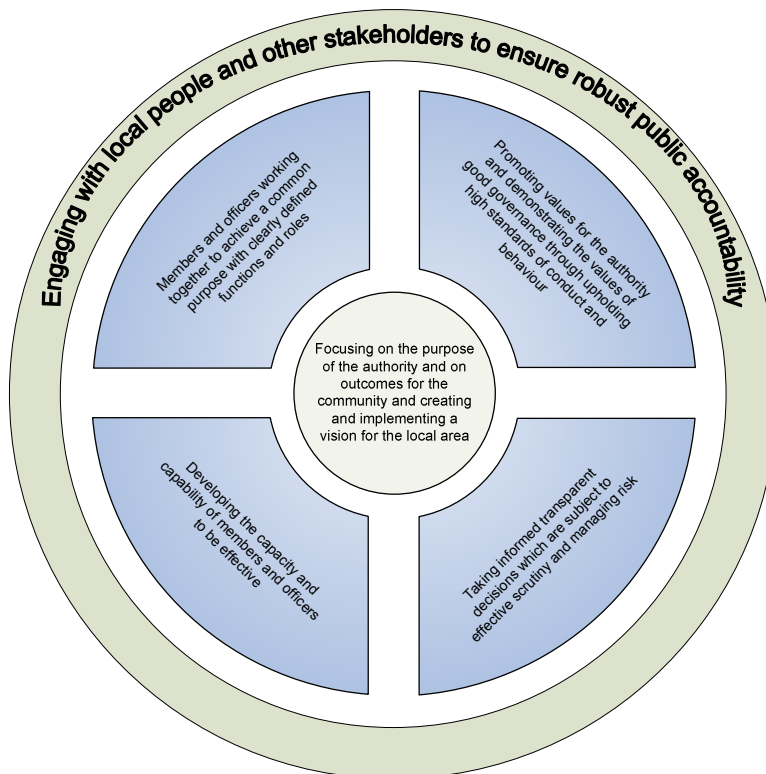
The governance framework comprises the systems and processes, and culture and values, by which the Authority is directed and controlled, together with the activities through which it accounts to, engages with and, where appropriate, leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost- effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It can not eliminate all risk of failure to meet the targets in our policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Wirral Council's policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised; and to manage them efficiently, effectively and economically.

The governance framework has been in place at Wirral Council for the year ended 31 March 2013 and up to the date of approval of the annual statement of accounts.

3. The Governance Framework

The CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' identifies six key principles of governance best practice:



Wirral Council's governance environment is consistent with these six core principles. Key areas of assurance of the systems and processes which comprise the Council's governance arrangements are as follows:

Principle 1: Focussing on the purpose of the Authority and on outcomes for the community including citizens and service users and creating and implementing a vision for the local area.

The Council can demonstrate that it is focusing on outcomes for the community and on a longer-term vision for the area. The authority has:

- Put in place a new Corporate Plan which has been independently commended through an LGA peer challenge;

- Developed a budget strategy aligned to the Corporate Plan which places the Council in a stronger position to meet future financial challenges;
- Reinvigorated strategic partnership working to ensure that the Council's vision for Wirral is shared by, and collectively delivered with, the wider public sector (see Principle 6).
- Agreed an approach to neighbourhood working which will place communities, citizens and service users at the heart of service design and delivery (see Principle 6).

The views of citizens and service users have been critical to the Council in developing its Corporate Plan that was approved at Budget Council in March 2013. The 'What Really Matters' consultation commenced in September 2012 and captured the views and aspirations of local residents and stakeholders and directly informed the Council's vision:

"We will ensure this Council is in the future focussed upon serving and protecting local people and in particular those who are most vulnerable and in need. We will do this through the engagement and empowerment of individuals and communities in both the design and delivery of local services, and by working together with partners in the public, private and the community, voluntary and faith and independent sectors."

Wirral Council Corporate Plan 2013-16

This vision is underpinned by the following priorities, which were identified by local residents and stakeholders as being 'what really matters' to Wirral:

- Protect the vulnerable in our borough
- Tackle health inequalities
- Drive growth in our economy

Whilst putting in place a forward-looking vision for Wirral, the Council focused on the need to make budget savings and address the most challenging financial position the local authority has ever faced. The 'what really matters' consultation also emphasised the need to identify the budget savings necessary for 2013-14 and demonstrated the highest level of engagement in the UK when compared with similar exercises. The broad consultation was complemented by a range of specific consultations to involve residents in service redesign linked to budget savings.

The budget savings programme for 2013-14 is now being delivered, with a longer-term plan outlined in the Council's Medium-Term Financial Strategy. The timetable for setting the Council's budget for 2014-15 in line with its longer term financial strategy has now been agreed.

Principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles.

The Council's Corporate Plan and budget strategy have been collectively developed by Elected Members and officers and provide a clear framework for working together to achieve a common purpose. The Council currently has stable political leadership which facilitates timely and robust decision-making in reviewing and addressing governance issues. Briefings for the political leadership are working effectively and dedicated planning sessions involving the Chief Executive's Senior Management Team and Cabinet are regularly taking place to develop the Council's future direction and identify the key transformational projects that will be delivered over the next three years.

Ensuring greater long-term stability in organisational leadership along with a clear and a sustained focus on the vision for the area and on delivering the Council's budget strategy, the Chief Executive's position has now been designated as permanent as approved by Council in January 2013. The Council has also significantly increased its capacity to deliver its purpose and vision through the appointment of three strategic directors as part of a senior management restructure approved in December 2012. The Strategic Director posts oversee the following programme areas and drive forward service transformation:

- Transformation and Resources
- Families and Wellbeing
- Regeneration and Environment

Delivery of the Corporate Plan is also underway across these programme areas, with Directorate Plans being developed and performance management arrangements being refined to ensure that the implementation is effectively monitored and remedial action taken where necessary.

Cabinet in May 2013 endorsed an ambitious programme of transformation to deliver further savings which includes the following projects:

- Review of Asset Management
- Technical Functions
- Neighbourhood Working
- Transforming Business Support
- Strategic Review of Leisure Services
- Strategic Commissioning
- Transforming Children's and Adults' Services

At this stage each project is being implemented to consider the different ways that the services can be delivered in the future.

The Leader put in place a Leaders' Board in September 2012 to engage on an ongoing basis with political group leaders about the Council's strategy and future plans.

An important factor in the Council's leadership developing a shared collective vision and working together to achieve it has been the role of the LGA Improvement Board. The Improvement Board is a partnership between Wirral Council and the Local Government Association. The Board was established in February 2012 to support the authority to address the serious weaknesses identified in a series of external reports. Through the development and implementation of a coherent improvement plan, the Council has been able to report on progress and identify that it is learning from previous governance issues and working more transparently and openly.

During recent organisational change, including senior management and service restructuring and changes to staff conditions of service, recognised trade unions have been engaged and consulted with extensively to ensure the most equitable outcomes for staff and the organisation. Negotiations with unions have been decisive in finalising revised staff terms and conditions.

Principle 3: Promoting the values of the Authority and demonstrating the values of good governance through behaviour.

As highlighted in respect of principle 2, the Improvement Board has been important in developing good governance through its advisory role providing oversight, support and challenge to the Council's improvement and transformation journey. At its first meeting the Board agreed that the authority needed a single, integrated and overarching improvement plan to focus and drive the improvement of both its corporate governance and key services. The Improvement Plan developed in response was endorsed by the Board in July 2012 and approved by Cabinet in September 2012. There are clear mechanisms in place for the Council to report progress on the Improvement Plan and receive feedback from the external members of the Board. Discussions undertaken by the Board are transparent, with key messages from those discussions published. The Board has regular public question and answer sessions which allow the public to ask questions and raise specific concerns.

Following the latest update on overall progress of the plan, the Board agreed that the Council needs to complete the actions in the existing plan, as well as develop some outcome measures that will provide assurance that the improvements are becoming embedded. This will be monitored closely by the Council's Chief Executive and Senior Management Team.

The Council can demonstrate that it is promoting the values of good governance through behaviour, not least in welcoming external review

and challenge and in its transparency in relation to the serious budget challenges faced by the authority.

Significant headway has been made to identify savings and identify and eliminate overspend. As a result the Council's finances are beginning to stabilise and there is an increasing emphasis on robust financial management and monitoring. The progress that has been made places the Council in a better position to face the major challenges ahead and to manage the substantial risks associated with identifying further significant budget savings.

External expertise is utilised as appropriate, such as the internal investigation that was commissioned to establish the Council's position on bad debts, which emerged as a significant governance issue due to the income/debt recovery processes within the Department of Adult Social Services. The internal investigation has been reported to Cabinet and an action plan is in place to address these findings.

Internal audit work has been completed on the Council's procedures for gifts, hospitality and conflicts of interest following a critical Audit Commission review of this area. A number of key risks were identified with high priority recommendations which have contributed to new policy documents being approved.

The Council invited a Peer Challenge facilitated by the LGA in October 2012 and a follow up in May 2013, providing an external and critical assessment to complement and add value to the Council's own performance and improvement. Both reviews indicated that the organisation was making progress on improvement, highlighting:

- The organisation feels more confident and decisive about the issues it faces
- External recognition of improvement and greater role in city region
- Significant headway has been made to identify savings and begin to stabilise finances
- Key changes to governance are being implemented and/or proposed
- Learning and challenge has been sought from others
- New corporate plan with clear priorities

Areas for continued focus, including financial risk management, organisational development, transformation, governance and decision-making, were also identified and are being addressed as part of the Council's improvement programme.

As indicated in respect of Principle 2, the Improvement Board has been important in developing good governance through its role as an advisory and supporting body and 'critical friend' underpinned by clear mechanisms for the Council to report progress and receive feedback.

Discussions undertaken by the Improvement Board are transparent, with every third meeting held in public.

An additional Adult Social Care Peer Review in June 2012 concluded that the peer review team found clear evidence of improvement and a change of culture within the department moving towards greater openness and transparency. It was stated that overall the direction of travel is positive and there are some examples of good practice.

Communication within the organisation is timely and planned; with weekly, monthly and quarterly messages being disseminated to all staff to keep everyone informed throughout current and future organisational change. A robust internal communications and marketing strategy has been developed, including regular communications from the Chief Executive through the intranet and weekly emails that update staff on organisational change and important decisions being taken, as well as promoting the achievements and positive work carried out within the organisation. A staff survey is planned to take place in September 2013 and a programme of changing organisational culture will be launched in autumn.

The Council updated its policies on whistleblowing and grievance. Further work is now underway to ensure that the updated policies are fully communicated to make all staff aware of the policies and provide consistent operation.

The Council's Code of Corporate Governance will be reviewed on an ongoing basis to ensure it is fit for purpose and fully communicated to staff.

The Equality Duty 2010 came into force on the 1 April 2011 with the aims of eliminating any unlawful discrimination, harassment or victimisation, advancing equality of opportunity and fostering good relations between different groups of people. The Duty places a legal requirement on the Council to publish an equality plan, at least every 4 years. The Council will be developing a new 3-year Corporate Equality Plan during 2013/2014.

Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

The Corporate Risk Register has recently been reviewed by the Chief Executive Strategy Group and agreed by Cabinet to ensure that there is consideration and ownership of the register at the most senior level of the organisation. Appropriate controls have been put in place to address the identified risks, and these will be the subject of regular monitoring by the Chief Executive Strategy Group on a quarterly basis at a dedicated meeting to consider audit, risk and performance issues.

The integration of Public Health into the Council from 1st April 2013 provides additional capacity and expertise to strengthen the Council's approach to performance management, business intelligence and commissioning.

Directorate plans are being developed to ensure that the priorities outlined within the Corporate Plan are delivered. The plans also identify the related risks associated with delivering the Council's key objectives.

Further work is taking place to establish a new process for performance management which ensures the hierarchy of organisational targets are integrated, and logical, and are directly aligned to our resources, systems and strategic objectives. The new system also promotes ownership and accountability of targets and performance – as well as fostering a culture of corporate challenge.

The model is built around a cycle of analyse, plan, do and review. Effective performance management is also designed to ensure that accurate, timely, consistent, reliable and relevant information guides all decision making within the Council.

The Council has a clear procedure established for dealing with complaints, with timescales and departmental responsibilities established and complaints being recorded even if immediately resolved at point of contact.

In December 2012, the Information Commissioner's Office announced that Wirral would be monitored for three months after concerns emerged regarding the timeliness of responses to freedom of information requests. The Council has also put in place robust processes to respond to freedom of information requests which are regularly reviewed by the Chief Executive's Strategy Group to ensure that a timely response is provided. These improved processes are having a significant impact on the Council's response to freedom of information requests.

The Audit Commission published a Public Interest Report into the Highways and Engineering Services Contract Management and Award in June 2012, detailing significant corporate failings surrounding the contract award in 2008. Cabinet acknowledged and accepted the findings and recommendations set out in the report and approved an action plan to address all 21 recommendations. Many of the actions have been completed; however there is still work to do in implementing a robust risk management framework across the Council and improved liaison between Legal and Members Services and the Procurement Unit regarding the completion and signing of contracts. These areas are being closely monitored by the Chief Executive's Strategy Group as well as being supported by the re-invigorated Corporate Procurement Board. The board has recently been re-established with new terms of

reference and will be chaired by the Strategic Director for Transformation and Resources to ensure that there is clear strategic direction at the most senior level of the organisation.

Principle 5: Developing the capacity and capability of members to be effective and ensuring that officers- including statutory officers- also have the capability to deliver effectively.

The Authority provides newly elected Members with an induction and an opportunity to attend a specifically organised event to introduce them to the Council and its departments. An individual training plan is also put in place from a programme of 'Skills for Wirral Councillors' training events, covering the following themes: basic skills; organisational excellence; personal development; community leadership and leadership.

Councillors have also recently been invited to take part in a number of visioning events intended to raise awareness of the challenges facing local government, develop a long term vision for Wirral in 2030, inform the Council's three year corporate plan, enable the Council to understand the opportunities to deliver services differently and plan ahead to respond effectively to future challenges.

A 'Skills for Wirral' training and development programme is also available for managers and employees with regular sessions held every month covering organisational policies, management skills, personal development, professional development and health & safety. During recent organisational change, dedicated training and support has been available to all staff developing skills in resilience, stress management and career development. Further work is required to ensure that mandatory training is being carried out throughout the organisation.

The Council's absence rate for staff is higher when compared to other local authorities and additional short term resources have been put in place to enable Human Resources to work with managers and ensure that cases are managed in accordance with the Council's policy. The Council also provides a 24 hour employee assistance programme.

Council services and individual staff regularly achieve awards and recognition from national and local bodies and achievements are regularly publicised through the Chief Executive's weekly emails and the Council's quarterly staff magazine.

The recent organisational restructure, including the creation of the three strategic directorates through departmental and management streamlining and rationalisation, aims to provide the most effective service delivery possible. Ensuring that staff and managers have the appropriate capacity and support has been a key consideration in service redesign.

The restructure at the Chief Officer and Head of Service level has achieved approximately £800,000 net savings and reduced the senior management structure by 11 posts. The next level of restructuring is almost complete, which will deliver further savings of £4.2 million and a further reduction of approximately one third of management posts, which will facilitate a more effective and focussed level of service transformation and delivery across the authority.

The Council has been required to use short term measures to ensure that there is adequate capacity in key areas of the Council through the use of short term and agency contracts. These arrangements will be regularly reviewed to ensure that adequate controls are in place for the use of external capacity. In addition a savings target has been set to ensure that expenditure is effectively controlled.

Principle 6: Engaging with local people and other stakeholders to ensure robust local public accountability.

As set out in the new Corporate Plan, the Council is committed to “the engagement and empowerment of individuals and communities in both the design and delivery of local services”. The Council’s major consultation initiative ‘What Really Matters’ provided the opportunity to ask local residents, staff and stakeholders for their views on the Council’s future priorities and proposals for where the Council could deliver the savings.

The Council has developed and accessed a wide variety of channels and forums in order to engage with the local community. Existing organisations such as the Older People’s Parliament, various youth forums and the Youth Parliament and user groups across all services are supported and engaged with the organisation. The Council also delivers extremely effective public consultation exercises, with the highest levels of citizen engagement in the UK, to ensure participation and involvement from our residents in all aspects of service design, budget setting and Council business.

The Council is also in the process of implementing a Neighbourhood Working approach, which will help to develop a closer relationship between the Council and residents, promote improved partnership working across the public sector and ensure future service delivery reflects an improved understanding of residents’ views through consultation and participation.

This arrangement potentially offers a more cost-effective approach to the future delivery of services by joining up frontline delivery and tackling issues at their source, changing ways of working for all public, private and social sector providers to deliver improvements for neighbourhoods.

Public sector partners in Wirral are committed to working with the Council through the Public Service Board, established in November 2012, as new arrangements for neighbourhood working are implemented. This includes redefining operational management to be co-terminus with constituency areas to provide a more consistent footprint where possible and aligning services and engagement activities.

Constituency Committees will be responsible for producing Constituency Plans that will outline priorities for each area. It is proposed that each Committee would consist of local Councillors and Voluntary and Community and Faith Sector Representatives. Consideration will also be given to the local MP being invited to participate. Underpinning robust governance arrangements being put in place are the principles of enhancing civic life, deepening democratic participation, strengthening community voice and strengthening the Council's responsiveness to residents.

Alongside an increased focus on public accountability through the Constituency Committees, the Council has begun to explore the implications of the Audit Bill which will formally abolish the Audit Commission and replace it with a new local audit framework and improve 'direct democracy' over Council Tax.

The Council proactively seeks to work with others and recognises the added value that working in partnership can bring to projects, services and initiatives. The drive to work in partnership has never been greater than in the current financial climate.

The Council's key mechanism for pursuing this agenda is Wirral's Public Service Board which brings together key partners to develop approaches to integrating services and maximising the use of public sector resources. The recent Corporate Peer Challenge highlighted that the Council needs to undertake further work to clearly identify the linkages of the Public Service Board with other strategic partnerships, and an up to date partnership register is also required.

The Council also works strategically with partners through leading and supporting a range of other forums and partnerships. This activity is currently being reviewed to ensure that the role of individual partnerships is clearly understood. The Council is also renewing arrangements for its Local Strategic Partnership to put in place an overarching partnership executive which takes responsibility for shaping Wirral as a place and championing a long-term vision for the borough and hold to account the Public Service Board and other key partnerships. A Wirral conference is being planned for September to take forward the development of the long-term vision.

Examples of this approach to partnership working include joint responses to the changes that have resulted from the Welfare Reform

Act 2012, including the introduction of Universal Credit, and the changes to service delivery through the neighbourhood working approach.

In working with the Council's partners to drive economic growth and increase investment in Wirral, the Council has developed a strong private/ public sector Investment Strategy Board. Members hold significant experience and expertise to provide oversight and guidance of Wirral's economic strategy.

The Council also holds a strong position in the Liverpool City Region. The Leader of the Council is taking the lead in developing a new EU Structural Funds Programme for the period 2014-2020. Wirral is also the lead local authority in the Liverpool City Region for sustainable energy, shared services and youth unemployment at both Elected Member and officer level. The Leader reports to Council on matters relating to the City Region and Elected Members are provided the opportunity to question the Leader on the report.

The Council's website and other customer access channels are currently being developed and better coordinated to ensure that residents and other stakeholders are able to find information, access services and contact the authority as simply as possible.

4. Review of Effectiveness

Wirral Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

Corporate Management Assurance

The Council's Chief Executive Strategy Group has managed the development of the Annual Governance Statement to ensure a high level of corporate engagement and ownership. A quarterly review of performance management, audit and risk takes place to review and consider emerging governance issues and ensure that appropriate action is in place.

The Chief Executive's Strategy Group is supported by a number of sub groups including:

- Information Governance Group
- Corporate Procurement Board
- Strategic Budget Group / Budget Steering Group
- Capital Working Group
- Transformational Programme Board

The Council complies with the CIPFA Statement on the Role of the Chief Financial Officer in Local Government 2010 and the CIPFA

Statement on the Role of the Head of Internal Audit in Public Service Organisations 2010. The Council has taken immediate action when required to ensure that there are continuous arrangements in place with regards to statutory officer posts to enable the Council to fully comply with its statutory obligations.

Council

The Council's Constitution has been reviewed and a revised version agreed and adopted by the Council in April 2013, ensuring that it remains lawful and fit for purpose and introduces a new scheme of delegation and member/officer protocols that clarify the boundaries between Member and Officer roles and responsibilities. The Council's Constitution sets out a Code of Conduct for Members and Officers to ensure there is clear accountability and clarity.

The procedure for Council meetings has been changed to focus on reports from the leader and Cabinet Members and the Chairs of the new Policy and Performance Committees. All Elected Members will have the opportunity to ask questions on the reports with the aim to focus on issues for which the Council has responsibility.

An annual Policy Council meeting will take place with the first scheduled for November 2013 in order to discuss, debate and further shape the future purpose of the organisation and its response to key national and local drivers. Policy Council will play a direct role in informing the annual review of the Corporate Plan and future savings for the Council, as well as contributing to the development of a longer-term vision for the borough in 2030 in partnership with other key stakeholders. A state of the borough report is being prepared as the foundation for developing this long term vision.

Cabinet

Cabinet has a leading role in ensuring good governance arrangements are in place to drive forward transformation and improvements across the Council.

There has been a review of the Council's portfolio areas to ensure they reflect organisational changes and priorities and assistant portfolio holders have been appointed. Regular Cabinet briefing and development sessions take place which are supported by individual portfolio holder briefing meetings.

Audit and Risk Management Committee

The Council's Audit and Risk Management Committee provides independent assurance and scrutiny of the Council's financial and non-financial performance, including an assessment of the adequacy of the Council's risk management arrangements.

Recent constitutional amendments to the terms of reference for the Audit and Risk Management Committee give additional responsibilities to the Committee to oversee and agree appropriate robust arrangements for Financial Regulations and Contract Procedure Rules.

Policy and Performance Committees

The new constitution sets out new arrangements for scrutiny which will allow for the pre-scrutiny of decisions and policy development and facilitate collective debate about the best outcomes for local people.

Three Policy and Performance Committees have been established, aligned with the three strategic directorates, and supported by a team of dedicated Scrutiny officers. The Committees will have clear responsibilities to inform policy development and to enable pre-scrutiny of decisions within the remit of the strategic directorate. A Co-ordinating Committee is now responsible for overseeing arrangements and allocating cross cutting activities. Nominated senior officers will be assigned to support scrutiny proposals on a cross-departmental basis.

Standards Committee

The Standards and Constitutional Oversight Committee is responsible for keeping the Council's constitutional arrangements under review and making recommendations to the Council for ways in which the Constitution should be amended in order to better achieve its purposes. The Committee also oversees and agrees minor changes to the Council's constitutional arrangements as recommended by the Monitoring Officer.

Merseyside Pension Fund

Wirral Council is also the administering authority for the Merseyside Pension Fund which publishes its own statement of accounts on an annual basis and includes a "Governance Compliance Statement". The statement outlines compliance to industry specific governance principles.

Internal Audit

There have been improvements to the Council's Internal Audit function including a review of resources and a newly developed three year audit plan.

The review of effectiveness is informed by: the work of Internal Audit and the Chief Internal Auditor's Annual Report; findings and reports issued by the external auditors and other review agencies and inspectorates; and feedback and comments provided by Chief Officers

and managers within the Authority who have responsibility for the development and maintenance of the governance environment. On the basis of the programme of work undertaken, the Chief Internal Auditor has concluded that the Council's internal control environment, taken as a whole for the year has provided less than adequate assurance although improving.

5. Significant Governance Issues

The Council has identified the following areas as significant governance issues that emerged during 2012/13 and which be the subject of regular monitoring by the Council's Chief Executive's Strategy Group and Audit and Risk Management Committee.

An action plan will be developed to outline the actions that are being taken to respond to these issues and to assign a lead senior officer.

- The Council's position regarding £31m accumulated bad debts over the years, as well as the financial situation regarding income/debt recovery within the Department of Adult Social Services, has been identified and was subject to an independent investigation which has been reported to Cabinet. A plan and initial actions are in place to prevent future occurrence.
- The Council must conclude the work of the Improvement Board and ensure completion/implementation of the associated actions.
- Corporate and Departmental plans have lacked clear linkages and consistency, the aim being that the integration with Public Health will assist in improvements in timetabling, approvals, content and reporting. Steps must be taken to implement a robust performance management framework across the Council that is adhered to in practice.
- There must be continued emphasis on the importance of corporate and departmental risk management throughout the Council. Risk management must be seen as an integral part of policy and performance processes. Steps must be taken to implement a robust risk management framework across the Council and which is adhered to in practice.
- There has been no evidence of an up to date partnership register within the Council. This is important given the emphasis on partnership working within the developing commissioning processes and across the Council. As a minimum, partners that the Council works with on specific initiatives, as opposed to commercial partners, should be identified in a central reference source.

- It is essential for the Council to implement processes and procedures to ensure proper governance and management of its information assets.
- In December 2012, the Information Commissioner's Office (ICO) announced that Wirral was included in a list of four public authorities that were to be monitored for three months in the new year over concerns about the timeliness of their responses to Freedom of Information requests. Focus must be maintained in monitoring response times and take corrective action as necessary.
- It has been identified that the Council's policies on whistleblowing and grievances require improved communication across the organisation with clear responsibilities and consistent operation. It is important that employees are clearly made aware of how to raise a whistleblowing issue, and this should be publicised on a regular basis.
- Improved liaison and responsibilities must be clearly established between Legal and Member Services and the Corporate Procurement Unit regarding the completion of contracts and the required signing. There are clear financial and reputational risks in the event of a problem with the service delivery if the Council has not formalised contracts. It is noted that this issue is covered in the draft new Contract Procedure Rules with reference to disciplinary action if these rules are breached and the exceptions process in operation here.
- The Corporate Procurement Board has not met since November 2012. This has been acknowledged as a significant issue by senior management and the aim is to re-establish this board with the first meeting taking place in May 2013 with a new terms of reference in place.
- Absence monitoring statistics have revealed a calculated year end figure of 10.28 days against a target of 9.5 days. This remains a high position in comparison with other Councils and additional short term resources have been added within Human Resources to review all long-term cases and to work with managers to ensure there is an action plan in place and that cases are managed appropriately in accordance with policy.
- It must be ensured there is adequate control of workforce costs (including short-term contracts; agency costs; and control of establishments). The use of consultants should be subject to the same controls.
- Mandatory training across the Council has proved difficult to monitor and control. It is important that any training requirements deemed to be mandatory, such as Equalities and Diversity, should

be communicated to and undertaken by all employees, including officers who do not have computer access.

- Asset Management was in a position of constant change of policy and priorities during the 2012/2013 year. It is important in order to obtain maximum benefit from its property assets that the Council focuses on a clear policy and strategy, fees and charges are regularly reviewed, updated and income monitored, and a clear separation of duties and evidence trail exists regarding valuations. This is currently the focus of a transformational project for 2013/14.

6. Conclusion

We are aware of the implications of the review of the effectiveness of the adequacy governance framework and are absolutely committed to addressing the identified weaknesses and ensuring continuous improvement of the system is in place.

We are pleased that considerable progress has been made to address the significant governance issues identified and this is acknowledged by the Council's recent Corporate Peer Challenge. However, it is also recognised that a number of the developments that are being put in place have recently been agreed and require implementation and robust review.

We will take prompt actions over the coming year to ensure that all of the above matters are addressed as appropriate to enhance our governance arrangements further. Many improvement actions represent work already in progress and we are committed to increasing the pace of these actions. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: _____ Date: _____

Chief Executive

Signed: _____ Date: _____

Leader of the Council

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Significant Governance Issues: Action Plan

Source	Governance Issue	Lead Officer	Actions Planned/ In Progress	Timescale	Internal Audit Planned Work
Significant Governance Issue AGS 2012/13	The Council must conclude the work of the Improvement Board and ensure completion/ implementation of the associated actions.	Head of Policy & Performance/ Director of Public Health	A further report was submitted to Improvement Board (22/07/2013) and Cabinet (19/09/2013) that sets out three key outcomes that will evidence the Council's improvement and inform further debate at Board meetings.	Improvement Plan hoped to be completed by November 2013	Improvement Plan Delivery
Significant Governance Issue AGS 2012/13 Peer Challenge	<p>There has been no evidence of an up to date partnership register within the Council. This is important given the emphasis on partnership working within the developing commissioning processes and across the Council. As a minimum, partners that the Council works with on specific initiatives, as opposed to commercial partners, should be identified in a central reference source.</p> <p>Peer Challenge states: 'The Public Service Board is another new development since the peer challenge. It looks like it will work well. You are building some clear linkages to the Constituency Committees, but we encourage you to think through how it relates to your ambitions for the Health and Well Being Board and how the various other strategic partnerships such as Community Safety and Children and Young Persons all fit together.'</p>	Head of Legal/ Member Services	Presentation provided to Local Public Service Board (LPSB) (09/07/2013) – essentially setting out the scope for a review of partnerships. This was agreed, with Fiona Johnstone, Head of Policy & Performance/ Director of Public Health, leading the review and the policy team undertaking the desktop analysis. An update will be provided to LPSB (29/10/2013). A meeting of Surjit Tour, Head of Legal/ Member Services, and Fiona Johnstone has taken place to discuss linkages (19/08/2013).	October 2013	Annual Governance Statement Review
Significant Governance Issue AGS 2012/13	It is essential for the Council to implement processes and procedures to ensure proper governance and management of its information assets.	Strategic Director-Regeneration & Environment	An Information Governance Board has been established (which first met on 16 July 2013) and is being chaired by Kevin Adderley, Strategic Director-Regeneration & Environment. The Council's progress will be evaluated by the review scheduled for 15 August 2013. Surjit Tour is preparing guidance for Managers and Heads of Service on information handling. Information Asset	October 2013	Information Assurance

Source	Governance Issue	Lead Officer	Actions Planned/ In Progress	Timescale	Internal Audit Planned Work
			Owners are being identified and established across the Council. The Director of Resources had been confirmed as the Senior Information Risk Owner.		
Significant Governance Issue AGS 2012/13	In December 2012, the Information Commissioner's Office (ICO) announced that Wirral was included in a list of four public authorities that were to be monitored for three months in the new year over concerns about the timeliness of their responses to Freedom of Information requests. Focus must be maintained in monitoring response times and take corrective action as necessary.	Strategic Director-Transformation & Resources	The ICO set a target of 85% of requests to be completed within 20 days during the period of June-September 2013. Significant progress has been made and this target has been exceeded in June and predicted to be so in July. The Council's infrastructure needs to be improved so that this improvement is sustainable in the long term.	October 2013	Freedom of Information
Significant Governance Issue AGS 2012/13	Improved liaison and responsibilities must be clearly established between Legal and Member Services and the Corporate Procurement Unit regarding the completion of contracts and the required signing. There are clear financial and reputational risks in the event of a problem with the service delivery if the Council has not formalised contracts. It is noted that this issue is covered in the draft new Contract Procedure Rules with reference to disciplinary action if these rules are breached and the exceptions process in operation here.	Assistant Chief Executive/ Head of Universal & Infrastructure Services	The revised Contract Procedure Rules will be considered for approval by Audit & Risk Management Committee on 18 th September 2013 and include a rule that contracts must be signed before they are mobilised. This will require the Procurement Board to be utilised to remind officers of this.	Final rules submitted for approval Audit and Risk Management Committee September 2013 - to be implemented as soon as possible thereafter	Procurement
Significant Governance Issue AGS 2012/13	The Corporate Procurement Board has not met since November 2012. This has been acknowledged as a significant issue by senior management and the aim is to re-establish this board with the first meeting taking place in May 2013 with new terms of reference in place. Once the Board reconvenes, its effectiveness should be reviewed. Without an effective body to steer and	Strategic Director-Transformation & Resources	New Terms of Reference for the Corporate Procurement Board were established in April 2013. The Board then met in May 2013. The next meeting of the Procurement Board in September will focus on corporate ownership of procurement to overcome any directorate silos, developing a cultural evolution to	Completed November 2013	Procurement

Source	Governance Issue	Lead Officer	Actions Planned/ In Progress	Timescale	Internal Audit Planned Work
	co-ordinate procurement across the Council, there is a risk that procurement efficiency will suffer and corporate targets in this area may not be met.		procurement and ensuring we provide the right level of scrutiny to our funding/contractual arrangements. The intention is to merge this with our emerging commissioning arrangements to eventually have a single commissioning/procurement board.		
Significant Governance Issue AGS 2012/13	Absence monitoring statistics have revealed a calculated year end figure of 10.28 days against a target of 9.5 days. This remains a high position in comparison with other Councils and additional short term resources have been added within Human Resources to review all long-term cases and to work with managers to ensure there is an action plan in place and that cases are managed appropriately in accordance with policy.	Head of Human Resources & OD	<p>It was highlighted within the Internal Audit Report (on Absence Management) dated February 2013 that this issue had been reported to Employments and Appointments Committee on 15 November 2012. Within this report it was highlighted that a "number of initiatives have been taken forward to drive performance improvement across the authority".</p> <p>The absence figures for 2013/14 are now showing a significant improvement.</p> <p>The following actions have been put in place:</p> <p>All Heads of Service are required to sign off absence returns on a weekly basis, providing improved governance.</p> <p>Follow up of mandatory training by December 2013.</p> <p>Re-allocation of resources has ensured a dedicated HR Absence team to support managers through case conferences with Occupational Health.</p> <p>Improved absence reporting</p> <p>Introduction of Self serve</p> <p>New Occupational Health provider in place with improved support.</p>	All actions in place, with self serve live by December 2013. Improvement in monthly absence figures. Improved OH service in place through new contract	HR Policies and Procedures
Significant	It must be ensured there is adequate control of	Head of Human	A full set of people management	September	Annual

Source	Governance Issue	Lead Officer	Actions Planned/ In Progress	Timescale	Internal Audit Planned Work
<p>Governance Issue AGS 2012/13</p> <p>Peer challenge</p>	<p>workforce costs (including short-term contracts; agency costs; and control of establishments). The use of consultants should be subject to the same controls.</p> <p>Peer Challenge states: 'We think now is the time to strengthen the corporate support functions. You have rightly sought interim capacity and expertise to help tackle the most pressing and acute challenges and implement the immediate changes required. This approach has served you well. We highlighted in our last report that you need to strengthen your HR capacity and we still think this is the case. We suggest you now need to do some 'long term strengthening' rather than 'short term patching', shifting the emphasis from repairing the current organisation with interim expertise to building the future one with permanent capacity. In doing this you will need to consider the style of some of the support functions the council of the future requires. Undoubtedly this will be less about 'regulating and ensuring' compliance and more about 'enabling and facilitating' new ways of working.'</p>	Resources & OD	<p>information costs is now being sent on a monthly basis to Heads of Service to enable them to understand better their costs. Alongside this the Finance Department is providing enhanced support for Heads of Service to better understand their budget.</p> <p>The Council expects to have made anticipated savings of £9.5m in employee pay costs since 2012.</p> <p>In September the HR Self serve will go live with on-time people management reporting. This will be tested firstly in Transformation and Resources with a view to full roll-out by the end of the calendar year.</p> <p>As the Council considers shared services, particularly in the transactional areas, that will give more capacity to consider strategic HR management.</p>	2013	Governance Statement Review
Significant Governance Issue AGS 2012/13	Asset Management was in a position of constant change of policy and priorities during the 2012/2013 year. It is important in order to obtain maximum benefit from its property assets that the Council focuses on a clear policy and strategy, fees and charges are regularly reviewed, updated and income monitored, and a clear separation of duties and evidence trail exists regarding valuations. This is currently the focus of a transformational project for 2013/14.	Assistant Chief Executive/ Head of Universal & Infrastructure Services	<p>An Internal Audit Report was issued to the then Head of Asset Management, Ian Brand, on 31 January 2013. All actions were agreed.</p> <p>Responsibility for this area has now moved following changes to the senior management structure.</p> <p>The re-structure is now complete and within the context of an overall reduction in staff, steps have been taken to allocate a post specifically to Asset Strategy and Policy to address issues raised in the audit and work is in progress on key areas identified in the report re office</p>	First report to Cabinet in October 2013 to be followed by further reports as matters are reviewed/ addressed.	Asset Management

Source	Governance Issue	Lead Officer	Actions Planned/ In Progress	Timescale	Internal Audit Planned Work
			accommodation disposals and joint area reviews of property. The re-structure is also intended to support as much separation as possible in a small team between strategic and operational matters. Issues raised in respect of the Asset Register and Volunteers are being addressed.		
Significant Governance Issue AGS 2012/13 and Chief Internal Auditor's Annual Report 2012/13	The Council's position regarding £31m accumulated bad debts over the years, as well as the financial situation regarding income/debt recovery within the Department of Adult Social Services, has been identified and was subject to an independent investigation which has been reported to Cabinet. A plan and initial actions are in place to prevent future occurrence.	Director of Resources	External collection and recovery arrangements piloted July 2013, New assessment team in place August 2013, detailed project plan agreed by Cabinet May 2013.	End of September 2013	Debt Management DASS
Significant Governance Issue AGS 2012/13 and Chief Internal Auditor's Annual Report 2012/13 Peer challenge	Corporate and Departmental plans have lacked clear linkages and consistency, the aim being that the integration with Public Health will assist in improvements in timetabling, approvals, content and reporting. Steps must be taken to implement a robust performance management framework across the Council that is adhered to in practice. Peer Challenge states: '[Strengthening corporate support], along with a fresh approach to performance management, will we think support a new organisational culture we know you are keen to develop and embed. You appreciate that good performance management is a basic strength of a well-functioning organisation, and have started to develop a new approach that shifts the emphasis from 'performance measurement' to 'performance culture'. We encourage you to continue with this work at pace so that a new approach can be implemented.'	Head of Policy & Performance/ Director of Public Health	A project plan has been put in place to address issues identified as part of the performance management framework which is anticipated to encompass Corporate and Directorate Plans. It is envisaged this will be in place for the start of the business planning process for 2014/15 which will likely begin in October/November 2013.	By start of 2014/15	Corporate Plan Directorate Planning

Source	Governance Issue	Lead Officer	Actions Planned/ In Progress	Timescale	Internal Audit Planned Work
Significant Governance Issue AGS 2012/13 and Chief Internal Auditor's Annual Report 2012/13	There must be continued emphasis on the importance of corporate and departmental risk management throughout the Council. Risk management must be seen as an integral part of policy and performance processes. Steps must be taken to implement a robust risk management framework across the Council and which is adhered to in practice.	Strategic Director- Transformation & Resources	The latest Internal Audit Report was issued 4 July 2013. All actions have been agreed by Joe Blott, Strategic Director- Transformation & Resources, and Mike Lane, Risk & Insurance Officer, with a view to implementation by start of 14/15 (n.b. some recommendations can be and have been agreed to be implemented immediately or during 13/14). Revised corporate risk management policy and strategy documents are being developed and drafts are to be put to CESG for consideration by the end of September 2013.	By start of 2014/15	Risk Management
Significant Governance Issue AGS 2012/13 and Chief Internal Auditor's Annual Report 2012/13	It has been identified that the Council's policies on whistleblowing and grievances require improved communication across the organisation with clear responsibilities and consistent operation. It is important that employees are clearly made aware of how to raise a whistleblowing issue, and this should be publicised on a regular basis.	Head of Legal/ Member Services	Internal Audit Reports were issued regarding Confidential Reporting (Whistleblowing) and Grievances in June 2012. Report on Confidential Reporting issued July 2013. Recommendations relating to review of the policy, training and staff reminders have been agreed to, with the latest target implementation date being end of October 2013.	End of October 2013	Whistleblowing (Follow up)
Significant Governance Issue AGS 2012/13 and Chief Internal Auditor's Annual Report 2012/13	Mandatory training across the Council has proved difficult to monitor and control. It is important that any training requirements deemed to be mandatory, such as Equalities and Diversity, should be communicated to and undertaken by all employees, including officers who do not have computer access.	Head of Human Resources & OD	The Council, through its management re-structure, has in place a clear and consistent management hierarchy identified on the HR system. This allows improved targeting and follow-up of training. The Chief Executive's Strategy Group has identified mandatory management training, the uptake of which will be reported regularly. Delivery is from Sept	Programme launched September 2013	Annual Governance Statement Review

Source	Governance Issue	Lead Officer	Actions Planned/ In Progress	Timescale	Internal Audit Planned Work
			<p>2013 to August 2014. (This programme includes the Equality and Diversity modules).</p> <p>A risk register for all statutory and mandatory training will be completed by 30 September 2013.</p> <p>The OD function has completed the last stage of bringing together staff and is now working with one training system which has improved the organisational ability to monitor across all Directorates, therefore improving accountability.</p> <p>The re-launch and increased uptake of Performance Appraisal also increases the level of accountability for ensuring that mandatory training is completed and that the responsibility lies with line managers to ensure this is the case. Deadline for 2013 returns is 30 September 2013.</p>		
Chief Internal Auditor's Annual Report 2012/13	A number of external reviews conducted have identified some significant weaknesses in the governance arrangements currently in operation across the Council and have clearly indicated the need for significant change and improvement in many areas of the Council's activities.	Strategic Director-Transformation & Resources	The progress report summarises the actions taken to address the weaknesses identified in external reviews. A refreshed Code of Corporate Governance is being compiled, reflecting how governance structures are in place to guard against recurrence of significant weaknesses.	October 2013	External Assurances

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Core principle 1: Focusing on the purpose of the authority and on outcomes for the local community and creating and implementing a vision for the local area				
Sub principles	CIPFA - The code should reflect the requirement for local authorities to:	Source documents/good practice from CIPFA/SOLACE guidance.	Wirral source documents, good practice & evidence	Responsible officers
1. Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users	<p>Develop and promote the authority's purpose and vision</p> <p>Review on a regular basis the authority's vision for the local area and its impact on the Authority's governance arrangements</p> <p>Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties.</p> <p>Publish an annual report on a timely basis to communicate the authority's activities and achievements, its financial position and Performance.</p>	<p>Used as a basis for:</p> <ul style="list-style-type: none"> Corporate and service planning Shaping the community strategy Local area or performance agreements Governance code <p>Partnership protocol Governance code Annual financial statements Annual business plan</p>	<p>Corporate Plan & Directorate Plans</p> <p>Wirral 2030 Strategy</p> <p>Local Public Service Board and Terms of Reference</p> <p>Health and Wellbeing Board</p> <p>Public consultations</p> <p>Improvement Board and Plan</p> <p>Performance Management Framework</p>	Chief Executive / Council Leader
2. Ensuring that users receive a high quality of service whether directly, or in partnership or by commissioning.	<p>Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available.</p> <p>Put in place effective arrangements to identify and deal with failure in service delivery</p>	<p>This information is reflected in the authority's:</p> <ul style="list-style-type: none"> corporate plan annual business plan medium-term financial strategy resourcing plan <p>In order to ensure improvement.</p> <p>Complaints procedure</p>	<p>Performance management Framework</p> <p>Performance Dashboard</p> <p>Corporate Plan</p> <p>Medium Term Financial Strategy</p> <p>Complaints Procedure</p> <p>Customer Access Strategy</p>	<p>Head of Policy & Performance / Director of Public Health</p> <p>Director of Resources</p> <p>Head of Legal Services</p>
3. Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.	<p>Decide how value for money is to be measured and make sure that the authority or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies, plans and decisions.</p>	<p>Ensure that timely, accurate and impartial financial advice and information is provided to assist in decision making and to ensure that the Council meets its policy and service objectives and provides effective stewardship of public money and value for money in its use.</p> <p>Ensure that the Council maintains a prudent financial framework; keeps its commitments in balance with available resources; monitors income and expenditure levels to ensure that this balance is maintained and takes</p>	<p>Revenue Monitor</p> <p>Capital Monitor</p> <p>Annual Governance Report (to be Audit Findings Report from September 2013)</p> <p>Health economic evaluation of Public Health Commissioning Investment (e.g. cost benefit/outcomes of Weight Management and Drug & Alcohol services)</p> <p>Public Health prioritisation process</p>	Director of Resources

		corrective action when necessary. Ensure compliance with CIPFA's Code on a Prudential Framework for Local Authority Capital Finance and CIPFA's Treasury management Code.		
Core principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles				
Sub principles	CIPFA - The code should reflect the requirement for local authorities to:	Source documents/good practice from CIPFA/SOLACE guidance.	Wirral source documents, good practice & evidence	Responsible officers
1. Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of members and officers are carried out to a high standard.	<p>Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the authority's approach towards putting this into practice</p> <p>Set out a clear statement of the respective roles and responsibilities of other authority members, members generally and senior officers.</p>	<p>Ensure that the CFO reports directly to the chief executive and is a member of the leadership team with a status at least equivalent to other members. If different organisational arrangements are adopted, explain the reasons publicly, together with how these deliver the same impact.</p> <p>Constitution</p> <p>Record of decisions and supporting materials</p>	<ul style="list-style-type: none"> • Council Constitution • Scheme of Delegation / Member officer protocol • Record of decisions and supporting materials <p>Role of the ward councillor</p>	Head of Legal Services
2. Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.	<p>Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the authority, taking account of relevant legislation, and ensure that it is monitored and updated when required</p> <p>Make a chief executive or equivalent responsible and accountable to the authority for all aspects of operational management.</p> <p>Develop protocols to ensure that the leader and Chief Executive (or equivalent) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained</p> <p>Make a senior officer (the S151 officer) responsible to the authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective</p>	<p>Constitution</p> <p>Ensure that the Council's governance arrangements allow the CFO direct access to the CEO and to other leadership team members.</p> <p>New Chief Executive and leader pairing consider how best to establish and maintain effective communication</p> <p>Appoint a professionally qualified CFO whose core responsibilities include those set out in the Statement on the Role of the CFO in Local Government and ensure that they are properly understood throughout the authority.</p> <p>Ensure that the CFO:</p> <ul style="list-style-type: none"> • Leads the promotion and delivery by the whole organisation of good financial management so that public 	<ul style="list-style-type: none"> • Revised Scheme of Delegation • Protocol for delegated decisions. <p>Revised Member Decision-Making process (agreed between Chief Executive and Leader).</p> <p>Job Descriptions / specification for Section 151 Officer and Monitoring Officer</p> <p>Performance management and appraisal framework</p> <p>Publication of annual budget and accounts</p> <p>Internal audit reports</p> <p>Contract Procedure Rules and Financial</p>	<p>Head of Legal Services</p> <p>Head of HR</p> <p>Head of HR</p> <p>Director of Resources</p> <p>Chief Internal Auditor</p> <p>Director of resources</p>

	<p>system of internal financial control.</p> <p>Make a senior officer (usually the monitoring officer) responsible to the authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with</p>	<p>money is safeguarded at all times and used appropriately, economically, efficiently and effectively.</p> <ul style="list-style-type: none"> Has a line of professional accountability for finance staff through out the organisation <p>Ensure that budget calculations are robust and reserves adequate, in line with CIPFA's guidance.</p> <p>Ensure that appropriate management accounting systems, functions and controls should apply consistently to all activities including partnership arrangements, outsourcing or where the authority is acting in an enabling role.</p> <p>Monitoring officer provisions Statutory provision Job description/specification</p>	<p>Regulations</p> <p>Senior Management Structure</p>	<p>Chief Executive</p>
<p>3. Ensuring relationships between the authority, its partners and the public are clear so that each knows what to expect of the other</p>	<p>Develop protocols to ensure effective communication between members and officers in their respective roles</p> <p>Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective remuneration panel (if applicable)</p> <p>Ensure that effective mechanisms exist to monitor service delivery.</p> <p>Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.</p> <p>When working in partnership ensure that members are clear about their roles and responsibilities both individually and</p>	<p>Member/officer protocol</p> <p>Pay and conditions policies and practices</p> <p>Establish a medium term business and financial planning process to deliver strategic objectives including:</p> <ul style="list-style-type: none"> A medium term financial strategy to ensure sustainable finances A robust annual budget process that ensures financial balance A monitoring process that enables this to be delivered <p>Ensure that these are subject to regular review to confirm the continuing relevance of assumptions used.</p> <p>Protocols for partnership working. For</p>	<p>Member Officer Protocol Revised Member Decision-Making process (agreed between Chief Executive and Leader).</p> <p>Terms & Conditions</p> <p>Performance Management Framework Annual corporate planning process</p> <p>Medium Term Financial Strategy Annual Budget setting process Budget monitors</p> <p>Annual public consultation process</p>	<p>Head of Legal Services Chief Executive</p> <p>Head of HR</p> <p>Head Of Policy & Performance / Director of Public Health</p> <p>Director of Resources</p> <p>Head of Neighbourhoods & Engagement</p>

	<p>collectively in relation to the partnership and to the authority</p> <p>When working in partnership: Ensure that there is clarity about the legal status of the partnership Ensure that representatives or organizations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.</p>	<p>each partnership there is:</p> <ul style="list-style-type: none"> • a clear statement of the partnership principles and objectives • clarity of each partner's role within the partnership • definition of roles of partnership board members • line management responsibilities for staff who support the partnership • a statement of funding sources for joint projects and clear accountability for proper financial administration • a protocol for dispute resolution within the partnership 	<p>Annual JSNA consultation process (identification of key issues)</p> <p>Partnership Register Partnership Protocol Partnership Toolkit</p> <p>Terms of Reference – Local Public Service Board and Health and Wellbeing Board</p> <p>Independent Remuneration Panel</p>	<p>Head of Policy & Performance / Director of Public Health</p> <p>Head of Legal Services</p> <p>Head of Policy & Performance / Director of Public Health</p>
Core Principle 3: Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour				
Sub principles	CIPFA - The code should reflect the requirement for local authorities to:	Source documents/good practice from CIPFA/SOLACE guidance.	Wirral source documents, good practice & evidence	Responsible officers
1. Ensuring authority Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.	<p>Ensure that the authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect.</p> <p>Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the authority, its partners and the community are defined and communicated through codes of conduct and protocols</p> <p>Put in place arrangements to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.</p>	<p>Members'/officers' code of conduct Performance management system Performance appraisal Complaints procedures Anti-fraud and -corruption policy Member/officer protocol</p> <p>Standing orders Codes of conduct Financial regulations</p>	<ul style="list-style-type: none"> • Members code of conduct • Officers code of conduct • Member/officer protocol <ul style="list-style-type: none"> • Performance appraisal process • Anti-bribery policy • Anti-money laundering policy • Anti fraud and corruption Strategy/mandatory e-learning <ul style="list-style-type: none"> • Complaints procedure <ul style="list-style-type: none"> • Declarations of interest • Politically restricted posts. <p>Public access to meetings and minutes</p> <p>Customer Access Strategy</p> <p>ICT Security Policy</p> <p>Harassment Policy</p>	<p>Chief Executive / Leader Head of Legal Services</p> <p>Head of Policy & Performance / Director of Public Health Head of HR Director of Resources</p> <p>Head of Legal Services</p> <p>Head of HR</p>

			EIA Toolkit Freedom of Information Contract Procedure Rules Fraud Investigation Plan	
2. Ensuring that organisational values are put into practice and are effective	<p>Develop and maintain shared values including leadership values for both the organization and staff reflecting public expectations and communicate these with members, staff, the community and partners.</p> <p>Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.</p> <p>Develop and maintain an effective standards Committee.</p> <p>Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the authority</p> <p>In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.</p>	<p>Codes of conduct</p> <p>Ensure that systems and processes for financial administration, financial control and protection of the authority's resources and assets are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice.</p> <p>Terms of reference Regular reporting to the council</p> <p>Decision-making practice</p> <p>Protocols for partnership working</p>	<p>Vision and values.</p> <p>Monthly capital and revenue monitoring reports.</p> <p>Regular reports to council.</p> <p>Member / Officer Code of Conduct</p> <p>Standards and Constitutional Oversight Committee</p> <p>Constitution / Scheme of Delegation</p> <p>Partnership protocol and Register</p>	<p>Chief Executive / Council Leader</p> <p>Director of Resources</p> <p>Chief Executive / Council Leader</p>
Core Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk				
Sub principles	CIPFA - The code should reflect the requirement for local authorities to:	Source documents/good practice from CIPFA/SOLACE guidance.	Wirral source documents, good practice & evidence	Responsible officers
1. Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny	<p>Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall and that of any organisation for which it is responsible</p> <p>Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are</p>	<p>Ensure an effective internal audit function is resourced and maintained.</p> <p>Decision-making protocols record of decisions and supporting materials</p> <p>Members' code of conduct</p>	<p>Modgov system</p> <p>Delegated portfolio holder decision template</p> <p>Members' code of conduct</p> <p>Officers' code of conduct</p>	Head of Legal Services

	<p>based</p> <p>Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice</p> <p>Develop and maintain an effective audit committee (or equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee</p> <p>Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints</p>	<p>Terms of Reference Membership</p> <p>Training for committee members</p> <p>Complaints procedure</p>	<p>Conflict of interest annual declaration.</p> <p>Audit & Risk Management Committee Terms of Reference.</p> <p>Complaints Procedure.</p> <p>Policy and Performance Committees – scrutiny</p> <p>Public access to meetings and minutes</p> <p>ARMC Annual Self Assessment against “A toolkit for Local Authority Audit Committees”</p>	Head of Legal and Member Services
2. Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs	<p>Ensure that those making decisions whether for the authority or the partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications</p> <p>Ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately.</p>	<p>Ensure the provision of clear, well presented, timely, complete and accurate information and reports to budget managers and senior officers on the budgetary and financial performance of the authority.</p> <p>Record of decision making and supporting materials.</p>	<p>Monthly Capital and Revenue Monitoring Reports</p> <p>Web based JSNA (continuously updated in partnership with key stakeholders)</p> <p>Corporate Plan</p> <p>Directorate Plans</p> <p>Performance Management Framework</p> <p>Constitution</p>	Head of Legal Services
3. Ensuring that an effective risk management system is in place	<p>Ensure that risk management is embedded into the culture of the authority, with members and managers at all levels recognising that risk management is part of their jobs</p> <p>Ensure that arrangements are in place for whistle-blowing to which staff and all those contracting with the authority have access</p>	<p>Ensure the authority’s arrangements for financial and internal control and for managing risk are addressed in annual governance reports.</p> <p>Ensure the authority puts in place effective internal financial controls covering codified guidance, budgetary systems, supervision, management review and monitoring, physical safeguards, segregation of duties, accounting procedures, information systems and authorisation and approval process.</p>	<p>Risk Management Policy and Strategy</p> <p>Corporate, Directorate and Programme / Project Risk Registers</p>	<p>Director of Resources</p> <p>Strategic Directors, Directors, Heads of Services and Project Managers</p>

		Whistle-blowing policy	Whistle-blowing Policy Risk Assessments Health and Safety Business Continuity Plans Responses to internal and external reviews	Head of HR
4. Using their legal powers to the full benefit of the citizens and communities in their area	Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine but also strive to utilise powers to the full benefit of their communities	Constitution Monitoring officer provisions Statutory provision	Constitution Scheme of Delegation	Head of Legal Services
	Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on local authorities by public law Observe all specific legislative requirements placed upon them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into their procedures and decision-making processes.	Monitoring officer provisions Job description/specification Statutory provision	Monitoring officer provisions Job description/specification Statutory provision	Head of HR
Core Principle 5: Developing the capacity and capability of members and officers to be effective				
Sub principles	CIPFA - The code should reflect the requirement for local authorities to:	Source documents/good practice from CIPFA/SOLACE guidance.	Wirral source documents, good practice & evidence	Responsible officers
1. Making sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles	Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the authority	Training and development plan Induction programme Update courses/information Ensure the CFO has the skills, knowledge, experience and resources to perform effectively in both the financial and non financial areas of their role. Review the scope of the CFO's other management responsibilities to ensure financial matters are not compromised.	<ul style="list-style-type: none"> Elected Member / Officer induction programmes. Elected Member Training & Development Programme Skills for Wirral training programme Performance appraisal	Head of HR

		Provide the finance function with the resources, expertise and systems necessary to perform its role effectively.		
2. Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group	<p>Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively.</p> <p>Develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</p> <p>Ensure that effective arrangements are in place for reviewing the performance of the executive as a whole and of individual members and agreeing an action plan which might, for example, aim to address any training or development needs</p>	<p>Embed financial competencies in person specifications and appraisals</p> <p>Ensure that councillors' roles and responsibilities for monitoring financial performance/budget management are clear, that they have adequate access to financial training on an ongoing basis to help them discharge their responsibilities.</p>	<p>Skills for Wirral Managers</p> <p>Elected Member Training & Development Programme</p> <p>Skills for Wirral Managers</p> <p>Performance management and appraisal system</p>	
3. Encouraging new talent for membership of the authority so that best use can be made in individuals' skills and resources in balancing continuity and renewal	<p>Ensure that effective arrangements designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the authority</p> <p>Ensure that career structures are in place for members and officers to encourage participation and development</p>	<p>Strategic partnership framework</p> <p>Stakeholders' forums' terms of reference</p> <p>Area forums' roles and responsibilities</p> <p>Residents' panel structure</p> <p>Succession planning</p>	<p>Local Public Service Board Terms of Reference.</p> <p>Workforce Planning strategy</p> <p>Health and Wellbeing Board</p> <p>Public consultations</p> <p>What Really Matters consultation</p> <p>Corporate Plan</p> <p>Older People's Parliament</p> <p>Youth forums</p>	
Core Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability				
Sub principles	CIPFA - The code should reflect the requirement for local authorities to:	Source documents/good practice from CIPFA/SOLACE guidance.	Wirral source documents, good practice & evidence	Responsible officers
1. Exercising leadership through a robust scrutiny function which effectively engages local people and	<p>Make clear to themselves, all staff and the community to whom they are accountable and for what</p>	<p>Community Strategy</p>	<p>Health and Wellbeing Board</p> <p>Corporate and Directorate Plans</p>	<p>Chief Executive</p>

all local institutional stakeholders, including partnerships, and develops constructive and accountability relationships	<p>Consider those institutional stakeholders to whom the authority is accountable and assess the effectiveness of the relationships and any changes required</p> <p>Produce an annual report on the activity of the scrutiny function</p>	Annual report	<p>Neighbourhood working</p> <p>Policy Council</p> <p>Updates reports on work programmes re. scrutiny</p>	Head of Policy & Performance / Director of Public Health
2. Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.	<p>Ensure that clear channels of communication are in place with all sections of the community and other stakeholders, and put in place monitoring arrangements to ensure that they operate effectively.</p> <p>Hold meetings in public unless there are good reasons for confidentiality.</p> <p>Ensure that arrangements are in place to enable the authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands</p> <p>Establish a clear policy on the types of issues they will meaningfully consult on or engage with the public and service users about including a feedback mechanism for those consultees to demonstrate what has changed as a result</p> <p>On an annual basis, publish a performance plan giving information on the authority's vision, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period</p> <p>Ensure that the authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so</p>	<p>Community strategy Processes for dealing with competing demands within the community</p> <p>Community strategy Processes for dealing with competing demands within the community</p> <p>Community strategy Processes for dealing with competing demands within the community</p> <p>Partnership Framework</p> <p>Communication Strategy</p> <p>Annual report Annual financial statements Corporate plan Annual business plan</p> <p>Constitution</p>	<p>Communications & engagement strategy</p> <p>Corporate Equality and Cohesion; Strategy</p> <p>What Really Matters consultation</p> <p>Corporate plan Statement of Accounts</p> <p>LSPB</p> <p>Constituency Committees</p> <p>FOI Act</p> <p>EIA's as part of committee reports</p> <p>Investment Strategy Board</p>	<p>Head of Neighbourhoods & Engagement –</p> <p>Head of Policy & Performance / Director of Public Health</p> <p>Head of Neighbourhoods & Engagement</p>

			<p>Older People's Parliament</p> <p>Youth forums</p> <p>Customer Access Strategy</p> <p>Whistleblowing</p> <p>Corporate complaints</p>	
<p>3. Making best use of human resources by taking an active and planned approach to meet responsibility to staff.</p>	<p>Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.</p>	<p>Constitution</p>	<p>Constitution</p> <p>Joint Consultative Committee</p> <p>Consultation and Negotiation Policy</p> <p>Staff Surveys</p>	<p>Head of HR</p>

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT	STATEMENT OF ACCOUNTS 2012/13
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1. The Council Constitution allocates responsibility for the approval of the Statement of Accounts to the Audit & Risk Management Committee. The draft Statement for 2012/13 was published on 28 June 2013 and was then subject to audit. Grant Thornton, the Councils' External Auditors, presented their findings, within the Audit Findings Report (AFR) to Audit & Risk Management Committee on 18 September 2013. The Statement of Accounts 2012/13 was published on 30 September 2013 – the statutory deadline for publication.
- 1.2 The Statement of Accounts includes the Merseyside Pension Fund (MPF) accounts as Wirral Council is the Administering Authority for MPF. As the MPF receives a separate Audit Findings Report this was considered by Pensions Committee on 16 September 2013 and Audit & Risk Management Committee on 18 September 2013 as part of approving the Accounts.

2.0 BACKGROUND AND KEY ISSUES

INTRODUCTION

- 2.1 The purpose of the Statement of Accounts is to present the overall financial position of the Council at 31 March 2013 in accordance with prescribed guidance – the Code of Practice on Local Authority accounting in the United Kingdom (the Code). This is updated annually and specifies the accounting principles and practices required to prepare a Statement of Accounts which present a true and fair view of the financial position.
- 2.2 The Accounts and Audit Regulations 2003, as amended in 2011, state that the Statement of Accounts must be approved by an appropriate Committee no later than 30 September. The Chief Finance Officer was required to certify the Accounts by 30 June 2013. On 28 June 2013 the Accounts were certified and made publicly available with copies issued to all Members of the Audit & Risk Management Committee.
- 2.3 On 12 August 2013 a briefing session was held for Members of the Audit & Risk Management Committee with the session open to all Members of the Council entitled 'Understanding the Council's published final accounts'. The session included:-
- Overview and role of the Audit & Risk Management Committee which included legal requirements, roles, responsibilities and the process.

- Statement of Accounts 2012/13 which included a review of the contents, a focus of the Financial Statements and highlights of the key areas.
 - Changes in 2012/13 which covered the revisions to the accounts due to regulations and accounting standards.
 - A question and answer session.
 - Overview of the Merseyside Pension Fund accounts for 2012/13 based on the more detailed presentation to Pensions Committee.
- 2.4 The Accounts published at 28 June 2013 were subject to audit. Under the Audit Commission Act 1998, and the Audit Commission Code of Audit Practice for Local Government, Grant Thornton report on the financial statements. As stipulated by the Regulations, these are to be reported and published by 30 September 2013.

AMENDMENTS TO THE STATEMENT OF ACCOUNTS

- 2.5 The amendments to the financial statements requested by the Auditor are detailed in the Audit Findings Report. One item identified was not adjusted in 2012/13 but will be in 2013/14. This related to land at Bidston Moss valued at £1.2 million which was no longer owned by the Council. This is being adjusted in the 2013/14 Statement of Accounts as it has no impact on the level of financial resources available to the Council.
- 2.6 The financial position of the Council is therefore as reported to Cabinet on 13 June 2013 and the year-end balances of £17.2 million which was in excess of the £13.6 million requirement and close to the target figure for General Fund balances of £17.7 million for 2014/15.

AUDITOR'S REPORT AND OPINION

- 2.7 Audit & Risk Management Committee on 18 September 2013 considered the Audit Findings Report issued by Grant Thornton and, given that work was on-going; delegated to the Chair of the Committee and the Interim Director of Resources authority to finalise the Statement of Accounts 2012/13. An update report is to be presented to the Committee in November.
- 2.8 The Audit Opinion was issued on 30 September 2012. This stated that the financial statements give a true and fair view of the financial position of the Council at 31 March 2013 and of its expenditure and income for the year and that they have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.
- 2.9 Besides commenting on the Financial Statements Grant Thornton also report on 'Matters by exception'. Grant Thornton reported an adverse conclusion on the Councils' arrangements for securing economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2013.
- 2.10 The Financial Resilience Report expanded on these issues and whilst there was an adverse (red) rating Grant Thornton recognised the progress made by the Council during 2012/13 with the Direction of Travel being rated as 'amber'. It should be borne in mind that the conclusion is based on the arrangements that were in place throughout the full year.

ANNUAL GOVERNANCE STATEMENT (AGS)

- 2.11 This Statement is the subject of a separate report on this agenda and, although not required to be included in the Statement of Accounts, is included as it shows how the Council has ensured the effectiveness of its systems for ensuring that it operates legally and that public money is properly used and accounted for. The agreed AGS was included within the Statement Of accounts published on 30 September 2013.

3.0 RELEVANT RISKS

- 3.1 Grant Thornton identified a number of concerns in their report. If not addressed by the Council then there are potential risks that the Council will not be able to meet its statutory requirements in respect of the Statement of Accounts. There are also concerns relating to Value for Money and Financial Resilience of the Council.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The Statement of Accounts has to be produced in accordance with statutory guidance and the Statement is then subject to review by the appointed Auditor.

5.0 CONSULTATION

- 5.1 There has been no specific consultation in respect of this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 There are none arising directly from this report.

7.0 RESOURCE IMPLICATIONS

- 7.1 The amendments to the Statement of Accounts 2012/13 have not changed the level of General Fund balance or reserves and provisions at 31 March 2013 which remain as reported to Cabinet on 13 June 2013.
- 7.2 In previous years the reports by the External Auditor made reference to the adequacy of the resources within the Financial Services Division. During 2012/13 competing pressures including early work on future budgets and further reductions in staffing meant resources to support the production of the Statement of Accounts were reduced. Whilst the Accounts for 2012/13 were completed on time, this proved particularly challenging and the capacity plus competing demands impacted upon the progress of the year end process so capacity continues to remain an issue for the future.
- 7.3 There are no IT or asset implications arising from this report.

8.0 LEGAL IMPLICATIONS

- 8.1 It is a legal requirement to publish the Statement of Accounts by 30 September 2013.

9.0 EQUALITIES IMPLICATIONS

- 9.1 There are no equality implications arising directly from the production of the Statement of Accounts so an Equality Impact Assessment (EIA) is not required. If requested then arrangements can be made to provide the Accounts in both different languages and formats.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 There are none arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are none arising directly from this report.

12.0 RECOMMENDATIONS

- 12.1 That Cabinet note the Statement Of Accounts 2012/13 and the Audit Report issued by Grant Thornton.
- 12.2 That progress on delivering the actions identified in the Audit Findings Report be monitored by Audit & Risk Management Committee.

13.0 REASON FOR RECOMMENDATIONS

- 13.1 Audit & Risk Management Committee has responsibility for approving the Statement of Accounts on behalf of the Council which is a requirement under the Accounts and Audit Regulations 2003, as amended in 2011.

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APPENDICES

Independent Auditor's Report issued by Grant Thornton 30 September 2013.

Note : Statement of Accounts 2012/13 - as the document is in excess of 190 pages it has not been appended but can be accessed via the Council web-site.

BACKGROUND PAPERS

Audit Findings Report for Wirral Council issued by Grant Thornton September 2013.
 Review Of Wirral Council's Arrangements For Securing Financial Resilience issued by Grant Thornton September 2013.

REFERENCE MATERIAL / SUBJECT HISTORY

Council Meeting	Date
Audit & Risk Management Committee Audit Commission Annual Governance Report - Merseyside Pension Fund Merseyside Pension Fund Accounts 2011/12 Audit Commission Annual Governance Report – - Wirral Council Statement of Accounts 2011/12	19 September 2012
Audit & Risk Management Committee Grant Thornton Audit Findings Report - Merseyside Pension Fund Merseyside Pension Fund Accounts 2012/13 Grant Thornton Audit Findings Report - Wirral Council Statement of Accounts 2012/132 Grant Thornton Financial Resilience Report	18 September 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIRRAL COUNCIL

Opinion on the Authority financial statements

We have audited the financial statements of Wirral Council for the year ended 31 March 2013 under the Audit Commission Act 1998. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Collection Fund and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

This report is made solely to the members of Wirral Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Director of Resources (Interim) and auditor

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the Director of Resources (Interim) is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Director of Resources (Interim); and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Wirral Council as at 31 March 2013 and of its expenditure and income for the year then ended; and

- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007;
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998;
- we designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Authority to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

We are currently considering a matter raised by local electors and will be unable to formally conclude the audit and issue an audit certificate until this matter has been concluded.

Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Authority and the auditor

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

We report if significant matters have come to our attention which prevent us from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in November 2012, as to whether the Authority has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2013.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Basis for adverse conclusion

In seeking to satisfy ourselves that the Council has made proper arrangements for securing financial resilience, we have considered the following matters:

- There were weaknesses in leadership and financial governance during the year that diverted action from delivering improvement; for part of the year there were significant capacity issues at senior officer level, the s151 officer did not sit on the management team and there were three different chief finance officers/s151 officers between the start of April and mid-October.
- The Corporate Plan was subject to significant review and change, impacting adversely on the Authority's ability to plan and prioritise over the medium to longer term. The plan was not underpinned by a robust medium term financial plan that clearly set out how the Council would address the projected shortfall of around £100 million for the period 2012– 2015 or the £17m potential overspend identified at month three.
- The Authority acknowledged that there had been under budgeting issues for a number of years and savings plans were not robust, resulting in substantial year end overspends mainly funded by one off non-recurring income or savings. There has been regular use of reserves to fund recurrent expenditure as well as weaknesses in forecasting capital expenditure and an expenditure freeze was implemented to secure balance by the end of the year.
- The 2012/13 budget planning assumptions, scenario planning and risk management were not robust and this has had a significant impact on financial plans going forward.

In seeking to satisfy ourselves that the Council has made proper arrangements for challenging how it secures economy, efficiency and effectiveness, we have considered the following matters:

- For much of the year there was a lack of clarity about the Council's strategic priorities resulting in a lack of a strategic approach to challenging spend and considering how spending matches the priorities of the Authority.

- Performance management and risk management arrangements were reviewed by Internal Audit during the year and given 'limited assurance'.
- The strategic change programme was not linked to the wider savings programme and neither were delivered as planned. In the early part of the year there was a lack of impetus on decision-making and as a result the Authority was unable to demonstrate that there was an increase in productivity and better output from more limited resources.

These issues are acknowledged in the Authority's Improvement Plan and Annual Governance Statement.

Adverse conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in November 2012, the matters reported in the basis for adverse conclusion paragraph above prevent us from being satisfied that in all significant respects Wirral Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2013.

Report by exception

The Audit Commission's guidance also requires us to report by exception on any other significant additional matters that come to our attention and which we consider to be relevant to proper arrangements to secure economy, efficiency and effectiveness in the use of resources. Such matters have come to our attention relating to significant weaknesses in the Authority's arrangements for:

- promoting and demonstrating the principles and values of good governance; and
- managing risks and maintaining a sound system of internal control.

The Council has yet to fully address the corporate governance weaknesses which have been repeatedly identified in respect of key issues such as whistleblowing, conflicts of interest, compliance with procedures, risk management, Internal Audit and providing value for money. In addition there is a high incidence of non-compliance with procedures. We continue to receive a number of questions and concerns raised by members of the public.

Without good governance, risk increases and priorities may not be achieved.

There were weaknesses in corporate arrangements for risk management, compliance with policies, procedures and internal control. Arrangements for the assurance of the systems of internal control were not adequate or effective and this was reflected in the Internal Audit annual report and the Council's Annual Governance Statement.

Without sound arrangements risks cannot be managed to a reasonable level and resources may not be used effectively to deliver value for money.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have:

- completed our consideration of matters brought to our attention by local authority electors; and
 - completed our work on the Council's Whole of Government Accounts.
- We are satisfied that these matters do not have a material effect on the financial statements or a significant impact on our value for money conclusion.

Michael Thomas

Director

for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Royal Liver Building, Liverpool, L3 1PS

30 September 2013

The signed version of this report is available from the Director of Resources for Wirral Council, PO Box No 2, Treasury Building, Cleveland Street, Birkenhead, Wirral, CH41 6BU

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIRRAL COUNCIL

Opinion on the pension fund financial statements

We have audited the pension fund financial statements of Merseyside Pension Fund for the year ended 31 March 2013 under the Audit Commission Act 1998. The pension fund financial statements comprise the Fund Account, the Net Assets Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

This report is made solely to the members of Wirral Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Director of Resources (Interim) and auditor

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the Director of Resources (Interim) is responsible for the preparation of the Authority's Statement of Accounts, which includes the pension fund financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the pension fund financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Director of Resources (Interim); and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Opinion on the pension fund financial statements

In our opinion the pension fund's financial statements:

- give a true and fair view of the financial transactions of the pension fund during the year ended 31 March 2013 and the amount and disposition of the fund's assets and liabilities as at 31 March 2013, other than liabilities to pay pensions and other benefits after the end of the scheme year; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

Michael Thomas

Director

for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Royal Liver Building, Liverpool, L3 1PS

30 September 2013

The signed version of this report is available from the Director of Resources for Wirral Council, PO Box No 2, Treasury Building, Cleveland Street, Birkenhead, Wirral, CH41 6BU

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT	TREASURY MANAGEMENT ANNUAL REPORT 2012/13
WARD/S AFFECTED	ALL
REPORT OF	ACTING DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report presents a review of Treasury Management activities in 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.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Treasury management is defined as: “The management of the local authority investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 2.2 The Council has adopted the CIPFA Code of Practice on Treasury Management. This requires public sector authorities to determine an annual Treasury Management Strategy and as a minimum, formally report on their treasury activities and arrangements in 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. They also enable those with responsibility/governance of the treasury management function to scrutinise and assess its effectiveness and compliance with policies and objectives.
- 2.3 Cabinet approves the Treasury Management Strategy at the start of each financial year. This identifies how it is proposed to finance capital expenditure, borrow and invest in the light of capital spending requirements, the interest rate forecasts and the expected economic conditions. During the year Cabinet receives a quarterly monitoring report on treasury management activities and at the end of each financial year this Annual Report. Scrutiny of treasury policy, strategy and activity is delegated to the Transformation & Resources Policy and Performance Committee.

ECONOMIC BACKGROUND

- 2.4 The global outlook stabilised mainly due to central banks maintaining low interest rates and expansionary monetary policy for an extended period.

Equity market assets recovered sharply with the FTSE 100 registering a 9.1% increase over the year. This was despite economic growth in G-7 nations remaining low. Aided by the summer Olympic Games, growth registered at 0.2% over the calendar year 2012. The expected boost to net trade from the fall in the value of sterling did not materialise, but raised the price of imports, especially low margin goods such as food and energy. Avoiding a 'triple-dip' recession became contingent on upbeat services sector surveys translating into sufficient economic activity to overhaul contractions in the struggling manufacturing and construction sectors.

- 2.5 During 2012-13 inflation remained above the Bank of England's 2% CPI target (the official measure). Household financial conditions and purchasing power were constrained as wage growth remained subdued at 1.2% and was outstripped by inflation. Annual CPI dipped below 3%, falling to 2.4% in June before ticking up to 2.8% in February 2013. Higher food and energy prices and higher transport costs were some of the principal contributors to inflation remaining.
- 2.6 The Bank of England's Monetary Policy Committee maintained the status quo on the Bank Rate as the lack of growth and the fall in inflation were persuasive enough for the Bank of England to continue with a Bank Rate at 0.5% and also sanction additional £50 billion Quantitative Easing (QE) in July, taking total QE to £375 billion.
- 2.7 With the national debt metrics out of kilter with a triple-A rating, it was not surprising that the UK's sovereign rating was downgraded by Moody's to Aa1. The AAA status was maintained by Fitch and S&P, albeit with a Rating Watch Negative and with a Negative Outlook respectively
- 2.8 The government's Funding for Lending (FLS) initiative commenced in August which gave banks access to cheaper funding on the basis that it would then result in them passing this advantage to the wider economy. There was an improvement in the flow of credit to mortgagees, but was still below expectation for Small/Medium Enterprises.
- 2.9 One direct consequence of the Funding for Lending Scheme was the sharp drop in rates at which banks borrowed from local government. 3-month, 6-month and 12-month Libid rates which were 1%, 1.33% and 1.84% at the beginning of the financial year fell to 0.44%, 0.51% and 0.75% respectively. Gilt yields ended the year lower than the start in April. By September the 2-year gilt yield had fallen to 0.06%, raising the prospect that short-dated yields could turn negative. 10-year yields fell by nearly 0.5% ending the year at 1.72%.
- 2.10 The Euro region suffered a further period of stress when Italian and Spanish government borrowing costs rose sharply and Spain was also forced to officially seek a bailout for its domestic banks. Markets were calmed after the ECB's declaration that it would do whatever it takes to stabilise the Eurozone and the central bank's announcement in September of its Outright Monetary Transactions (OMT) facility, buying time for the necessary fiscal adjustments required. Neither the Italian elections which resulted in political gridlock nor

the bailout of Cyprus which necessitated 'bailing-in' non-guaranteed depositors proved sufficient for a market downturn. Growth was hindered by the rebalancing processes under way in the Euro region economies, most of which contracted in Q4 2012.

INVESTMENT ACTIVITY

- 2.11 The Department for Communities and Local Government (DCLG) issued revised Investment Guidance which came into effect on 1 April 2010 and reiterated the need to **focus on security and liquidity, rather than yield**. It also recommended that strategies include details of assessing credit risk, reasons for borrowing in advance of need and the use of treasury advisers.
- 2.12 The opening and closing investment portfolio for 2012/13:-

INVESTMENTS	Balance at 31 March 2012 £m	%	Balance at 31 March 2013 £m	%
<u>Current Assets (Cash Equivalents)</u>				
Loans and Receivables - Specified	15	15	14	20
Available for sale financial assets - Specified	19	18	0	0
<u>Current Assets (Short Term Investments)</u>		-		
Loans and Receivables - Specified	37	36	35	49
Available for sale financial assets - Specified	1	1	8	11
<u>Long Term Investments</u>		-		
Loans and Receivables - Non Specified	23	22	14	20
Available for sale financial assets - Non Specified	8	8	0	0
TOTAL INVESTMENTS	103		71	

- 2.13 A breakdown of investments and the movement throughout the year is provided below:

Investments with:	30 Jun 12 £m	30 Sep 12 £m	31 Dec 12 £m	31 Mar 13 £m
UK Banks	36	47	47	25
UK Building Societies	0	0	2	2
Money Market Funds	41	22	4	0
Other Local Authorities	35	36	39	36
Gilts and Bonds	8	8	8	8
TOTAL	120	113	100	71

- 2.14 Security of capital remained the main investment objective. This was maintained by following the counterparty policy as set out in the Treasury Management Strategy Statement for 2012/13. Investments included:-
- Deposits with other Local Authorities.
 - Investments in AAA-rated Stable Net Asset Value Money Market Funds.
 - Call accounts and deposits with UK Banks.
 - Bonds issued by Multilateral Development Banks.
 - Pooled funds (collective investment schemes) meeting the criteria in SI 2004 No 534 and subsequent amendments.
- 2.15 Counterparty credit quality was assessed and monitored with reference to credit ratings (minimum long-term counterparty rating of A- across all three rating agencies, Fitch, S&P and Moody's); credit default swaps; GDP of the country in which the institution operates; the country's net debt as a percentage of GDP; any potential support mechanisms and share price. Counterparty credit quality has progressively strengthened throughout the year. In June 12 Moody's downgraded a swathe of banks with global capital market operations, including the UK banks on the Council's lending list - Barclays, HSBC, Royal Bank of Scotland/Natwest, Lloyds TSB Bank/Bank of Scotland, Santander UK plc – but none of the ratings fell below the Council's minimum A- credit rating threshold.
- 2.16 In keeping with the DCLG Guidance on Investments, the Council maintained a sufficient level of liquidity through the use of Money Market Funds and the use of call accounts.
- 2.17 The Council sought to optimise returns commensurate with the objectives of security and liquidity. The Council considered an appropriate risk management response to uncertain and deteriorating credit conditions in Europe was to shorten maturities for new investments. Short term money market rates also remained at very low levels which had a significant impact on investment income. Income earned on longer-dated investments made previous years provided some cushion against the low interest rate environment.
- 2.18 In respect of Icelandic investments the Council had £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 Wirral Council had acted, and continues to act, prudently and properly in all its investment activities.
- 2.19 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 2012/13 and the final recovery could be higher. To date, over £1.6 million has been received. However, it should be noted that the amount and timing of future payments are estimates and are not definitive. Favourable changes in market conditions could lead to higher than estimated repayments.

- 2.20 In summary the budgeted investment income for the year had been estimated at £0.86 million and the actual interest earned was £1.1 million with this additional £0.24 million principally due to:-
- Average investment balances during the year being higher than originally budgeted which was mainly due to slippage in capital expenditure;
 - Continuing proactive daily cash flow management by the Treasury Management Team.
- 2.21 The average return on investments for 2012/13 was 0.79%. To place this in context, in 2012/13 the average Bank of England base rate was 0.5%.

BORROWING ACTIVITY

- 2.22 The underlying need to borrow as measured by the Capital Financing Requirement (CFR) as at 31 March 2013 was estimated at £367 million. This compares with the total external debt of £306 million.

	Balance on 31-Mar-12 £m	Debt Maturing £m	New Borrowing £m	Balance on 31-Mar-13 £m
CAPITAL FINANCING REQUIREMENT (CFR)	378			367
PWLB borrowing	90	14		76
Market borrowing	174	3		171
Total Borrowing	264	17	0	247
Other Long Term Liabilities	62	3		59
TOTAL EXTERNAL DEBT	326	20	0	306

- 2.23 The average rate of interest paid on Council borrowings as at 31 March 2013 was 5.8%. The average life of Council borrowings is 25 years.
- 2.24 The PWLB remained the preferred source of borrowing given the transparency and control that this continues to provide. In 2012/13 no new loans were raised.
- 2.25 Given the significant cuts to local government funding putting pressure on Council finances, the strategy followed was to minimise debt interest payments without compromising the longer-term stability of the portfolio. The differential between the cost of new longer-term borrowing and the return generated on the temporary investments was significant (between 2% - 3%). The use of internal resources in lieu of borrowing was judged to be the most cost effective means of funding capital expenditure. This has, for the time being, lowered overall treasury risk by reducing both external debt and temporary investments. Whilst this position is expected to continue in 2013/14, it will not be sustainable over the medium term and there will be a need to borrow for capital purposes in the near future.

- 2.26 During the year the four loans matured and have been repaid and four loans which, as per the terms of the loans, have been partially repaid.

Loans maturing in 2012/13	Principal £m	Fixed/ Variable	Rate %	Loan start date	Terms
*PWLB	3.00	Fixed	8.13	06-Dec-95	Maturity
*Landesbank Hessen	3.10	Fixed	6.52	05-Feb-02	Maturity
PWLB	6.00	Fixed	5.10	19-Mar-07	Maturity
PWLB	3.00	Fixed	4.35	13-Feb-08	Maturity
PWLB	0.50	Fixed	3.04	10-Feb-10	E I P
PWLB	0.50	Fixed	2.94	03-Mar-10	E I P
PWLB	0.50	Fixed	1.89	14-Oct-10	E I P
PWLB	0.50	Fixed	2.30	09-Nov-11	E I P
Total Maturing Borrowing	17.1				

** Loan repaid was in respect of Merseyside Residual Debt Fund*

Other Long-Term Liabilities

- 2.27 Other Long-Term Liabilities include the schools PFI scheme and finance leases used to purchase vehicles plant and equipment. Under the International Financial Reporting Standards (IFRS) these items are now shown on the balance sheet as a Financial Liability and therefore need to be considered within any Treasury Management decision making process.
- 2.28 During 2012-13, the Council procured one new lease contract for IT equipment and catering equipment to the value of £127k.
- 2.29 As at 31 March 2013 the PFI liability was valued at £59m to be repaid by 2031 and there were thirteen finance leases with a total value £0.5m, repayable over 1 – 5 years.

Minimum Revenue Provision (MRP)

- 2.30 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 (SI 2008/414) place a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State and local authorities are required to “have regard” to such Guidance under section 21(1A) of the Local Government Act 2003.
- 2.31 There are four MRP options available namely Option 1: Regulatory Method; Option 2: CFR Method; Option 3: Asset Life Method and Option 4: Depreciation Method.
- 2.32 Options 1 and 2 may be used only for supported expenditure. Methods of making prudent provision for self financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Council chooses).
- 2.33 The MRP policy for 2012/13 was approved by Cabinet on 20 February 2012 when it was agreed that Option 1 would be adopted for Supported Borrowing and Option 3 for Unsupported Borrowing. When Option 3, the asset life

method, is applied to the funding of an asset with a life greater than 25 years a default asset life of 25 years is applied. Estimating assets lives over 25 years is difficult to achieve accurately; therefore, using a default of 25 years is considered the most prudent approach and is in keeping with the Regulations. MRP in respect of PFI and leases brought on Balance Sheet under International Financial Reporting Standards (IFRS) is also calculated using Option 3 and will match the annual principal repayment for the associated deferred liability.

- 2.34 In 2012/13 the decision to use internal resources in lieu of borrowing for capital purposes and the beneficial timing of the new borrowing has helped generate savings of £1.5 million in complying with the Regulations.

COMPLIANCE WITH PRUDENTIAL INDICATORS

- 2.35 The Council can confirm that it has complied with its Prudential Indicators for 2012/13, which were approved on 20 February 2012 as part of the Council's Treasury Management Strategy Statement. Details can be found in Appendix 1.
- 2.36 In compliance with the requirements of the CIPFA Code of Practice this report provides Members with a summary report of the treasury management activity during 2012/13. None of the Prudential Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

3.0 RELEVANT RISKS

- 3.1 The Council is responsible for treasury decisions and activity and none of these decisions are without risk. The successful identification, monitoring and control of risk are important and the main risks are:-
- Liquidity Risk (Inadequate cash resources).
 - Market or Interest Rate Risk (Fluctuations in interest rate levels).
 - Inflation Risk (Exposure to inflation).
 - Credit and Counterparty Risk (Security of investments).
 - Refinancing Risk (Impact of debt maturing in future years).
 - Legal and Regulatory Risk.

4.0 OTHER OPTIONS CONSIDERED

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

5.0 CONSULTATION

- 5.1 There has been no consultation undertaken or proposed for this 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 out of this report.

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

- 7.1 In the financial year 2012/13 the treasury management activities resulted in a saving of £1.7 million from the capital financing activities. This sum has been returned to the General Fund balances.

8.0 LEGAL IMPLICATIONS

- 8.1 The Council's has adopted the CIPFA Code of Practice on Treasury Management. This requires the annual production of Prudential Indicators and a Treasury Management Strategy Statement and the reporting of treasury management activities at least twice a year.

9.0 EQUALITIES IMPLICATIONS

- 9.1 There are none arising out of this report and an Equality Impact Assessment (EIA) is not required.

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 the Treasury Management Annual Report for 2012/13 be agreed.
- 12.2 That the transfer of the saving of £1.7 million from capital financing activities in 2012/13 to the General Fund balance be noted.

13.0 REASON FOR RECOMMENDATIONS

- 13.1 Wirral has adopted the CIPFA Code of Practice on Treasury Management ("the Code"), which includes quarterly reports to Members of treasury activity. This report is the year end review for 2012/13.
- 13.2 Under the Council's financial regulations any surplus resources are returned to balances and so used to support the delivery of other Council services.

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APPENDICES

PRUDENTIAL INDICATORS 2012-13

REFERENCE MATERIAL

DCLG Local Authority Investment Guidance, 2004

DCLG Changes to the Capital Financing System Consultation, 2009

Code of Practice for Treasury Management in Public Services (Fully Revised Second Edition), CIPFA 2009.

Prudential Code for Capital Finance in Local Authorities (Fully Revised Second Edition), CIPFA 2009.

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Treasury Management and Investment Strategy 2012 to 2015	20 February 2012
Cabinet – Treasury Management Annual Report 2011/12	21 June 2012
Cabinet - Treasury Management Performance Monitoring	06 September 2012
Cabinet - Treasury Management Performance Monitoring	8 November 2012
Cabinet – Treasury Management Performance Monitoring	7 February 2013

Capital Financing Requirement

Estimates of the Council's maximum external borrowing requirement for 2012/13 to 2014/15 are shown in the table below:

	31 Mar 13 Actual £m	31 Mar 14 Estimate £m	31 Mar 15 Estimate £m
Capital Financing Requirement	367	365	349
Less:			
Existing Profile of Borrowing	247	217	204
Other Long Term Liabilities	59	55	53
Cumulative Maximum External Borrowing Requirement	61	93	92

Authorised Limit and Operational Boundary for External Debt

The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of the indebted status. This statutory limit should not be breached and was set at £482 million for 2012/13.

The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included within the Authorised Limit. For 2012/13 this was set at £467 million.

Upper Limits for Fixed and Variable Interest Rate Exposure

These allow the Council to manage the extent to which it is exposed to changes in interest rates. The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on the portfolio of investments.

Interest Rate Exposure	Fixed Rate of Interest	Variable Rate of Interest	Total
Borrowings	£247m	£0m	£247m
Proportion of Borrowings	100%	0%	100%
Upper Limit	100%	50%	
Investments	£14m	£57m	£71m
Proportion of Investments	20%	80%	100%
Upper Limit	100%	100%	
Net Borrowing	£233m	£-57m	£176m
Proportion of Total Net Borrowing	132%	-32%	100%

The table shows that borrowing is mainly at fixed rates of interest and investments are mainly at variable rates. This was considered a good position when interest rates were rising as the cost of existing borrowing remained stable whilst investments, at variable rates of interest, generated increasing

income. As the position has changed to one of low interest rates, the Treasury Management Team continues to seek to adjust this but is restricted by a number of factors:

- the level of uncertainty in the markets make 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 loans have expensive penalties for early repayment or rescheduling which makes changing the debt position difficult.

Maturity Structure of Fixed Rate Borrowing

This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

Maturity structure of Fixed Rate Borrowing	Upper Limit	Lower Limit	Actual Fixed Rate Borrowing as at 31 Mar 13	% of Fixed Rate Borrowing as at 31 Mar 13
	%	%	£m	%
under 12 months	20	0	30	12
12 months and within 24 months	20	0	13	5
24 months and within 5 years	50	0	24	10
5 years and within 10 years	50	0	30	12
10 years and above	100	20	150	61
			247	100

Actual External Debt

This indicator is obtained directly from the Authority's balance sheet. It is the closing balance for actual gross borrowing (short and long term) plus other deferred liabilities. The indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

Actual External Debt	31 Mar 13
	£m
Borrowing	247
Other Long Term Liabilities	59
Total	306

Total principal sums invested for periods longer than 364 days

This indicator allows the Council to manage the risk inherent in investments longer than 364 days and for 2012/13 the limit was set at £30 million.

As at 31 March 2013 the Council had £14m of investments longer than 364 days, all with other Local Authorities.

Capital Expenditure

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and in particular, to consider the impact on Council Tax.

A full breakdown of capital expenditure and capital financing in 2012/13 can be found within the Capital Outturn report, reported to Cabinet 13 June 2013.

Ratio of financing costs to net revenue stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The ratio is based on costs net of investment income.

Ratio of Finance Costs to net Revenue Stream	2012/13 Estimate %	2013/14 Estimate %	2014/15 Estimate %
Ratio	8.36	10.17	10.82

Incremental Impact of Capital Investment Decisions

This is an indicator of affordability that shows the impact of capital investment decisions on Council tax levels. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with the equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

Incremental Impact of Capital Investment Decisions	2012/13 Estimate £	2013/14 Estimate £	2014/15 Estimate £
Increase in Band D Council Tax	5.30	8.61	4.53

Adoption of the CIPFA Treasury Management Code

This indicator demonstrates that the Authority adopted the principles of best practice.

Adoption of the CIPFA Code of Practice in Treasury Management
Council approved the revised Cipfa's Code of Treasury Management at its meeting of 1 March 2012

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT	FINANCIAL MONITORING 2013-14 MONTH 4
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report details the Monitoring position for Month 4 (ending 31 July 2013). There are separate appendices for Revenue and Capital.

2.0 RECOMMENDATIONS

- 2.1 Revenue:
- a) that the monitoring position of a forecast underspend of £270,000 for month 4 is noted;
 - b) that the spending freeze be continued until further notice to aid continued good financial management and note there were no rejected freeze items in the month;
- 2.2 Capital
- a) the spend to date at Month 4 of £7.687m, with 33.0% of the financial year having elapsed.

3.0 BACKGROUND AND KEY ISSUES

- 3.1 Throughout the financial year Cabinet will receive monthly updates in respect of Revenue and Capital Monitoring. This is the first report for the 2013/14 financial year.

4.0 RELEVANT RISKS

- 4.1 The possible failure to deliver the Revenue Budget is a risk which will be mitigated by a number of actions including regular review and reporting, training for budget managers and use of a tracking system to monitor delivery of savings.
- 4.2 The possible failure to deliver the Capital Programme will be mitigated by the fortnightly review by a group of officers, charged with improving performance.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 No other options were considered.

6.0 CONSULTATION

- 6.1 No consultation has been undertaken relating to this report.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 There are none arising directly from this report. These would be considered when planning and implementing specific schemes or projects.

8.0 RESOURCE IMPLICATIONS

- 8.1 The financial implications are detailed within the Appendices.
- 8.2 There are no direct staffing, IT or asset implications arising directly from this report.

9.0 LEGAL IMPLICATIONS

- 9.1 The Chief Finance Officer is under a personal duty under the Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

10.0 EQUALITIES IMPLICATIONS

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

11.0 CARBON REDUCTION IMPLICATIONS

- 11.1 There are no implications arising directly from this report. These are included in reports to Cabinet on individual schemes and in the Carbon Budget report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

13.0 REASONS FOR RECOMMENDATIONS

- 13.1 To comply with legal requirements to ensure that expenditure is likely to be within the limit of resources available.

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APPENDICES

- Appendix A Revenue Monitoring 2013-14 Month 4 (July 2013)
Appendix B Capital Monitoring 2013-14 Month 4 (July 2013)

REFERENCE MATERIAL

None

SUBJECT HISTORY

Council Meeting	Date
Cabinet – Revenue Monitoring Cabinet – Capital Monitoring	Monthly reports since September 2012

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT	REVENUE MONITORING 2013-14 MONTH 4 (JULY 2013)
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the revenue position for 2013-14 at Month 4 (July 2013) and actions to minimise risk.

2 RECOMMENDATIONS

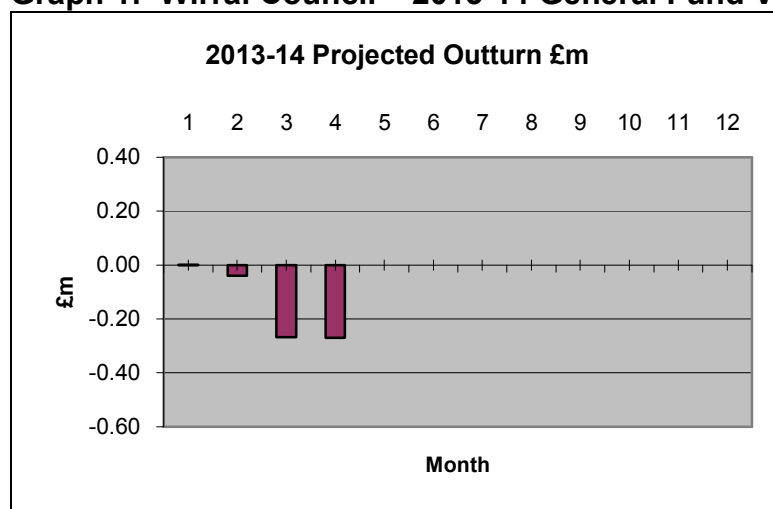
Cabinet is asked to note and /or agree:

- 2.1 at Month 4 (July 2013), the full year forecast projects a General Fund underspend of £270,000;
- 2.2 that the spending freeze be continued until further notice to aid continued good financial management and note there were no rejected freeze items in the month;

3 OVERALL POSITION AT MONTH 4 (JULY 2013)

- 3.1 The revenue forecast for the year at Month 4 shows a projected underspend General Fund position of £270,000 (a small improvement on the month 3 position of a £267,000 underspend). A number of departmental underspends have been earmarked against ongoing or emerging financial issues. An allocation of £1.8 million against the £2 million savings profiling account (page 7 of the Budget Book and Forecasts 2013/16) remains assumed.

Graph 1: Wirral Council – 2013-14 General Fund Variance, by month



4 CHANGES TO THE AGREED BUDGET AND VARIATIONS

- 4.1 The Budget for 2013-14 was agreed by Council on March 5, 2013 and is detailed in [Annex 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. These are detailed in [Annex 3](#).

Table 1: 2013-14 Original & Revised Net Budget by Department £000's

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 4	Revised Net Budget
Chief Executive	8,240	-4,577	137	3,800
People - Adult Social Services	82,951	-180	42	82,813
People – Children & YP, & Schools	91,738	-6,704	-139	84,895
People – Asset Mgmt & Transport	-	5,534	-	5,534
People – Safeguarding	685	1,396	-	2,081
People – Sports and Recreation	8,904	-	-42	8,862
Places - Environment & Regulation	79,651	-9	-42	79,600
Places – Housing & Comm Safety	15,342	-551	-	14,791
Places – Regeneration	5,134	-18	-	5,116
Transformation & Resources	12,424	5,109	44	17,577
Corporate Growth & Savings	-3,252	-	-	-3,252
Net Cost of Services	301,817	0	0	301,817

- 4.2 A new council structure has been introduced for 2013/14. The Budget Book and forecasts 2013/16 was published with a number of assumptions regarding service splits which were to be refined. A number of changes have since been identified.
- 4.3 The main report will only comment on large variations (Red and Yellow items). The 'variations' analysis, over 27 budget areas, distinguishes between overspends and underspends. The 'risk band' classification is:
- Extreme: Overspends - **Red** (over +£301k), Underspend **Yellow** (over -£301k)
 - Acceptable: Amber (+£141k to +£300k), Green (range from +£140k to -£140k); Blue (-£141k to -£300k)

Table 2: Extreme Departmental Projected Budget variations

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Red Overspend	0	1	0	1	0	5.4%
Yellow Underspend	0	0	0	1	0	2.7%

The full Table is set out at [Annex 4](#)

Although no Directorate is currently forecasting an overspend position there are two Business Areas forecast at red. These relate to the following:

People – Specialist Services Childrens Services currently forecast at £534,000 overspent due to agency costs.

Transformation and Resources Business Processes currently forecast at £500,000 overspent (net of any other compensatory saving measures) due to a forecast unachieved savings option relating to court costs income.

The Transformation and Resources yellow rating relates to treasury management savings from use of internal borrowing in lieu of borrowing and scheme slippage.

- 4.4 The reporting process identifies over or underspends and classifies them into risk bands. The projection is for no over or underspend for 2013-14, as set out in the table below, which records no departments as red or yellow:

Table 3: 2013-14 Projected Budget variations by Department £000's

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 4	RAGBY Classification	Change from prev mnth
Chief Executive	3,800	3,779	-21	G	-
People - Adult Social Services	82,813	82,813	0	G	-
People - Children & YP, & Schools	84,895	84,895	0	G	-
People – Asset Mgmt & Transport	5,534	5,534	0	G	-
People – Safeguarding	2,081	2,081	0	G	-
People – Sports and Recreation	8,862	8,862	0	G	-
Places - Environment & Regulation	79,600	79,600	0	G	-
Places – Housing & Comm Safety	14,791	14,791	0	G	-
Places – Regeneration	5,116	5,116	0	G	-
Transformation & Resources	17,577	17,328	-249	B	-3
Corporate Growth & Savings	-3,252	-3,252	0	G	-
TOTAL	301,817	301,547	-270		-3

4.5 Within the various directorates there have been the following developments:

- **Chief Executive's:** A small underspend of £21,000 is currently forecast (Month 3 was also forecast at £21,000).
- **People:** No overall variance is forecast at present (no change from previous month). Early implementation in 2013/14 of some measures to repay one-off funding supporting the 2013/14 budget has occurred. These were originally scheduled to commence in 2014/15 and have enabled monies to be used as follows:
 - Adults: Of the £8.8m savings to replace one-off funding in 2013-14, a net £1.2m was forecast in M3 to be delivered in 2013-14. This was after covering adverse costs relating to the Learning Disabilities (LD) area. An action plan is being implemented by the Director to reduce the unit costs of high cost packages in negotiation with providers. A review of packages is also being prioritised to ensure provision is consistent with care requirements. Progress on the action plan will be reported in future monitors. Accordingly £1.8m is currently projected as available in 2013-14. Work is proceeding on further management actions to increase savings delivery in 2013-14. Any monies identified will be earmarked to contribute towards an adjustment to income of £2m to reflect the actual in year income performance.
 - Childrens: A number of variances are assumed covered by the corporate savings profiling account. Any underspend in the year will be utilises to bridge the 2013-14 loan in 2014-15.

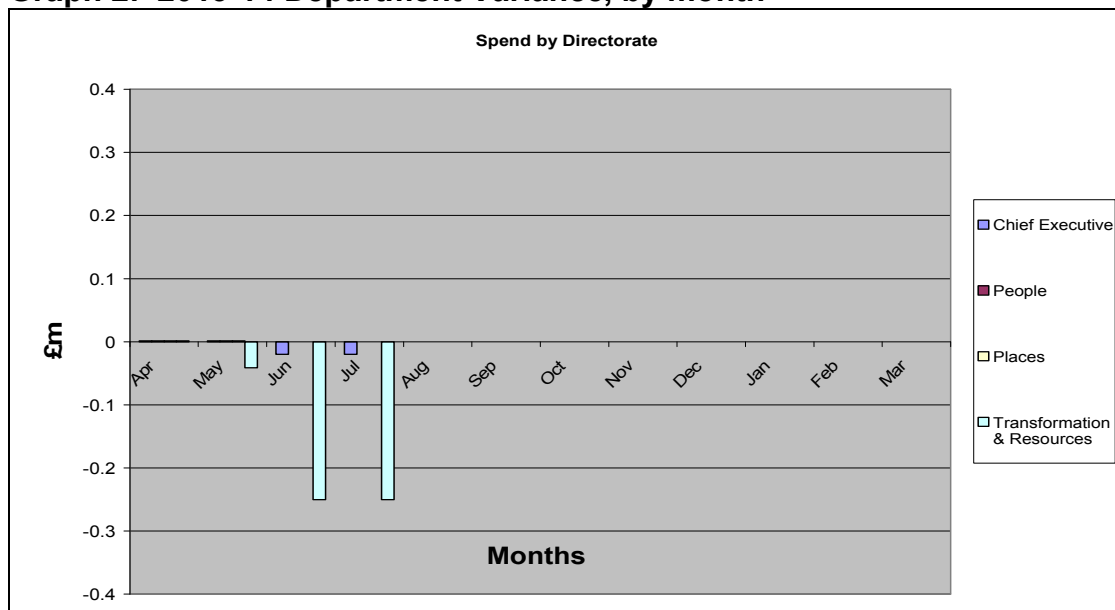
	Adults	Children	Total
Saving 2013-14	1.800	1.200	3.000
Use in 2013-14	-1.800	-0.000	-1.800
Carried forward to 2014-15	0.000	1.200	1.200

- **Places:** The net saving forecast is nil (month 3 nil). A significant saving has been achieved as a result of the early implementation of savings relating to Supporting People. Approximately £1.3 million has been earmarked to resolve a number of issues listed in annex 12 which cover all directorates. The funding covers 2013/14 shortfalls relating to transforming business

support, terms and conditions. Measures to fund these issues from 2014/15 onwards will require identifying by Strategic Directors.

- **Transformation & Resources:** A £249K underspend is currently forecast (£246k Month 3), mainly as a result of insurance fund contract and capital financing savings.

Graph 2: 2013-14 Department Variance, by month



- 4.6 To complete the analysis, the table below sets out the position by category of spend/income. The largest area of variance remains supplies and services which incorporates the cost of care for adults and children.

Table 4: Projected Departmental Variations by Spend and Income

	Revised Budget	Forecast Outturn	Variance	RAGBY	Change from Previous
	£000	£000	£000	£000	£000
Gross Expenditure					
Employees	139,369	138,644	-725	Y	-931
Premises	17,102	16,952	-150	B	-156
Transport	7,670	7,642	-28	G	-4
Supplies and Services	127,898	128,530	632	R	206
Third Party Payments	122,771	121,603	-1,168	Y	-242
Transfer Payments	141,010	141,024	14	G	39
Support Services	72,858	72,810	-48	G	-49
Financing Costs	58,631	58,131	-500	Y	-319
Schools Expenditure	355,221	355,221	-	G	-
Total Expenditure	1,042,530	1,040,557	-1,973		-1,456
Gross Income					
Schools Income	352,626	352,626	-	G	-
Government Grants	183,193	182,933	-260	A	-37
Other Grants and Reimbursements	19,651	20,940	1,289	Y	214
Customer/Client Receipts	47,655	44,923	-2,732	R	-1,575
Interest	870	870	-	G	-
Recharge Other Rev A/c	136,718	136,718	-	G	-55
Total Income	740,713	739,010	-1,703		-1,453
Net Expenditure	301,817	301,547	-270		-3

Note: For explanations of red or yellow variances please see [Annex 4](#).

- 4.7 Schools expenditure is funded from the Dedicated Schools Grant. As this grant is ringfenced any over/underspend will not impact on the General Fund.
- 4.8 After agreeing the 2013/14 budget, a number of budgetary issues were identified as requiring further corrective action. A number of items were dealt with in the previous monitor. Actions to deal with the remaining issues are outlined within this monitor. Details of these issues are explained in [Annex 12](#).

5 IMPLEMENTATION OF 2013-14 SAVINGS – THREE TYPES

- 5.1 The delivery of the **March 5 Council** savings (Type 1) is so key to the Council's financial health, that they are being tracked at Council and Directorate level. The assumption is that, where there is slippage, the Strategic Director will implement replacement savings. The detail is at [Annex 5](#).

Table 5: Budget Implementation Plan 2013-14 whole Council (£000's)

BRAG	Number of Options	June 2013	Change from prev mnth	Approved Budget Reduction	Amount Delivered at July	To be Delivered
B - delivered	24	23	1	17,265	17,265	0
G – on track	31	30	1	19,180	9,072	10,108
A - concerns	13	16	-3	9,171	687	8,484
R - failed	2	1	1	2,729	1,129	1,600
P – replacements for Red	1	0	1		433	867
Total at M4 July 13	71			48,345	28,586	21,059
<i>Total at M3 June 13</i>	<i>70</i>			<i>48,345</i>	<i>28,316</i>	<i>20,029</i>

Note: Budget Book page 56-58. Replacement savings cover shortfall in Court costs option

- 5.2 There are currently two savings options identified as red rated. They relate to

Review of Residential Care for Learning Disabilities (£300k).
Council Tax Court Costs (£2,429k)

- 5.3 The **one-off funding** in 2013-14 for Adults and Children, requires that they identify equivalent savings (Type 2) during 2013-14 for 2014-15. It is expected that some of the savings will start in 2013-14. As this is identified, it will be presented in Table 6 below and detailed in [Annex 6](#):

Table 6: Replacing £13.7m one-off 2013-14 funding (£000's)

BRAG	Number of Options	Saving Proposed 2013-14	Saving Delivered 2013-14	Saving Proposed 2014-15	Saving Proposed 2015-16	Total Saving Proposed 2013-16
Adults 8.8	30	1,376	0	6,858	1,690	9,924
Children's 4.9	7	1,500	1,200	0	0	1,500
Use of 2013/14		-1,376				
Total 13.7	37	1,500	1,200	6,858	1,690	11,424

Note: Further proposals require identifying. Total proposals may end up being greater than target to allow for slippage. Any savings achieved in 2013/14 will firstly reduce any annexe 12 issues and then assist with loan repayments in 2014/15.

- 5.4 The **spending freeze** was extended into the 2013/14 financial year, for the three reasons set out below:

1. **Risk.** The increased level of financial risk in 2013 included items that introduced change from April 2013 for which there was no evidence on which to judge that the risk had diminished, remained the same, or increased. Therefore the prudent response, whilst waiting for evidence to emerge, was to reign in expenditure;
 2. **Closedown.** The outturn for 2012-13 was not available to Cabinet until June 13th. To cover the possibility that it could be worse than the M11 forecast, of an overspend of £7.4m, the prudent response was to continue the spending freeze. The continued progress in financial management resulted in an actual 2012/13 overspend of £4.7m. An additional £0.9m was also identified for release from reserves. This has enabled £3.6m to be added to General Fund Balances taking the total close to the £17.739m level agreed by Cabinet on 18th February 2013.
 3. **Change.** The 2013-14 budget has built into a greater level of savings than has ever been attempted in the Council's history. Although reasonable assumptions have been made, there is the danger that a worse case could occur. Cover for that eventuality, via a spending freeze, would be prudent until there is evidence of successful implementation.
- 5.5 The detailed freeze items are set out at Annex 7. The purpose of the exercise is to reduce any projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council, that is, all of its Members.
- 5.6 The 2013-14 Revenue Budget addressed a number of budget issues that were identified during the year. This has been done in a number of ways:
- Base budgets were increased by £8.0 million;
 - One-off funding of £13.7 million (see paragraph 5.3 above);
 - Suppressing Demand by £3.4 million.
- Suppressed demand in Children and Young People totals £1.9m which will be managed during the year. 2012-13 saw improvement in care costs and transport, which resulted in bad budgets and budget growth pressures being less than anticipated. Budgets were also reduced where savings were achieved in 2012-13 in areas such as Children in Need, Traded Services, and general expenditure controls.
- The remaining suppressed demand of £1.5million relates to DASS
- 5.7 The 2013-14 budget includes a savings profiling account of £2 million and a Change Management Implementation Fund of £4 million. The majority of savings included within the budget were calculated on a full year basis. However it was known that a number of savings would only achieve a part year impact in 2013/14. This is particularly the case where staffing reductions were required. The delivery of savings is under constant review and Directorates are examining ways of funding any slippage before a call on central funding is requested. The latest forecast staffing savings slippage is estimated at £1.8 million and, should this not be financed internally by Directorates, will be earmarked against the Savings Profiling account (page 7 of the Budget Book and Forecasts 2013/16). This figure will be updated as the year progresses.

- 5.8 Due to the financial management processes outlined above, the budget position as reported in this and previous monitors is stable. It is however recommended that the spending freeze be continued until further notice to aid financial management.
- 5.9 Cabinet 19th September agreed the transfer of up to £1 million from the Efficiency Investment Fund to Regeneration and Environment to fund the implementation of the revised Street Cleansing contract as per the agreed 2013/14 budget savings option. A sum of £1 million was estimated to cover costs such as redundancies, part funding of the saving prior to contractual change date and any other transition costs. Funding was identified from the Efficiency Investment Fund which will be repaid over a four year period commencing 2014/15 as per the Budget Book and Forecasts 2013/16 (page 58). The £1 million one off investment will generate a £1 million saving each year and the figure net of Efficiency Fund repayment is already included within future indicative budgets.

6 CONTROL OF GROWTH

- 6.1 The impact of demographic change and financial cover for risk - that is outcomes that could be worse than assumed - was built into the budget as set out in Tables 8 and 9, and is detailed at [Annex 8](#). It is important that estimates of growth for 2013-14, made in November 2012, are checked against actual demand so that any over-estimate is revised accordingly. Equally, the funding to cover risk can only be accessed for 2013-14 where evidence can be adduced for that funding.
- 6.2 As part of the preparation for the 2014-15 budget, directorates are to provide confirmation and supporting evidence for current and future year growth requirements. Once verified these requests will lead to formal release within the current year or inclusion within future estimates.

Table 7: Growth £000's

Department	2013/14 Budget	2013/14 Release	2014/15 Budget	2015/16 Budget
CYP Total	1,230	-	-	-
DASS Total	3,717		2,202	1,805
LHRAM Total	-		-	573
RHP Total	-		-	1,000
Technical Total	12		72	72
Finance Total	237		-	-
	5,196		2,274	3,450

Table 8: Risk £000's

Corporate Growth (Budget Book page 7)	2013/14 Budget	2013/14 Release	2014/15 Budget	2015/16 Budget
Pay Inflation	1,700	1,700	3,400	5,400
Superannuation Revaluation	0		2,500	2,500
Change Management Implementation Fund	4,000		-	
Savings Profiling	2,000	1,800	-	
Price inflation unallocated				1,000
Growth unallocated			726	-
	7,700	3,500	6,626	8,900

Notes: inflation incorporated into departmental budgets amounts to £2.464m. £1m pay inflation against T&Cs – investigation of alternative savings to allow pay award continue. £1.8m against employee profiling. £0.7m pay inflation relates to market supplements and other employee costs.

7 INCOME AND DEBT

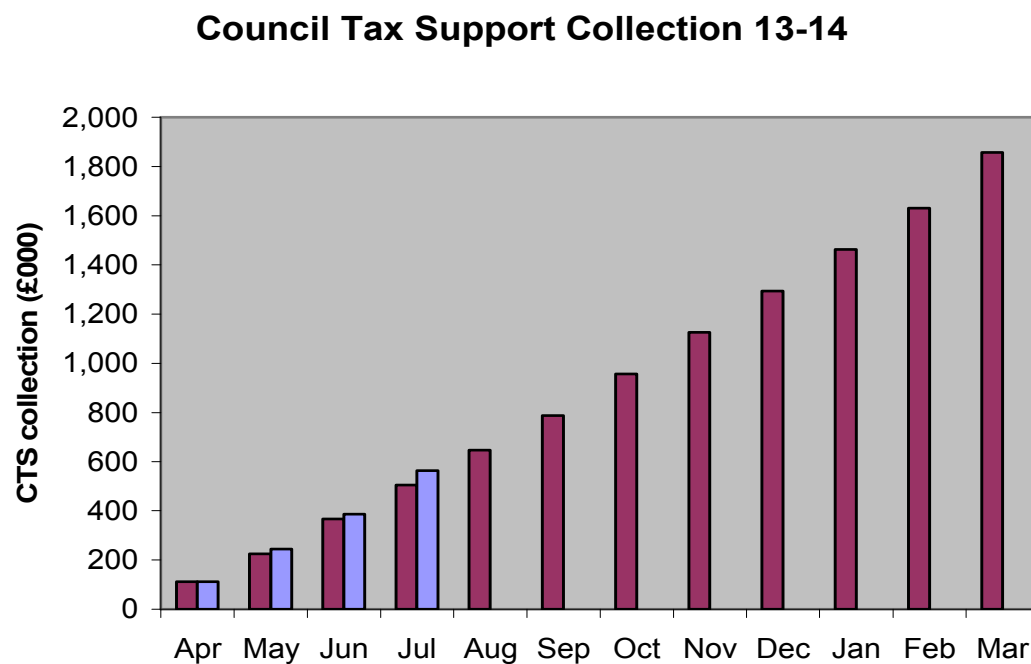
- 7.1 The Council's income arrangements with regard to non Council Tax and Business Rates were reviewed and reported to the 23 May Cabinet. Revenue and Income falls into the four broad areas shown below for reporting purposes, which will be developed:

Table 10: Amount to be collected in 2013-14 £000's

	2013-14	2013-14	
	Collectable	Collected	%
Council Tax	135,456	50,106	36.99
Business Rates	70,405	27,482	39.03
Fees and charges – Adults	32,521	14,086	43.31
Fees and charges – all other services	26,352	19,053	72.30

- 7.2 There is a backlog of Accounts Receivable debt to be processed in the last two areas. Reporting will continue until a normal level of debt is reached. The detail is at [Annex 9](#).
- 7.3 A high risk income item is that required from residents who previously paid no Council Tax. The graph below will track collection performance against the budget assumption

Graph 3: Projected/Actual Council Tax Support Collection by month £000



- 7.4 The Council Tax Support Scheme was introduced in April. As this involves billing a large number of properties who have not previously paid Council Tax, having previously received benefit at 100%, an overall collection rate of 75% generating £2.8 million has been assumed. The forecast is that £1.86 million (66%) will be collected by 31 March with recovery actions post 31 March increasing the collection to the target figure. At 31 July collection was 18.8% equates to £564,394 and remains ahead of target.

- 7.5. Recovery from non Working Age debtors is continuing as normal. Action taken to recover from those of Working Age that previously received 100% Council Tax Benefit was delayed by a month to allow for late payments or any queries caused by having to pay for the first time. During July, 3,422 summons were issued which are to be heard over two hearing dates in August 2013 for customers who were previously on 100% Council Tax Benefit.
- 7.6 Repayment plans offering weekly/fortnightly instalments were offered to those contacting the Council.
- 7.7 Issues regarding the collection of sundry debt were reported to Cabinet on 23 May 2013. The use of reserves had been earmarked to fund any increased need for debt write offs or increase to the bad debt provision. A significant amount of income has been received to reduce the level of debt and therefore the call on reserves.
- 7.8 The delivery of permanent savings on staffing budgets requires initial costs to be incurred for redundancy costs and where applicable pension. Provision of £5.5 million has been made for these costs and this remains the latest estimate for the implementation of the 2013/14 savings. Payments of £3.7 million have so far been incurred for these costs. The remaining costs will be incurred as staff leave the authority during 2013/14.
- 7.9 Business Rates income collection was 37.96% during July. This is slightly less than the 39.34% collected at the equivalent period in 2012/13. Comparisons will fluctuate as some payments received early last year in respect of Health Authority payments amongst others are awaited this year. The timing of refunds may also affect the comparison. Recovery procedures have been tightened with debt being pursued earlier and the position is being closely monitored.

8 MANAGEMENT ACTIONS

- 8.1 The Departmental Directors and the Chief Executive's Strategy Team will seek to identify actions to keep spend within the Budget allocated – these actions are detailed in Annex 10. The spending freeze agreed decisions are reflected within the tables above.
- 8.2 It is proposed that, as part of the budget architecture, prudent budget management is rewarded at the year-end, with the ability to carry forward underspends. Equally, less than prudent budget management will require that departments fund any overspending from the following year's budget. The detailed guidance will be presented for approval following agreement of the updated financial regulations by audit and risk management committee.

9 CASHFLOW

- 9.1 As part of the development of monitoring, cost centre managers are embarking on the profiling of their budgets to reflect how spend actually occurs. A pilot study is shortly to commence which will lead to a wider roll out. Eventually we should be able to be proactive in deciding when spend will take place, and get income to arrive earlier to improve the Council's cashflow and earn additional income from interest.

10 RELEVANT RISKS

10.1 The possible failure to deliver the Revenue Budget will be mitigated by:

- The training of cost centre managers to improve skill levels; four events on profiling and forecasting budgets were delivered to over 160 cost centre managers with the next event planned on building next year's budget.
- A specific tracking system of savings to ensure delivery;
- Improvements to procurement compliance, to generate more savings and better monitoring information;
- A monthly review by Chief Officers, and Cabinet, together with an improved Scrutiny regime, and greater transparency;
- Individual monthly review by Cabinet Portfolio holder at portfolio meeting;
- Agreement that Strategic Directors are to 'consume their own smoke' regarding slippage not covered from central funds;
- A successful capitalisation submission will reduce the call on revenue resources.

11 OTHER OPTIONS CONSIDERED

11.1 Any option to improve the monitoring and budget accuracy will be considered.

12 CONSULTATION

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

13 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

14 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

14.1 Cabinet 18 February 2013 agreed a revised 2013/14 General Fund balance risk calculation of a minimum of £13 million. The level to be achieved by March 2014 is £17.7m.

Table 10: Summary of the projected General Fund balances

Details	£m	£m
Projected balance 31 March 2014 when setting the Budget 2013-14		+13.6
Add: Estimated increase following completion of 2012-13 revenue accounts	+3.6	+3.6
Add: Potential underspend, at M4		+0.27
Projected balance 31 March 2014 (Target per Cabinet 18/2/13 £17.739)		17.47

Note: 2012/13 revenue accounts subject to audit which will be completed in September 2013.

14.2 The current levels of Earmarked Reserves are shown in Table 11 with a full listing included at [Annex 11](#). Earmarked Reserves are currently forecast to be £64.8 million which compares to £86.2 million reported in the June 2012 Revenue Monitor.

Table 11: Earmarked Reserves 2013/14

	Balance at 1 April 2013 £000	Movement in year £000	Current Balance 31 July 2013 £000
Housing Benefit Reserve	10,155	-	10,155
Insurance Fund	7,821	-	7,821
Efficiency Investment Rolling Fund	2,000	(1,000)	1,000
Grant Reserves	1,308	-	1,308
Management of other risks	29,228	-	29,228
School Balances and Schools Related	14,264		14,264
Total Reserves	64,776	(1,000)	63,776

Note: 2012/13 revenue accounts and 1 April opening balance are subject to audit which will be completed in September 2013.

15 LEGAL IMPLICATIONS

- 15.1 The entire report concerns the duty of the Council to avoid a budget shortfall as outlined at paragraph 5.5. This is not just an academic exercise in balancing the books. The Chief Finance Officer is under a personal duty under the Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.
- 15.2 If the Chief Finance Officer reports that there are insufficient resources to meet expenditure, the Council is prevented from entering into any new agreement which may involve the incurring of expenditure at any time by the authority, until the report is considered, and if the problem is ongoing until it is resolved.

16 EQUALITIES IMPLICATIONS

- 16.1 This report is essentially a monitoring report which reports on financial performance. Any budgetary decisions, of which there are none in this report would need to be assessed for any equality implications.

17 CARBON REDUCTION IMPLICATIONS

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

18 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

19 REASONS FOR THE RECOMMENDATIONS

- 19.1 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.

REPORT AUTHOR:

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Annexes

Annex 1	Revenue Monitoring and Reporting Timetable 2013/14.
Annex 2	General Fund Revenue Budget for 2013/14 agreed by Council.
Annex 3	Changes to the Budget 2013/14 since it was set.
Annex 4	RAGBY Full Details
Annex 5	Savings tracker
Annex 6	Adults/Children's Replacing one-off 2013-14 funding
Annex 7	Freeze Outcomes
Annex 8	Growth and Risk
Annex 9	Income and Debt
Annex 10	Management actions
Annex 11	Earmarked Reserves – General Fund
Annex 12	Budgetary Issues

SUBJECT HISTORY

Council Meeting	Date
From September 2012, the Revenue monitoring reports have been submitted monthly to Cabinet. Budget Council	5 th March 2013

Period Number	Month	General Ledger Updated and Reports Available To Be Produced	Reports Available For The Executive Strategy Group	Reports Available For Cabinet
			Monthly	Monthly
1	April	May 8	May 28	June 13
2	May	Jun 7	June 18	July 11
3	June	Jul 5	Aug 13	Sept 19
4	July	Aug 7	Sept 24	Oct 10
5	August	Sept 6	Sept 24	Oct 10
6	September	Oct 7	Oct 22	Nov 7
7	October	Nov 7	Nov 26	Dec 12
8	November	Dec 6	Dec 17	Jan 16
9	December	Jan 8	Jan 21	Feb 11
10	January	Feb 7	Feb 25	Mar 13
11	February	Mar 7	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC

AGREED BY COUNCIL ON 5 MARCH 2013

Directorate/Service Area	Current Budget
Expenditure	£
Chief Executives	8,239,800
Families and Well Being	
Children and Young People	89,143,300
- Adult Social Services	82,950,800
- Safeguarding Plus Schools and Schools Grant	3,280,500
-Sports and Recreation	8,904,000
Regeneration and Environment	100,127,300
Transformation and Resources	12,423,500
Net Cost of Services	305,069,200
Corporate Growth	7,700,000
Corporate Savings	10,952,000
Budget Requirement	301,817,200
Income	
Local Services Support Grant	45,000
New Homes Bonus	2,119,500
Revenue Support Grant	106,968,000
Business Rtes Baseline	31,424,000
Top Up	39,739,000
Council Tax Requirement	111,357,800
Contribution from General Fund Balances	10,163,900
Total Income	301,817,200
Statement of Balances	
As at 1 April 2013	23,800,000
Contributions from Balances to support budget	10,163,900
Forecast Balances 31 March 2014	13,636,100

Annex 3 CHANGES TO THE BUDGET AGREED SINCE THE 2013-14 BUDGET WAS SET

These comprise variations approved by Cabinet / Council including approved virements, budget realignments reflecting changes to the departmental structure and responsibilities, and expenditure freeze decisions, as well as any technical adjustments.

Table 1: 2013-14 Original & Revised Net Budget by Department

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 4	Revised Net Budget
Chief Executive	8,240	-4,577	137	3,800
People - Adult Social Services	82,951	-180	42	82,813
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Places – Housing & Comm Safety	15,342	-551	-	14,791
Places – Regeneration	5,134	-18	-	5,116
Transformation & Resources	12,424	5,109	44	17,577
Corporate Growth & Savings	-3,252	-	-	-3,252
Net Cost of Services	301,817	0	0	301,817

Relating to the completion of the 2012-13 accounts

Cabinet	Items	£m

Variations to the approved budgets 2013-14

Cabinet	Items	£m
n/a	Corporate and Democratic Services to be grouped within the Transformation and Resources Directorate where Direct management control for these areas lies	4.639
n/a	The Anti-Social Behaviour team is part of the Families and Well Being Directorate - Children and Young People and the budget has therefore been transferred from Housing and community safety.	0.569
n/a	Quality Assurance and Family Group Conferencing have been transferred from Specialist Services in Children and Young People to the Joint Safeguarding unit where direct management control lies.	1.396
n/a	A support post has also been transferred from Transformation and Resources to the Chief Executive's Directorate.	0.037
n/a	A number of training and legal posts have been transferred from Children and Young People to Transformation and Resources	0.353
n/a	Transfer of staffing budgets from DASS in Families & Wellbeing to Financial Services within Transformation & Resources	0.170
n/a	Transfer from T&R to Chief Executive. Funding for Community Engagement.	0.025
n/a	Realigning of the call centre recharge relating to the new garden waste service from Environment & Regulation to Transformation and change.	0.009
n/a	Transfer of staffing budgets from DASS in Families & Wellbeing to CYP.	0.010
n/a	Transfer of 2 Constituency Committee Posts to Chief Executive from CYP.	0.095
n/a	Transfer of budget from Waste & Environment Service Area to create new roles to lead Constituency Committees.	0.042
n/a	Staff transfer from CYPD to Financial services following recent	0.044

	restructure.	
	OVERALL IMPACT OF THESE DECISIONS	0.0

Virements below level requiring Cabinet approval

Cabinet	Items	£m

Annex 4 - RAGBY FULL DETAILS

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Chief Executive	4	0	0	4	0	0
Adult Social Services	2	0	0	2	0	0
Children & Young People, & Schools	7	1	0	4	2	0
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	1	0	0
Environment & Regulation	2	0	0	2	0	0
Housing & Comm Safety	1	0	0	1	0	0
Transformation & Resources	7	1	0	5	0	1
Corporate Growth & Savings	2	0	0	2	0	0
Total	27	2	0	22	2	1

RAGBY REPORTING AND OTHER ISSUES

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 in the Council Estimates (Green Book).) and,
- Subjective Area (by the type of spend / income).

Business Area Reds

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Red Overspend	0	1	0	1	0	5.4%
Value £000s/ % Overall Net Budget		534		500		0.34

An overspend for staff and agency is projected in Specialist Services (Children & Young People)
A shortfall on the court costs savings option has resulted in a red rating (Transformation and Resources).

Business Area Yellows

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Yellow underspend	0	0	0	1	0	2.7%
Value £000s/ % Overall Net Budget				749		0.29

Savings on treasury management due to use of internal borrowing and scheme slippage has produced a yellow rating (Transformation and Resources)

Subjective Area Reds

Expenditure

Customer/Client Receipts: The forecast of £2.73 million below budget is largely due to the £2m income adjustment referred to in paragraph 4.5 in the main report.

Supplies and Services: The forecast of £0.63 million over budget is due to expected overspend within Learning Disabilities area of Adult Social Services.

Subjective Area Yellows

Expenditure

Third Party Payments: The forecast £1.2 million underspend is a result of various savings within Adult Social Services, Children and Young People, and Transformation & Resources.

Other Grants and Reimbursements: The forecast of £1.3 million variance is due to expected over recovery of income within Adult Social Services.

Employees: The forecast of £0.7 million underspend is as a result of a projected outturn within Business Processes in Transformation & Resources.

Financing Costs: The forecast of £0.5 million underspend is due to capital programme slippage.

Annex 5 SAVINGS TRACKER

1 Summary

BRAG	Number of Options	June 2013	Change from prev mnth	Approved Budget Reduction	Amount Delivered at July	To be Delivered
B - delivered	24	23	1	17,265	17,265	0
G – on track	31	30	1	19,180	9,072	10,108
A - concerns	13	16	-3	9,171	687	8,484
R - failed	2	1	1	2,729	1,129	1,600
P – replacements for Red	1	0	1		433	867
Total at M4 July 13	71			48,345	28,586	21,059
<i>Total at M3 June 13</i>	<i>70</i>			<i>48,345</i>	<i>28,316</i>	<i>20,029</i>

2 Detail

SAVINGS (TYPE 1) TARGETS – ACHIEVEMENT OF THE SAVINGS (2013-14)

Families and Well Being – DASS

Saving	Target £0	Comments / progress on implementation	BGAR	Amount delivered at M4 July 13 £0	To be delivered £0
Review of VCF Sector Grants	705	Implemented	B	705	0
Community Meals	169	All reviews have been completed and provision of community meals now ceased.	B ↑	169	0
Review of Support for Carers	250	Letter issued and reviews progressed for one-off payments, payments not related to client assessed need, and payments to related individuals	G	250	0
Day Care and Day Services Transformation	750	Consultation completed and service proposals finalised	G	0	750
Charging for Non Residential Services	880	Implemented	G	300	580
Transport Policies	250	Additional grant funding CYP	G ↑	0	250
Targeted Support through NHS Contracts	1,828	<ul style="list-style-type: none"> - All clients no longer requiring double handling identified contract performance to be monitored (£83k). - Use of Social Fund Grant Allocation. (£800k). - Service specifications and procurement schedule for re-ablement and domiciliary care in progress to enable contracts to be let from 1st October 2013. (£84k). - Targets implemented for residential placement numbers plus scheme of delegation. (£454k) - Continuing Health Care – correct application of law and policy. (£377k). 	G B G ↑ G G	800	1028

Assistive Technology	150	Charges now proposed from 1st October 2013, income target remains achievable.	G	0	150
Extra Care Housing/External Respite and Short-term Provision	300	- Extra Care Housing Provider Negotiations continue. - Revised Respite Policy to be produced and review the feasibility for block contracts for respite	G A	0	300
Residential and Respite Care	160	Director implementing action plan to reduce Supported Living costs	A	0	160
Review of Equipment Service	100	Revised S75 in place for 2013-14 with Community Trust. Discussions commenced with NHS re revised hosting arrangements	A	0	100
Modernisation of leisure	429	Revised shift rotas have now been implemented. The delay in implementation is expected to result in slippage of £125k on this budget saving option.	A	0	429
Review of Residential Care for Learning Disabilities	300	LD packages currently overspending	R	0	300

Families and Well Being – Childrens

Saving	Target £0	Comments / progress on implementation	BGAR	Amount delivered at M4 July 13 £0	To be delivered £0
Education Psychology Service	80	This has been achieved through existing vacancies in the service.	B	80	0
Schools Budget	250	Reduction in Council contribution towards Schools PPM	B	250	0
Careers, Education and Advice	700	Contract renegotiation has achieved this saving for the full year.	B	700	0
Schools Music Service	21	Will be achieved on target.	B	21	0
Oaklands Outdoor Education Centre	23	Will be achieved on target.	B	23	0
Foundation Learning	121	Reduced commissioning has achieved this saving	B	121	0
Commissioning of Parenting Services	700	Reduced commissioning has achieved this saving	B	700	0
Youth Challenge	200	Reduced provision has achieved this saving	B	200	0
Short Breaks for Children with Disabilities	150	Reduced commissioning has achieved this saving	B	150	0
School Improvement and Income from Schools	160	The review of the school improvement programme is on track, as is anticipated buy back of services from Academies.	G	100	60
Youth and Play Services	687	Restructure underway, but slippage of £103k is anticipated.	G	566	121
Child and Adolescent Mental Health Service	250	Confirmation that staff have left so saving on target.	G	250	0
Area Teams for Family Support	200	Restructure is underway, but anticipated slippage of £30k.	A	67	133
Children's Centres and Sure Start	1,576	Slippage in transfers and restructure is anticipated at £441k as procurement forecasts of a delay in completion to January – this will be offset by income.	A	0	1576

Regeneration and Environment

Saving	Target £0	Comments / progress on implementation	BGAR	Amount delivered at M4 July 13 £0	To be delivered £0
Invest Wirral	352	This saving is on target – the funding relates to economic activities that are no longer continuing.	B	352	0
Home Insulation	926	Programme ended saving achieved	B	926	0
Apprentice Programme	420	Savings achieved	B	420	0
Pre-Planning Advice	10	On target to be achieved	G	10	0
Pest Control	30	There is some of slippage on this budget saving due to a delay in the departure of an employee and the associated costs. It is expected that this slippage will be managed within existing budget resources.	G	26	4
Garden Waste Collection	582	Income target met and currently overachieving. Garden waste tonnages slightly below projections but drop in recycling credit income will be offset by subscription income and budget monitoring exercise has picked up necessary adjustments. Negotiations with Biffa over savings to be identified through fleet reduction are underway (to be completed by November 13).	G	400	182
Dog Fouling Enforcement	97	On target for savings to be achieved	G	85	12
Household Waste Collection	80	An increase in the charge for the ERIC services has been agreed and implemented. However, there is currently no capacity in IT to implement required changes to update CRM until end of August 2013	G	60	20

		for bin charging element of project. Budget shortfall (est at £20K) will be met within existing budget provision.(Although there is an over achievement in income from schools waste as schools have not reduced their bin emptying requirements as much as anticipated).			
Handyperson Scheme	209	There is some slippage on this budget saving due to a delay in the departure of employees. It is expected that this slippage will be managed within existing budget resources. Services to the general public ceased trading in April/May after scheduled works had been completed. Any new referrals have been directed to the Local Authorities Approved Contracted List held by Trading Standards.	G	170	39
Trading Standards	71	This budget savings option involved the reduction of two posts within the section. One of these posts was already vacant and so the saving will be achieved. There will be some slippage with the saving on the other post due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources.	G	65	6
Highway Maintenance	588	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the works plan of the service and will therefore, be achieved.	G	585	3

Street Cleansing	1,000	The service changes have been implemented on time. Transitional costs will be covered by a transfer from the efficiency fund, if approved in September.	G	1000	0
School Waste	180	An income target has been created which will be monitored throughout the year. Currently there are no problems envisaged to achieving this saving.	G	180	0
Street Lighting	265	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the works plan of the service and will therefore, be achieved.	G	262	3
Highway Drainage	106	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a rationalisation of inspections. This rationalisation has already been built into the inspection programme and will therefore, be achieved.	G	97	9
Reduction in Parks Maintenance	450	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the	G	447	3

		works plan of the service and will therefore, be achieved.			
Housing Support for BME Communities	111	There is some of slippage on this budget saving due to a delay in the departure of employees. It is expected that this slippage will be managed within existing budget resources.	G	91	20
Car Parking	281	There is an emerging pressure on the parking income budget. Research and further analysis is being undertaken to understand the impact on the budget.	A	0	281

Transformation and Resource

Saving	Target £0	Comments / progress on implementation	BGAR	Amount delivered at M4 July 13 £0	To be delivered £0
Efficiency	4,400	Cabinet 8th November 2012 agreed to elimination of fund and growth and replacement by rolling fund.	B	4,400	0
Investment Fund					
Treasury Management	1,700	Built into budget to reflect the revised Capital Programme	B	1,700	0
Revenues and Benefits	550	This saving has been built into the budget and staffing levels are in line with its achievement.	B	550	0
Information Technology Service	210	Full savings for this budget option delivered in year one.	B	210	0
Marketing and Public Relations	167	Funding removed from budget	B	167	0
Tranmere Rovers Sponsorship	135	Sponsorship has ended.	B	135	0
Power Supplies - Contract Saving	11	A new supply contract is in place.	B	11	0
Area Forum Funding	391	Savings achieved	B	391	0
Council Tax Increase	2,600	Saving has been incorporated into the budget and is expected to be achieved.	B	2,600	0
Council Tax: Discounts and Exemptions	2,284	Saving has been incorporated into the budget and is expected to be achieved.	B	2,284	0
Reduction in External Audit Fees	140	The budget has been reduced to reflect the new contract and is expected to be fully realised in year.	G	0	140
Local Council Tax Support Scheme	2,785	Scheme introduced and progress being monitored as per section 7.3 above	G	0	2,785
Reducing Council Management					
	5,000	Vacant posts at Chief Officer level have been included in the latest	G	937	4,063

		management savings for June. Vacant posts are being pro rata'd over the year. April and May savings have been updated.			
Trade Union funding	-270	The funding for the Trade Unions has been built in with the costs to still be recharged across business areas at the end of the year.	G	0	-270
Reducing the Cost of Democracy	100	The cost of the Members Allowances has been reduced and the saving is expected to be achieved in this area.	G	0	100
The Mayor of Wirral	50	It is expected that Civic Services will be able to achieve this saving from June 2013 and there will be a drive to reduce overtime and supplies to achieve the saving.	G	0	50
Libraries and One Stop Shops	391	Staff savings at the budget level are evident in April monitoring.	G	391	0
Housing Benefits – Maximisation of Grant	2,000	Saving has been incorporated into the budget and is expected to be achieved.	G	2,000	0
Service Restructures	905	<p>Broken down as:</p> <p>£50k Asset Mgmt – delayed restructure but the full £100k should be achieved during 2013-15</p> <p>£292k HR delayed restructure but it is envisaged that the full saving of £584k will be achieved over the course of 2013-15.</p> <p>£263k related to RHP</p> <p>£300k for Legal Services, of which £100k relates to employees which is expected to be achieved through compensatory budgets with the restructure helping to achieve the £200k that is currently set aside</p>	<p>G</p> <p>A</p> <p>G</p> <p>A</p>	0	905

		Legal/Court costs which are a very volatile area.			
Better Use of Buildings	100	Details as to how this saving will be achieved are to be finalised as there are also savings that have rolled forward from previous years relating to assets.	A	0	100
Transforming Business Support	500	Saving has been incorporated into the budget. Staff savings are expected and some have already been achieved. Further work is taking place to develop saving.	A	169	331
Reducing the numbers of Agency workers	500	The current saving in year is 30k up to June 2013. However, there are plans to bring a significant number of current contracts to an end later in year.	A	30	470
Procurement	320	This saving has not progressed as anticipated, but compensatory savings are expected to be made during the year.	A	91	229
Workforce Conditions of Service	3,800	Negotiations with TUs are concluding. Target saving likely to be £3.7 million. Slippage depending upon agreement is likely	A	330	3,470
Council Tax: Court Costs	2,429	Current projections show that the full saving will not be delivered. Compensatory savings will be made from staffing and financing budgets from within Transformation and Resources.	R ↓	1,129	1,300

Annex 6 ADULTS/CHILDREN'S REPLACING ONE-OFF 2013-14 FUNDING

ADULTS

Details	Proposed 13-14 (£000)	Delivered 13-14 (£000)	Proposed 14-15 (£000)	Proposed 15-16 (£000)	Comments / progress on implementation
Live savings					
Service Reviews (for development and future discussion with members)	1,014		3,530	900	
Management action	362		3,328	790	
Total all categories	1,376		6,858	1,690	

Note: 21013/14 monies may be allocated first to annex 12 issues in 2013/14

CHILDRENS

Details	Proposed 13-14 (£000)	Delivered 13-14 (£000)	Proposed 14-15 (£000)	Proposed 15-16 (£000)	Comments / progress on implementati on
Commissioning (saving achieved in advance)	250	250			Saving achieved in advance of 14-15 requirement
Connexions/CEIAG (saving achieved in advance)	300	300			Saving achieved in advance of 14-15 requirement
Transfer Pension costs to Schools Budget	100				Costs to be transferred as in 2012-13
Uncommitted Adoption Grant	200	200			As per cabinet report June 2013
Further reduction in PPM programme for schools	200				Reduction to be taken into account in the available programme
Springboard / School Readiness	400	400			Budget not committed

additional budget					
YOS bring forward service review	50	50			To be met from vacancies and spend controls
Total	1,500	1,200			

Annex 7 FREEZE OUTCOMES

No decisions have been made in 2013/14 which result in monies being transferred from directorate budgets to the freeze holding account.

Annex 8 GROWTH AND RISK

Growth £000's

		2013/14	2013-14
Ref	Department/ Option Title	Budget	Release
	CYP		
5	Independent Reviewing Officers	90	
6	Additional Social Worker Capacity in Wallasey District	315	
7	Social Workers in Schools	75	
8	Family Justice Review	100	
9	Staying Put Policy	100	
12	Foster Care	500	
13	Youth Justice Board Costs	50	
	CYP Total	1,230	
	DASS		
2	Increase in Fees for Residential & Nursing Care to reflect a Fair Price for Care	1,000	
4	Increase in Demand (Young Adults with Learning Disabilities)	944	
5	Increase in Demand (Older People)	1,773	
	DASS Total	3,717	
	Technical		
3	Annual Property Uplift Biffa contract	12	
	Technical Total	12	
	Finance		
1	Reduction in HB Admin grant 2013/14	237	
	Finance Total	237	
		5,196	

Risk £000's

Corporate Growth (Budget Book page 7)	2013/14 Budget	2013-14 Release
Pay Inflation	1,700	1,000
Superannuation Revaluation	0	
Change Management Implementation Fund	4,000	
Savings Profiling	2,000	1,800
Price inflation unallocated		
Growth unallocated		
	7,700	2,800

Annex 8 (Continued)

Inflation Allocated to Departments 2013-16			
	2013/14	2014/15	2015/16
	£000	£000	£000
CYP			
PFI	140	140	140
Retirement Costs	80	80	80
Foster/Adoption	190	190	190
CYP Total	410	410	410
DASS			
Placements	15	15	15
Residential and Nursing Care	1,518	1,518	1,518
Transport	60	60	60
Total	1,593	1,593	1,593
Families and Well Being Total	2,003	2,003	2,003
Regeneration and Environment			
Biffa	413	413	413
Colas	48	48	48
Regeneration and Environment Total	461	461	461
Grand Total	2,464	2,464	2,464

Annex 9 INCOME AND DEBT

Council Tax

The following statement compares the amount collected for **Council Tax** in the period 1 April 2013 to 31 July 2013 with the amount collected in the same period in 2012/13:

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	135,456,284	125,772,781
Cash Collected	50,106,204	47,838,943
% Collected	37.0%	38.0%

Council Tax benefits has been abolished and replaced by Council Tax support and the numbers and awards as at 31 July 2013 are as follows:

Number of Council Tax Support recipients	38,413
Total Council Tax Support expenditure	£28,190,430
Number of pensioners	16,462
Number of vulnerable	6,412
Number of working age	21,951

The level of collection reflects the increased charges to those charge payers now in receipt of Council Tax Support and having to pay a minimum of 22% of the annual charge as well as the increase charges in respect of reduced discounts and exemptions.

Business Rates

The following statement compares the amount collected for **National Non-Domestic Rates** in the period 1 April 2013 to 31 July 2013 with the amount collected in the same period in 2012/13:

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	70,405,707	68,272,233
Cash Collected	27,994,105	26,857,524
% Collected	39.76%	39.34%

Accounts Receivable

The table below shows the new department names and the split at what stage of the recovery cycle they are:

Description	Less than 28 days	1st reminder	2nd reminder	3rd reminder	Total as at 31.7.13
Chief Executive	£220,547.46	£21,233.72	£17,313.64	£531,632.59	£790,727.41
Neighbourhood	£14,334.99	£0.83	£6,388.20	£23,928.41	£44,652.43
Transformation	£5,415,068.05	£846,107.94	£319,492.64	£8,394,834.15	£14,975,502.78
Families	£443,070.75	£2,125,177.55	£199,179.59	£3,476,892.08	£6,244,319.97
Environment & Regulation	£534,515.12	£264,586.77	£149,422.71	£2,899,119.75	£3,847,644.35
Totals	£6,627,536.37	£3,257,106.81	£691,796.78	£15,326,406.98	£25,902,846.94

The above figures are for invoices in respect of the period up to the end of July 2013. Payments and amendments such as write offs and debts cancellations continue to be made after this date on these accounts.

BENEFITS

The following statement details the number of claimants in respect of benefit and the expenditure for Private Tenants and those in receipt of Council Tax Benefit up to 31 July 2013:

	2013/14	2012/13
Number of Private Tenant recipients	31,592	31,780
Total rent allowance expenditure	£49,558,204	
Number under the Local Housing Allowance Scheme (<u>included in the above</u>)	12,077	11,937
	£19,234,646	
Number of Council Tax Support recipients	38,413	
Total Council Tax Support expenditure	£28,190,430	
Total expenditure on benefit to date	£77,748,634	

The following statement provides information concerning the breakdown according to client type as at 31 July 2013

Private Tenants

Claimants in the Private Rented Sector	14,655
Claimants in the Social Rented Sector	16,937
Owner Occupiers	10,582
Total claimants by age group	
under 25 years old	2,649
25 – 60 years old	21,923
over 60 years old	17,602

There are **42,174** benefit recipients in Wirral as at 31 July 2013.

Under Occupancy regulations

From 1 April 2013 property size criteria was introduced to working age tenants of social housing (Registered Providers). Where a claimant is deemed to be occupying accommodation larger than they reasonably require, Housing Benefit (HB) levels have been restricted as follows:

- One “spare” bedroom incurs a 14% reduction. In Wirral the current average is £12 weekly and there are 3,092 households affected;
- Two or more spare bedrooms incurs a 25% reduction – the Wirral average is currently £21 weekly and there are 817 affected;
- Out of a total social sector HB caseload of 16,937; 3909 are currently affected by this;
- Cases that are deemed exempt from the reduction is 3,378.

Numbers affected have reduced slightly since April as certain exemption criteria is applied.

Housing Benefit Fraud and Enquiries – 01 April 2013 to 31 July 2013

New Cases referred to Fraud team in period	401
Cases where fraud found and action taken	22
Cases investigated, no fraud found and recovery of overpayment may be sought	165
Cases under current investigation	211
Surveillance Operations Undertaken	0
Cases where fraud found and action taken:	
Administration penalty	0
Caution issued and accepted	4
Successful prosecution	18
Summons issued for prosecution purposes	12

Discretionary Housing Payments

Discretionary Housing Payments (DHP) may be awarded to provide short term financial assistance to Housing Benefit claimants who are experiencing difficulty meeting a shortfall in their rent because maximum benefit is not being paid. DHP is not a payment of Housing Benefit and is funded separately from the main scheme.

The Government contribution for 2013/14 is £917,214 with an overall limit of £2,293,035 which the Authority must not exceed. These levels have increased significantly this year as part of central government's measures to help alleviate hardship resulting from the major welfare reforms, such as under occupancy as well as ongoing Local Housing Allowance issues. To date £122,073 of this fund has been allocated, however there were at month end 387 claims still to be considered. These new applications are mainly due to those affected by the under occupancy sanctions

and additional information has been sought to allow assessment to proceed. In addition, £7,424 has been used by Housing Options to meet rent deposits to enable people to move into sustainable tenancies. It is expected that Wirral will use up the full government contribution by year end.

Local Welfare Assistance

From April 2013, the discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund were abolished and replaced in Wirral by our new Local Welfare Assistance Support Scheme (LWA). For 2013/14 Wirral's scheme is supported by a £1,345,925 Government Grant. Wirral's scheme replaces cash payments in favour of suitable alternatives where at all possible e.g. through the provision of pre payment cards for food and fuel and direct provision of white goods. The scheme is to be reviewed after six months to see how implementation has gone and for possible scheme alterations. The number of applications is rising on a week by week basis. LWA applications for July 2013 average 90 per week

LWA details for period from 02 April 2013 to 31 July 2013

Number of awards granted for food	1,215	value	£53,489
Number of awards granted for fuel	898	value	£16,539
Number of awards granted for goods	174	value	£41,104
Total number of awards	1,354	value	£112,232
Number of claims not qualifying for assistance			1,107

Annex 10 MANAGEMENT ACTIONS

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

Department	Items	£000
All	Spending freeze to continue during first quarter.	
All	Introduction of Concerto system to monitor progress against savings targets.	
People	Reviews by Adults and Children to identify measures to fund pay back of 2013/14 one-off funding (£13.7 million).	
Regeneration	Early implementation of Supporting People 2014-15 saving	1,300
Families (DASS)	Increased emphasis on home care and minimising where possible residential care	

Annex 11 EARMARKED RESERVES - GENERAL FUND £000's

	Balance at 1 April 2013 £000	Movement	Balance at 31 July 2013 £000
Schools Balances	11,936	-	11,936
Housing Benefit	10,155	-	10,155
Insurance Fund	7,821	-	7,821
Budget Support	4,200	-	4,200
Intranet Development	3,161	-	3,161
Local Pay Review	2,296	-	2,296
Community Fund Asset Transfer	2,146	-	2,146
Efficiency Investment Rolling Fund	2,000	1,000	1,000
One Stop Shop/Libraries IT Networks	1,878	-	1,878
Supporting People Programme	1,105	-	1,105
Worklessness	1,085	-	1,085
Severance Pay	1,026	-	1,026
Stay, Work, Learn Wise	908	-	908
Intensive Family Intervention Project	871	-	871
Working Neighbourhood Fund	760	-	760
School Harmonisation	668	-	668
Schools Capital Schemes	581	-	581
Childrens Workforce Development Council	558	-	558
Apprentice Programmes 2 & 3	546	-	546
Home Adaptations	518	-	518
Dedicated Schools Grant Carry Forward	472	-	472
Planned Preventative Maintenance	463	-	463
ERDF Match Funding	444	-	444
Schools Automatic Meter Readers	415	-	415
Schools Contingency	370	-	370
Strategic Asset Review	366	-	366
Child Poverty	350	-	350
Business Improvement Grant	342	-	342
Local Area Agreement Reward	322	-	322
Schools Service IT	294	-	294
Homeless Prevention	271	-	271
Other Reserves	6,448	-	6,448
Total Reserves	64,776	(1,000)	63,776

Note: 2012/13 revenue accounts and 1st April opening balance is subject to audit which will be completed in September 2013.

Annex 12 BUDGETARY ISSUES

	Service area	Issue	2013-14	2014-15	2015-16	2016-17	Resolution
People							
	Adults overstated income	Income was included at 100% of billed, rather than at the (lower) level of collection. Improved collection would reduce the loss but this should be evidence led.	2,000	2,000	2,000	2,000	Entered into M1 Monitor. 2013-14 from Directorate. 2014-15+ Bad debt provision will cover
	Legal Fees ex CYP	Foster Care placements - with improved work routines, amenable to reduction.	100	50	0	0	Funding from M3 increased grants
Places							
	RHP	Homeless Grant rolled into Formula Grant, but not taken out of budget. No solution.	221	221	221	221	2013-14 from forecast savings in M3
	Willowtree	Shortfall in accommodation budget; resolution depends on service and asset disposal	33	33	33	33	2014-15+ from grant adjustment Agreed can be met from permanent budget reduction
Transformation							
	Market Supplements	Single Status is unimplemented. Until then, grade mismatches can only be 'fixed' by market factors. Estimated has reduced from £1m in M1 to £490k excluding any additional cover.	490	450	450	0	Reduced from £1m M1 Monitor based on latest estimates. From pay growth budget M3
	2012-13 T&C's	Non-achievement; count as part of 2014-15 target	300	0	0	0	2013-14 from forecast savings in M3
	2012-13 Trans Bus S	Non-achievement; count as part of 2014-15 target	300	150	0	0	2013-14 from forecast savings in M3
	2013-14 T&Cs	Shortfall in achievement; count as part of 2014-15 target	472	0	0	0	2013-14 from forecast savings in M3
	Facilities Management	Shortfall in achievement on closure of buildings; count as part of 2014-15 target	250	0	0	0	Agreed can be met from permanent budget reduction
Totals			4,166	2,904	2,704	2,254	
Solutions			2013-14	2014-15	2015-16	2016-17	
	Agreed redns	Willowtree Facilities Management	-33 -250	-33	-33	-33	Agreed can be met from permanent budget reduction
	In M1 monitor	Adults income – in 2013-14 funded from bad debt provision in later years	-2,000	-2000	-2000	-2000	2013-14 in year savings and bad debt provision
		Market Supplements funding from central budget for pay growth (page 7) Budget Book	-490	-450	-450	0	funding from central budget for pay growth (page 7) Budget Book

		T&Cs part funding from central budget for pay growth (page 7) Budget Book	-200	0	0	0	
		Foster Care placements	-100	-50	0	0	Funding from increased grants per Directorate M3
		Homeless Grant	-221	-221	-221	-221	2013-14 from increased balances forecast in M3 monitor in M3, 2014-15+ from grant adjustment
		Remaining issues relating to 2013-14	-872	-150	0	0	Funded from increased balances forecast in M3 monitor
Current additional resource required from savings			0	0	0	0	

10 OCTOBER 2013

SUBJECT	CAPITAL MONITORING 2013-14 MONTH 4 (JULY 2013)
WARD/S AFFECTED	ALL
REPORT OF RESPONSIBLE PORTFOLIO HOLDER	INTERIM DIRECTOR OF RESOURCES COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1. EXECUTIVE SUMMARY

This report sets out the capital position for 2013-14 at Period 4 (July 2013) and actions to minimise risk.

2. RECOMMENDATIONS

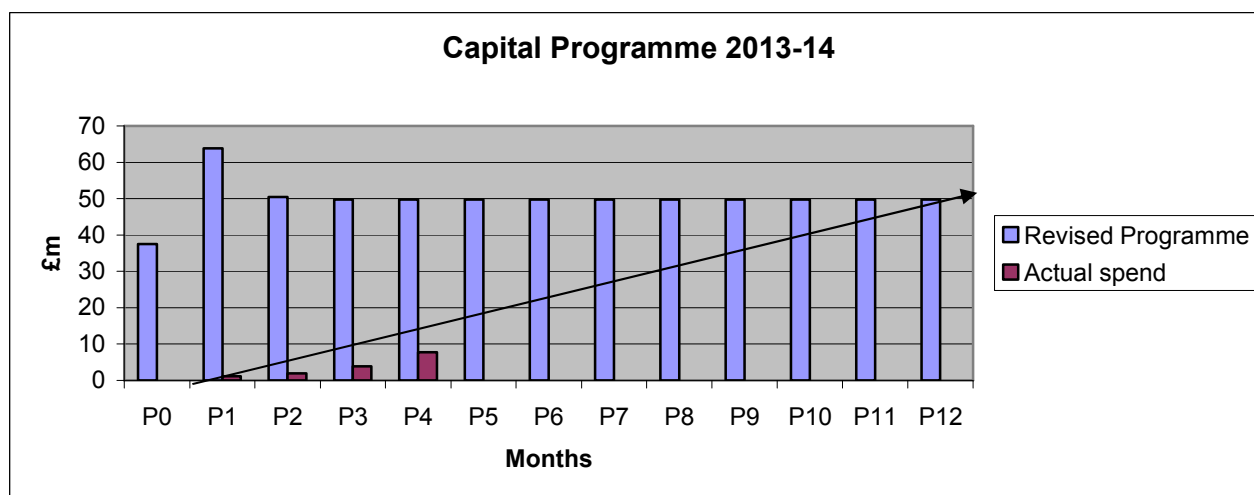
2.1 That Cabinet is asked to note:

- a) the spend to date at Month 4 of £7.687m, with 33.0% of the financial year having elapsed.

3 OVERALL POSITION AT PERIOD 4 (July 2013)

3.1 The projected capital forecast for the year, at Month 4 shows a potential outturn of no overspend or underspend.

Chart 1: Capital Programme spend below line of best fit



4 ORIGINAL AND PROPOSED CAPITAL PROGRAMME FOR 2013-14

4.1 The capital budget for 2013-14 is subject to change. The Period 4 monitor reflects the programme agreed by this Committee on 16th September.

Table 1: Capital Programme 2013-14 at Period 4 (July) £000's

	Capital strategy	Changes approved by Cabinet	Reprofiling to be approved	Other changes to be noted or approved	Revised Capital Programme
Invest to save	1,400	-400	0	0	1,000
Bids to release assets	1,053	2,457	0	0	3,510
People - Adults	11,025	-9,125	0	0	1,900
People - CYP	10,286	6,388	0	0	16,674
Places - Regeneration	5,979	5,162	0	0	11,141
Places - Environment	7,196	6,476	0	0	13,672
Trans & Res -Finance	210	0	0	0	210
Trans & Res - Asset Mgt	315	1,249	0	0	1,564
Total expenditure	37,464	12,207	0	0	49,671

4.2 There are no significant variations requiring approval for period 4.

4.3 The Government has recently issued their capitalisation directions. The qualifying criteria to 'capitalise' statutory redundancy costs prevent the Council from applying in 2013-14.

4.4 The latest position regarding the co-location of Pensby/Stamley schools was reported on 13 June. It highlighted the reason for the anticipated additional cost of £1.038m and how these costs would be accommodated - £0.833m grant, £0.120m council resources and £0.085 school contribution. Weekly risk management meetings are being held to monitor and mitigate against the effects of any further increases to the project costs.

5 PHASING OF THE PLAN – THE USE OF GATES

5.1 Since February, officers have embarked on implementing a system – Concerto - that will tell them how all the schemes in the capital programme are progressing. Instead of only having two scheme measures, being 'start' and 'completed', we will be able to look 'inside the box' and see the progress of a scheme. Table 3 examples the Gates for the Capital Receipts programme.

Table 3: example of five Gates for Capital Receipts

Gate	Activity by Quarters
Conceptual Stage	Identification of potential disposal
Approval Stage	Agreement in principal by Asset Review Board
Delivery Stage	Approval to disposal and method of disposal
Finished Stage	Agreement to final terms
Closure Stage	Legal completion and receipt of monies

5.2 The benefit of the system is that each scheme will be planned across the year(s), initially in Quarters, and progress can be tracked. Furthermore, all the schemes can be 'added up', so we will have a predicted phasing for the whole capital programme, over three years.

5.3 Having this information will enable us to intervene where schemes are slipping, navigate around 'choke points' where everything is happening at once and plan the funding of the programme so we can manage to finer tolerances. For example,

historically, the Council has always carried a high level of capital receipts, to cover risk, rather than using them.

6 ACTUAL SPEND TO DATE – IS THE PROGRAMME ‘ON PLAN’?

- 6.1 Until the Concerto system is fully developed we will continue to use the general measure of progress introduced last year. The actual capital expenditure at Period 4 is £7.687m with 33.0% of the financial year having elapsed. .

Table 4: Spend to date July (4/12 = 33.0%)

	SPEND TO DATE		COMMENTS ON VARIATION RAG
	£000	%	
INVEST TO SAVE	0	0	GREEN - ACCEPTABLE
BIDS TO RELEASE ASSETS	110	3.1	GREEN - ACCEPTABLE
PEOPLE - ADULTS	0	0	GREEN - ACCEPTABLE
PEOPLE - CHILDREN'S & YOUNG PEOPLE	2,567	15.4	GREEN - ACCEPTABLE
PLACES - REGENERATION	1,382	12.4	GREEN - ACCEPTABLE
PLACES - ENVIRONMENT	3,000	21.9	GREEN - ACCEPTABLE
TRANS & RES -FINANCE	4	1.9	GREEN - ACCEPTABLE
TRANS & RES - ASSET MGT	624	40.0	GREEN - ACCEPTABLE
TOTAL EXPENDITURE	7,687	15.5	

- 6.2 The table below will be updated with more detailed forecasts in subsequent reports.

Table 5: Projected Outturn compared to Revised Budget £000's

	REVISED	PROJECTED	VARIATION
	BUDGET	OUTTURN	
INVEST TO SAVE	1,000	1,000	0
BIDS TO RELEASE ASSETS	3,510	3,510	0
PEOPLE - ADULTS	1,900	1,900	0
PEOPLE - CHILDREN'S & YOUNG PEOPLE	16,674	16,674	0
PLACES - REGENERATION	11,141	11,141	0
PLACES - ENVIRONMENT	13,672	13,672	0
TRANS & RES -FINANCE	210	210	0
TRANS & RES - ASST MGT	1,564	1,564	0
TOTAL EXPENDITURE	49,671	49,671	0

7 SCHEMES THAT ARE NOT KEEPING TO PLAN.

- 7.1 The purpose of this section is to highlight schemes that are not keeping to plan and the range of responses that are needed. At this point in the cycle there are no such schemes.

8 FINANCING OF THE CAPITAL PROGRAMME

- 8.1 Table 6 summarises the financing sources and changes made to Period 4. The major changes proposed, since the capital programme was approved in March 2013 are:

- the use of unsupported borrowing to finance slippage and new schemes;
- the use of grant funding not required in 2012-13 which will fund the associated slippage in expenditure; and
- to deploy spare capital receipts.

Table 6: Revised Capital Programme Financing 2013-14 £000's

CAPITAL PROGRAMME FINANCING	CAPITAL STRATEGY	CHANGES APPROVED BY CABINET	BUDGET CHANGES TO BE APPROVED BY CABINET	REVISED 2013-14 PROGRAMME
UNSUPPORTED BORROWING	7,920	8,778	0	16,698
CAPITAL RECEIPTS	3,121	3,844	0	6,965
REVENUE AND RESERVES	888	881	0	1,769
GRANT – EDUCATION	8,786	4,341	0	13,127
GRANT – INTEGRATED TRANSPORT	1,136	5	0	1,141
GRANT – LOCAL SUSTAINABLE TRANSPORT	695	395	0	1,090
GRANT – LOCAL TRANSPORT PLAN	2,864	522	0	3,386
GRANTS – OTHER	12,054	-6,559	0	5,495
TOTAL FINANCING	37,464	12,207	0	49,671

9 PROJECTED LONGER TERM CAPITAL PROGRAMME

9.1 Funding for the forecast 2013-14 to 2015-16 capital programme is shown in Table 7.

Table 7: Capital Programme Financing 2013-14 to 2015-16 £000's

CAPITAL PROGRAMME FINANCING	2013-14 REVISED ESTIMATE	2014-15 REVISED ESTIMATE	2015-16 ORIGINAL ESTIMATE	TOTAL PROGRAMME
UNSUPPORTED BORROWING	16,698	5,692	1,300	23,690
CAPITAL RECEIPTS	6,965	2,838	1,000	10,803
RESERVE RESERVES	1,769	140	0	1,909
GRANT – EDUCATION	13,127	5,813	357	19,297
GRANT – INTEGRATED TRANSPORT	1,141	1,155	0	2,296
GRANT – LOCAL SUSTAINABLE TRANSPORT	1,090	676	0	1,766
GRANT – LOCAL TRANSPORT PLAN	3,386	2,978	0	6,364
GRANTS – OTHER	5,495	11,092	0	16,587
TOTAL FINANCING	49,671	30,384	2,657	82,712

10 SUPPORTED AND UNSUPPORTED BORROWING AND THE REVENUE CONSEQUENCES OF UNSUPPORTED BORROWING

10.1 The cost of £1 million of Prudential Borrowing would result in additional revenue financing costs of £100,000 per annum in the following year. As part of the Capital Strategy 2013-14 to 2015-16 the Council has included an element of prudential borrowing. At Period 3 there is a sum of £23.6m of new unsupported borrowing included over the next three years, which will result in approximately £2.4m of additional revenue costs detailed at Table 8, if there is no change in strategy.

Table 8: Unsupported Borrowing Forecasts & Revenue costs £000's

	2013/14	2014/15	2015-16	2016-17	TOTAL
NEW UNSUPPORTED BORROWING	16,698	5,692	1,300	-	23,690
CUMULATIVE		22,390	23,690		
CUMULATIVE ANNUAL REVENUE REPAYMENT COSTS		1,670	2,239	2,369	

However, the Unsupported Borrowing has to be divided into that for which there is planned support – a spend to save scheme – and the truly unsupported schemes.

Table 9: Analysis of Unsupported Borrowing

	2013/14	2014/15	2015-16	TOTAL
SPEND TO SAVE	6,110	820	300	7,230
OTHER BORROWING	10,588	4,872	1,000	16,460

11 CAPITAL RECEIPTS POSITION

11.1 The Council has worked with the LGA to review the Council's Assets – a report was presented to Chief Officers on May 7. A stand out comment was that the Council could realise £20m from asset disposals by 2015, some of which has already been counted into Table 10 below. Work is being undertaken to identify which of the receipts in the table below are included in this assessment.

11.2 The capital programme is reliant on the Council generating capital receipts to finance the future capital programme schemes. The Capital Receipts Reserve at 1 April 2013 contained £8.1m of receipts. The table assumes the proposed spend, set out at 4.1 is agreed.

Table 10: Projected capital receipts position – funding requirement £000's

	2013/14	2014/15	2015-16
CAPITAL RECEIPTS RESERVE	8,100	2,635	7,247
IN - RECEIPTS ASSUMPTION	1,500	7,450	N/A
OUT - FUNDING ASSUMPTION	-6,965	-2,838	-1,000
CLOSING BALANCE	2,635	7,247	6,247

11.3 At the end of July the Council had received £0.902m usable capital receipts which are detailed in Annex 4.

11.4 Details of the schemes to be funded by capital receipts in 2013-14 can be found in Annex2.

12 RELEVANT RISKS

12.1 The possible failure to deliver the Capital Programme will be mitigated by the fortnightly review by a senior group of officers, charged with improving performance.

12.2 The generation of capital receipts could well be influenced by factors outside the authority's control e.g. ecological issues.

12.3 Capacity shortfalls are being addressed through the development of closer working with the LGA and Local Partnerships.

13 OTHER OPTIONS CONSIDERED

13.1 None.

14 CONSULTATION

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

15 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

16 RESOURCE IMPLICATIONS

16.1 The whole report is about significant resource implications.

17 LEGAL IMPLICATIONS

17.1 There are no legal implications.

18 EQUALITIES IMPLICATIONS

18.1 An Equality impact assessment is not attached as there are none.

19 CARBON REDUCTION IMPLICATIONS

19.1 None.

20 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

20.1 None.

21 REASONS FOR RECOMMENDATIONS

21.1 Regular monitoring and reporting of the capital programme will enable decisions to be taken faster which may produce revenue benefits and will improve financial control of the programme.

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SUBJECT HISTORY

Council Meeting	Date
Capital monitoring reports, from September 2012, are being submitted monthly.	
Capital programme submitted to Council	5 th March 2013

Annexes:

Annex 1 Capital monitoring and reporting timetable 2013/14

Annex 2 Revised Capital programme and funding source

Annex 3 Deferred unsupported capital schemes

Annex 4 Capital Receipts

Annex 5 CYP Capital programme and Funding

Annex 1

CAPITAL MONITORING AND REPORTING TIMETABLE 2013/14

Period Number	Month	General Ledger Updated and Reports Available To Be Produced	Reports Available For The Executive Strategy Group	Reports Available For Cabinet	Reports Available For Council Excellence Overview & Scrutiny Committee
			Monthly	Monthly	Quarterly
1	April	May 8	May 28	June 13	-
2	May	Jun 7	June 18	July 11	-
3	June	Jul 5	Aug 20	Sept 5	01-Oct
4	July	Aug 7	Sept 24	Oct 10	-
5	August	Sept 6	Sept 24	Oct 10	-
6	September	Oct 7	Oct 22	Nov 7	27-Nov
7	October	Nov 7	Dec 2	Dec 18	-
8	November	Dec 6	Jan 19	Feb 4	-
9	December	Jan 8	Feb 1	Feb 17	26-Mar
10	January	Feb 7	Feb 25	Mar 13	TBC
11	February	Mar 7	TBC	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC	TBC

ANNEX 2 PROPOSED CAPITAL PROGRAMME AND FUNDING CABINET 11 JULY 2013

Department	Programme manager	Capital Strategy	Changes approved	Re-profiling to be approved	Other changes to be approved	Total Programme	Borrowing	Receipts	Revenue / Reserves	Education Grants	Integrated Transport	Local Sustainable Transport	Local Transport	Other Grant	Total Funding
Invest to save or core efficiency															
Replace Integrated Childrens System	Mark Ellis	1,000		-400		600	600								600
Energy schemes	Hazel Edwards	400				400	400								400
Invest to save or core efficiency Total		1,400	-	-400	-	1,000	1,000	-	-	-	-	-	-	-	1,000
Bids that release redundant council assets															
Demolish Stanley Special	Mike Woosey	275				275	275								275
Demolish Bebington Town Hall and Liscard Municipal	Neil Corser	378				378	378								378
Demolish former Rock Ferry High	Mike Woosey	400				400	400								400
Strategic Asset Review	Jeff Sherlock		457			457	457								457
Fund to assist land assembly and re-sale			2,000			2,000		2,000							2,000
Bids that release redundant council assets Total		1,053	2,457	-	-	3,510	1,510	2,000	-	-	-	-	-	-	3,510
Transformation & Resources Finance															
West Kirby and Conway Centre OSS	Malcolm Flanagan	210				210			210						210
Transformation & Resources Finance Total		210	-	-	-	210	-		210	-	-	-	-	-	210
Transformation & Resources Asset Management															
The Priory	Gwenda Murray		25			25	25								25
Rock Ferry Centre	Gwenda Murray	315	141			456			456						456
Cultural Services Assets	Jeff Sherlock		220		-220	0									0
Arrowe Park Changing Pavilion	Jeff Sherlock				100	100	100								100
West Kirby Concourse Roof	Jeff Sherlock				159	159	159								159
Wallasey Town Hall	Gwenda Murray		810			810	810								810
Liscard Hall	Jackie Smallwood		14			14			14						14
Transformation & Resources Asset Management Total		315	1,210	-	39	1,564	1,094		470	-	-	-	-	-	1,564
People - Children & Young People															
Children's centres	Jeanette Royle		231	-206		25				25					25
Aiming Higher for Disabled Children	Dawn Tolcher	240	267		-117	390				390					390
Condition/Modernisation	Jeanette Royle	4,500	1,350		-303	5,547	407		21	5,119					5,547
Family Support Scheme	Simon Garner		115			115	115								115
Formula Capital Grant	Mike Woosey	2,000	535			2,535			42	2,493					2,535

[illegible]

Parks Plant and Equipment	Bill Hancox Anthony	1,498			-231	1,267		1,267							1,267
Parks vehicles replacement	Bestwick	440				440		440							440
Park depot rationalisation	Mary Bagley	500				500		500							500
Landican Cemetery	Mary Bagley	-	82			82	82								82
Birkenhead Park Restoration Fees	Mary Bagley	-	97			97	97								97
Hoylake Golf Course	Mary Bagley	-	30			30	30								30
Park Outdoor Gyms	Jackie Smallwood	-	167			167							167		167
Reeds Lane Play Area	Jackie Smallwood	-	61			61							61		61
Eastham Country Park	Christine Smyth	-	36			36							36		36
Royden Park	Christine Smyth	-	20			20							20		20
Floral Pavilion Stage & Orchestra Pit	Kate Carpenter	-	37			37	37								37
Cemetery Improvements	Mary Bagley		80		-80	0									0
Birkenhead Tennis Courts	Mary Bagley		90		-90	0									0
West Kirby/Guinea Gap					1,000	1,000	1,000								1,000
Leisure Equipment	Damien Walsh	63	-14			49			49						49
Places - Environment Total		7,196	5,872	-	604	13,672	5,431	2,207	49	-	1,141	1,090	3,386	368	13,672
Places - Regeneration															
Think Big Investment Fund	Alan Evans		434			434	434								434
Clearance approved Cabinet	Alan Lipscombe		2,199			2,199	830	560	47				762		2,199
Home improvement approved Cabinet	Alan Lipscombe		1,122			1,122	573	390	159						1,122
Disabled Facilities – Adaptations	Greg Cooper	2,929	904		-300	3,533	1,904						1,629		3,533
Improvement for sale grants	Lisa Newman		380			380				380					380
Cosy Homes Heating	Ed Kingsley	250	119			369	119	250							369
Empty Property Interventions	Paul Jackson		334			334	121	125	60				28		334
New Brighton	David Ball		1,162			1,162	1,162								1,162
Maritime Business Park	Alan Evans	2,800			-1,625	1,175	400						775		1,175
Other Regional Growth Fund Schemes	Alan Evans					433								433	433
Places - Regeneration Total		5,979	6,654	-1,625	133	11,141	5,543	1,325	646	-	-	-	-	3,627	11,141
Grand Total		37,464	12,993	-2,371	1,585	49,671	16,698	6,965	1,769	13,127	1,141	1,090	3,386	5,495	49,671

Annex 3

Deferred Unsupported

Summary

	2013-14 £000	2014-15 £000	2015-16 £000	Totals £000
Invest to save or core efficiency	0	0	0	0
Bids that release redundant council assets	0	0	0	0
DASS	0	0	0	0
Finance	0	0	0	0
CYP	680	700	0	1,380
Law, HR & Asset Management	1,025	1,500	1,500	4,025
Regeneration	2,080	1,250	300	3,630
Technical Services	2,405	2,119	397	4,921
Total	6,190	5,569	2,197	13,956

Detail

Invest to save or core efficiency

0	0	0	0
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Bids that release redundant council assets

0	0	0	0
---	---	---	---

DASS

0	0	0	0
---	---	---	---

Finance

0	0	0	0
---	---	---	---

CYP

Schools Development Programme

Woodchurch Rd primary Foundn 2 classrooms	80	700	0	780
Woodslee Primary school ***	600	0	0	600
	680	700	0	1,380

Law, HR & Asset Management

Cultural Services Assets ***	1,000	1,500	1500	4,000
The Priory	25	0	0	25
	1,025	1,500	1500	4,025

Regeneration

Think Big Investment Fund	300	300	0	600
Improvements to Stock ***	950	950	0	1,900
Wirral Healthy Homes	105	0	0	105
Empty Property Interventions ***	125	0	0	125
Hoylake	600	0	0	600
	2,080	1,250	300	3,630

Technical Services

Street Lighting	200	0	0	200
Bridges	250	0	0	250
Capitalised Highways Maintenance	1,000	1,000	0	2,000
Coast Protection	47	55	0	102

Parks, Cultural Services and Roads

Arrowe Park changing facilities	500	800	0	1,300
Birkenhead tennis court	90	7	0	97
Cemetery infrastructure and landscaping	50	50	0	100
Birkenhead Park drainage	238	57	0	295
Frankby cemetery extension	30	150	0	180
	2,405	2,119	397	4,921

Less schemes now approved

(2,675)	(207)	(2,882)
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Funding type:

Unsupported Borrowing	3,515	5,362	2,197	11,074
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*** Represents schemes now included in the Capital Programme.

Annex 4

CAPITAL RECEIPTS AT JUNE 2013

	£000
6, The Grove, Wallasey	11
Land at the Carr	12
Bridge Walks	15
Stringhey Road Car Park	19
Print Unit Equipment	30
Junction 1 Bidston Retail Park	32
Thurstaston Rangers Cottage	<u>310</u>
	429
Right to buy proceeds (WPH and BBCHA)	473
A. Total usable receipts	902

Annex 5

CAPITAL PROGRAMME 2013/14: FUNDING AND PROPOSED NEW STARTS

DfE CAPITAL MAINTENANCE AND BASIC NEED ALLOCATION £3,922,398

NON SPECIFIC SCHOOL LOCATIONS			
School Access/DDA	250,000	Mendell Primary – Main entrance remodel/security	25,000
Boiler Renewal Programme	250,000	Mosslands – Groundwork following mobile removal	30,000
Kitchen Ventilation Programme	250,000	Mount Primary – Fencing, access	40,000
Sub-Total	£750,000	New Brighton Primary – kitchen/staff room scheme additional works	60,000
		Orrets Meadow – Specialist bases	35,000
FEASIBILITY & DESIGN DEVELOPMENT		Pensby High Federation – Window installation phase 2	100,000
		Portland Primary – Window installation	50,000
Elleray Park Special – Suitability	10,000	Prenton Primary – Window installation	30,000
Fender Primary – Capacity	10,000	Riverside Primary – Internal refurbishment	50,000
Greenleas Primary – Capacity	10,000	Sandbrook Primary – External doors and adjoining windows.& Toilet Refurbishment	45,000
Mosslands – Structural	10,000	Stanton Road – toilets, roof	50,000
Pensby High – Accommodation Review	10,000	St George's Primary – Fire Alarm system	50,000
Well Lane Primary – Suitability	10,000	St George's Primary – Sports facility	130,000
		Thingwall Primary – Mobile replacement – internal reconfiguration	300,000
Sub-Total	£60,000	Town Lane – Reception/Offices/Staff Room	250,000
		WASP – Various modifications	200,000
		Wirral Hospital School – Service kitchen installation	30,000
SCHEMES		Woodchurch Road Primary – Remodeling F2 & class bases	550,000
Christchurch CE (B'head) – Mobile Demolition	20,000	Woodslee Primary – Foundation replacement.	550,000
Church Drive Primary - Main entrance/security/ICT	150,000		
Egremont Primary – Kitchen remodelling	60,000	Priority School Building Programme commitment	500,000
Ganneys Meadow – Access Car Park	20,000		
Hillside Primary – Roof and suitability	30,000	Sub-Total	3,740,000
Gayton Primary – Suitability and toilets	200,000		
Kilgarth Special – External Play area	60,000		
Leasowe Early Years – Access road	20,000	ALL TOTALS	4,550,000
Liscard Primary – Window installation	30,000	Carry forward 2012/13	750,000
Meadowside Special – Swimming Pool changing area phase 1	75,000	Remaining sum to be allocated to Priority Projects	122,389

OTHER DfE CAPITAL

Devolved Formula Capital (LA Schools)	£678,865
Devolved Formula Capital (Aided Schools)	£228,797
Aided Schools LCVAP (Agreed with Diocesan Bodies)	£1,121,887
Aiming Higher – Short Breaks (including Europa Pool) (allocated in 2012/13)	£305,000
Nursery (2 year olds) Capital (to be allocated) (allocated in 2012/13)	£614,000

COUNCIL CAPITAL 2013/14

(As per Cabinet Report 18 February 2013)

Wirral Youth Zone	£1,000,000
School Places	£300,000
Somerville Primary School	£200,000
Stanley School demolition / planning	£275,000
Rock Ferry High School demolition (proposed)	£400,000
ICS System	£1,000,000

The overall programme for delivery in 2013/14 includes previously approved and funded schemes.

All new starts will consider the use of DFC contributions

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT	FINANCIAL MONITORING 2013-14 MONTH 5
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report details the Monitoring position for Month 5 (ending 31 August 2013). There are separate appendices for Revenue and Capital.

2.0 RECOMMENDATIONS

- 2.1 Revenue:
- a) that the monitoring position of a forecast underspend of £320,000 for month 5 is noted;
 - b) that the spending freeze be continued until further notice to aid continued good financial management and note there were no rejected freeze items in the month;
- 2.2 Capital
- a) the spend to date at Month 5 of £9.518m, with 42.0% of the financial year having elapsed.

3.0 BACKGROUND AND KEY ISSUES

- 3.1 Throughout the financial year Cabinet will receive monthly updates in respect of Revenue and Capital Monitoring. This is the first report for the 2013/14 financial year.

4.0 RELEVANT RISKS

- 4.1 The possible failure to deliver the Revenue Budget is a risk which will be mitigated by a number of actions including regular review and reporting, training for budget managers and use of a tracking system to monitor delivery of savings.
- 4.2 The possible failure to deliver the Capital Programme will be mitigated by the fortnightly review by a group of officers, charged with improving performance.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 No other options were considered.

6.0 CONSULTATION

- 6.1 No consultation has been undertaken relating to this report.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 There are none arising directly from this report. These would be considered when planning and implementing specific schemes or projects.

8.0 RESOURCE IMPLICATIONS

- 8.1 The financial implications are detailed within the Appendices.
- 8.2 There are no direct staffing, IT or asset implications arising directly from this report.

9.0 LEGAL IMPLICATIONS

- 9.1 The Chief Finance Officer is under a personal duty under the Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

10.0 EQUALITIES IMPLICATIONS

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

11.0 CARBON REDUCTION IMPLICATIONS

- 11.1 There are no implications arising directly from this report. These are included in reports to Cabinet on individual schemes and in the Carbon Budget report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

13.0 REASONS FOR RECOMMENDATIONS

- 13.1 To comply with legal requirements to ensure that expenditure is likely to be within the limit of resources available.

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APPENDICES

Appendix A Revenue Monitoring 2013-14 Month 5 (August 2013)
Appendix B Capital Monitoring 2013-14 Month 5 (August 2013)

REFERENCE MATERIAL

None

SUBJECT HISTORY

Council Meeting	Date
Cabinet – Revenue Monitoring Cabinet – Capital Monitoring	Monthly reports since September 2012

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT	REVENUE MONITORING 2013-14 MONTH 5 (AUGUST 2013)
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the revenue position for 2013-14 at Month 5 (August 2013) and actions to minimise risk.

2 RECOMMENDATIONS

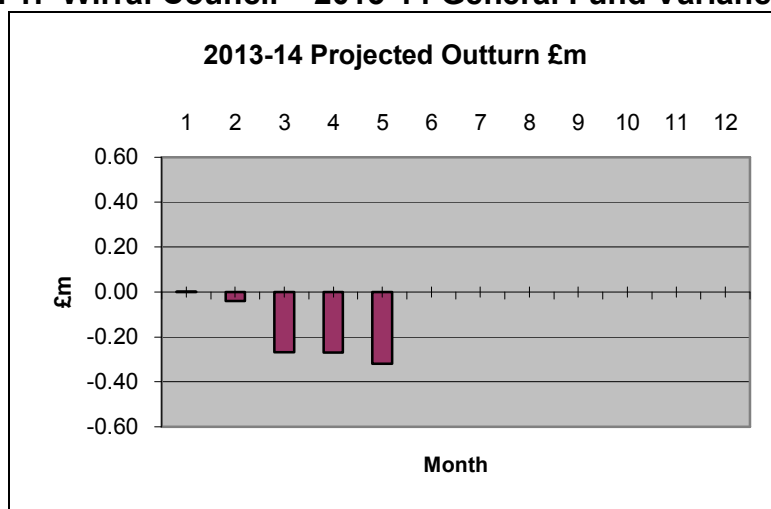
Cabinet is asked to note and /or agree:

- 2.1 at Month 5 (August 2013), the full year forecast projects a General Fund underspend of £320,000;
- 2.2 that the spending freeze be continued until further notice to aid continued good financial management and note there were no rejected freeze items in the month;

3 OVERALL POSITION AT MONTH 5 (AUGUST 2013)

- 3.1 The projected revenue forecast for the year at Month 5 shows a projected underspend General Fund position of £320,000 (an improvement on the month 4 position of a £270,000 underspend). A number of departmental underspends have been earmarked against ongoing or emerging financial issues. An allocation of £1.8 million against the £2 million savings profiling account (page 7 of the Budget Book and Forecasts 2013/16) remains assumed.

Graph 1: Wirral Council – 2013-14 General Fund Variance, by month



4 CHANGES TO THE AGREED BUDGET AND VARIATIONS

- 4.1 The Budget for 2013-14 was agreed by Council on March 5, 2013 and is detailed in [Annex 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. These are detailed in [Annex 3](#).

Table 1: 2013-14 Original & Revised Net Budget by Department £000's

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 5	Revised Net Budget
Chief Executive	8,240	-4,440	-	3,800
People - Adult Social Services	82,951	-138	-	82,813
People – Children & YP, & Schools	91,738	-6,843	-	84,895
People – Asset Mgmt & Transport	-	5,534	-	5,534
People – Safeguarding	685	1,396	-	2,081
People – Sports and Recreation	8,904	-42	-	8,862
Places - Environment & Regulation	79,651	-51	-	79,600
Places – Housing & Comm Safety	15,342	-551	-	14,791
Places – Regeneration	5,134	-18	-	5,116
Transformation & Resources	12,424	5,153	-	17,577
Corporate Growth & Savings	-3,252	-	-	-3,252
Net Cost of Services	301,817	0	0	301,817

- 4.2 A new council structure has been introduced for 2013/14. The Budget Book and forecasts 2013/16 was published with a number of assumptions regarding service splits which were to be refined. A number of changes have since been identified.
- 4.3 The main report will only comment on large variations (Red and Yellow items). The 'variations' analysis, over 27 budget areas, distinguishes between overspends and underspends. The 'risk band' classification is:
- Extreme: Overspends - **Red** (over +£301k), Underspend **Yellow** (over -£301k)
 - Acceptable: Amber (+£141k to +£300k), Green (range from +£140k to -£140k); Blue (-£141k to -£300k)

Table 2: Extreme Departmental Projected Budget variations

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Red Overspend	0	1	0	1	0	5.4%
Yellow Underspend	0	0	0	1	0	2.7%

The full Table is set out at [Annex 4](#)

Although no Directorate is currently forecasting an overspend position there are two Business Areas forecast at red. These relate to the following:
 People – Specialist Services Childrens Services currently forecast at £534,000 overspent. Agency costs are high although numbers have begun to reduce.
 Transformation and Resources Business Processes currently forecast at £500,000 overspent (net of any other compensatory saving measures) due to a forecast unachieved savings option relating to court costs income.
 The Transformation and Resources yellow rating relates to treasury management savings from use of internal borrowing in lieu of borrowing and scheme slippage.

- 4.4 The reporting process identifies over or underspends and classifies them into risk bands. The projection is for no over or underspend for 2013-14, as set out in the table below, which records no departments as red or yellow:

Table 3: 2013-14 Projected Budget variations by Department £000's

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 5	RAGBY Classification	Change from prev mnth
Chief Executive	3,800	3,729	-71	G	-50
People - Adult Social Services	82,813	82,813	0	G	-
People - Children & YP, & Schools	84,895	84,895	0	G	-
People – Asset Mgmt & Transport	5,534	5,534	0	G	-
People – Safeguarding	2,081	2,081	0	G	-
People – Sports and Recreation	8,862	8,862	0	G	-
Places - Environment & Regulation	79,600	79,600	0	G	-
Places – Housing & Comm Safety	14,791	14,791	0	G	-
Places – Regeneration	5,116	5,116	0	G	-
Transformation & Resources	17,577	17,328	-249	B	-
Corporate Growth & Savings	-3,252	-3,252	0	G	-
TOTAL	301,817	301,497	-320		-50

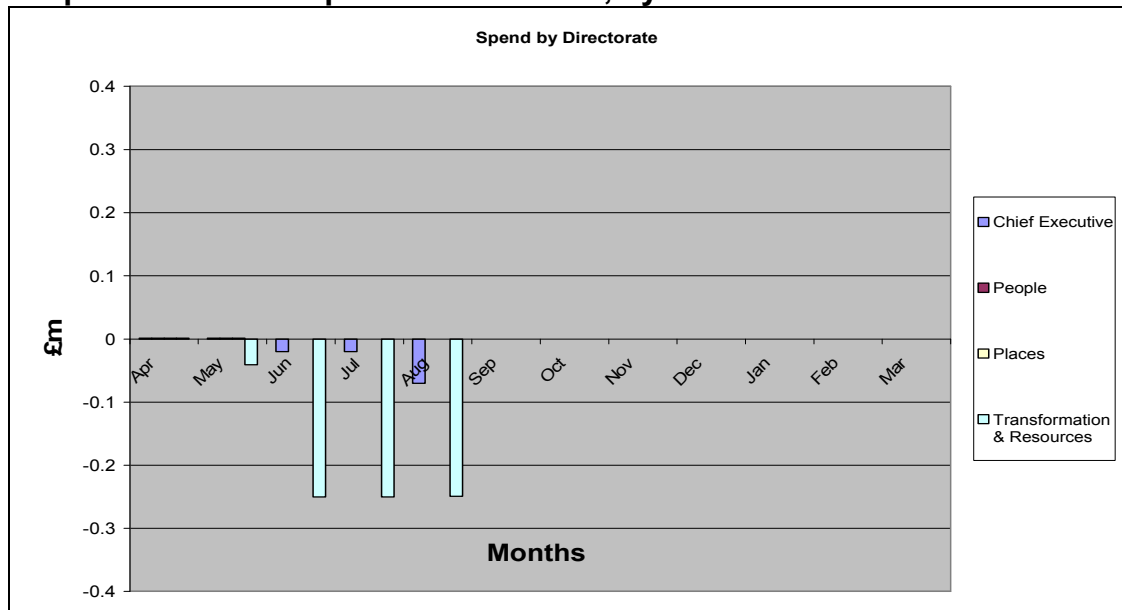
- 4.5 Within the various directorates there have been the following developments:

- **Chief Executive's:** A small underspend of £71,000 is currently forecast (Month 4 was forecast at £21,000).
- **People:** No overall variance is forecast at present (no change from previous month). Early implementation in 2013/14 of some measures to repay one-off funding supporting the 2013/14 budget has occurred. These were originally scheduled to commence in 2014/15 and have enabled monies to be used as follows:
 - Adults: Of the £8.8m savings to replace one-off funding in 2013-14, a net £1.2m was forecast in M3 to be delivered in 2013-14. This was after covering adverse costs relating to the Learning Disabilities (LD) area. An action plan is being implemented by the Director to reduce the unit costs of high cost packages in negotiation with providers. A review of packages is also being prioritised to ensure provision is consistent with care requirements. Progress on the action plan will be reported in future monitors. Accordingly £1.8m is currently projected as available in 2013-14. Work is proceeding on further management actions to increase savings delivery in 2013-14. Any monies identified will be earmarked to contribute towards an adjustment to income of £2m to reflect the actual in year income performance.
 - Childrens: A number of variances are assumed covered by the corporate savings profiling account. Any underspend in the year will be utilised to bridge the 2013-14 loan in 2014-15.
 -

	Adults	Children	Total
Saving 2013-14	1.800	1.200	3.000
Use in 2013-14	-1.800	-0.000	-1.800
Carried forward to 2014-15	0.000	1.200	1.200

- **Places:** The net saving forecast is nil (month 4 nil). A significant saving has been achieved as a result of the early implementation of savings relating to Supporting People. Approximately £1.3 million has been earmarked to resolve a number of issues listed in annex 12 which cover all directorates. The funding covers 2013/14 shortfalls relating to transforming business support, terms and conditions. Measures to fund these issues from 2014/15 onwards will require identifying by Strategic Directors.
- **Transformation & Resources:** A £249K underspend is currently forecast (£249k Month 4), mainly as a result of insurance fund contract and capital financing savings.

Graph 2: 2013-14 Department Variance, by month



- 4.6 To complete the analysis, the table below sets out the position by category of spend/income. The largest area of variance remains supplies and services which incorporates the cost of care for adults and children.

Table 4: Projected Departmental Variations by Spend and Income

	Revised Budget	Forecast Outturn	Variance	RAGBY	Change from Previous
	£000	£000	£000	£000	£000
Gross Expenditure					
Employees	139,369	138,833	-536	Y	189
Premises	17,102	17,005	-97	G	53
Transport	7,670	7,642	-28	G	-
Supplies and Services	127,898	128,483	585	R	-47
Third Party Payments	122,771	121,609	-1,162	Y	6
Transfer Payments	141,010	141,024	14	G	-
Support Services	72,979	72,932	-47	G	1
Financing Costs	58,631	58,131	-500	Y	-
Schools Expenditure	359,138	358,938	-200	B	-200
Total Expenditure	1,046,568	1,044,597	-1,971		2
Gross Income					
Schools Income	356,543	356,543	-	G	-
Government Grants	183,193	183,033	-160	A	100

Other Grants and Reimbursements	19,651	21,132	1,481	Y	192
Customer/Client Receipts	47,655	44,683	-2,972	R	-240
Interest	870	870	-	G	-
Recharge Other Rev A/c	136,839	136,839	-	G	-
Total Income	744,751	743,100	-1,651		52
Net Expenditure	301,817	301,497	-320		-50

Note: For explanations of red or yellow variances please see [Annex 4](#).

- 4.7 Schools expenditure is funded from the Dedicated Schools Grant. As this grant is ringfenced any over/underspend will not impact on the General Fund.
- 4.8 After agreeing the 2013/14 budget, a number of budgetary issues were identified as requiring further corrective action. A number of items were dealt with in the previous monitor. Actions to deal with the remaining issues are outlined within this monitor. Details of these issues are explained in [Annex 12](#).

5 IMPLEMENTATION OF 2013-14 SAVINGS – THREE TYPES

- 5.1 The delivery of the **March 5 Council** savings (Type 1) is so key to the Council's financial health, that they are being tracked at Council and Directorate level. The assumption is that, where there is slippage, the Strategic Director will implement replacement savings. The detail is at [Annex 5](#).

Table 5: Budget Implementation Plan 2013-14 whole Council (£000's)

BRAG	Number of Options	July 2013	Change from prev mnth	Approved Budget Reduction	Amount Delivered at August	To be Delivered
B - delivered	24	24	0	17,265	17,265	0
G – on track	32	31	1	19,461	9,535	9,926
A - concerns	12	13	-1	8,890	687	8,203
R - failed	2	2	0	2,729	1129	1600
P – replacements for Red	1	1	0	0	542	758
Total at M5 Aug 13	71			48,345	29,158	20,487
<i>Total at M4 July 13</i>	<i>71</i>			<i>48,345</i>	<i>28,586</i>	<i>21,059</i>

Note: Budget Book page 56-58. Replacement savings cover shortfall in Court costs option

- 5.2 There are currently two savings options identified as red rated. They relate to

Review of Residential Care for Learning Disabilities (£300k)
Council Tax Court Costs (£2,429k)

- 5.3 The **one-off funding** in 2013-14 for Adults and Children, requires that they identify equivalent savings (Type 2) during 2013-14 for 2014-15. It is expected that some of the savings will start in 2013-14. As this is identified, it will be presented in Table 6 below and detailed in [Annex 6](#):

Table 6: Replacing £13.7m one-off 2013-14 funding (£000's)

BRAG	Number of Options	Saving Proposed 2013-14	Saving Delivered 2013-14	Saving Proposed 2014-15	Saving Proposed 2015-16	Total Saving Proposed 2013-16
Adults 8.8	30	1,376	0	6,858	1,690	9,924
Children's 4.9	7	1,500	1,200	0	0	1,500
Use of 2013/14		-1,376				
Total 13.7	37	1,500	1,200	6,858	1,690	11,424

Note: Further proposals require identifying. Total proposals may end up being greater than target to allow for slippage. Any savings achieved in 2013/14 will firstly reduce any annexe 12 issues and then assist with loan repayments in 2014/15.

5.4 The **spending freeze** was extended into the 2013/14 financial year, for the three reasons set out below:

1. **Risk.** The increased level of financial risk in 2013 included items that introduced change from April 2013 for which there was no evidence on which to judge that the risk had diminished, remained the same, or increased. Therefore the prudent response, whilst waiting for evidence to emerge, was to reign in expenditure;
2. **Closedown.** The outturn for 2012-13 was not available to Cabinet until June 13th. To cover the possibility that it could be worse than the M11 forecast, of an overspend of £7.4m, the prudent response was to continue the spending freeze. The continued progress in financial management resulted in an actual 2012/13 overspend of £4.7m. An additional £0.9m was also identified for release from reserves. This has enabled £3.6m to be added to General Fund Balances taking the total close to the £17.739m level agreed by Cabinet on 18th February 2013.
3. **Change.** The 2013-14 budget has built into a greater level of savings than has ever been attempted in the Council's history. Although reasonable assumptions have been made, there is the danger that a worse case could occur. Cover for that eventuality, via a spending freeze, would be prudent until there is evidence of successful implementation.

5.5 The detailed freeze items are set out at Annex 7. The purpose of the exercise is to reduce any projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council, that is, all of its Members.

5.6 The 2013-14 Revenue Budget addressed a number of budget issues that were identified during the year. This has been done in a number of ways:

- Base budgets were increased by £8.0 million;
- One-off funding of £13.7 million (see paragraph 5.3 above);
- Suppressing Demand by £3.4 million.

Suppressed demand in Children and Young People totals £1.9m which will be managed during the year. 2012-13 saw improvement in care costs and transport, which resulted in bad budgets and budget growth pressures being less than anticipated. Budgets were also reduced where savings were achieved in 2012-13 in areas such as Children in Need, Traded Services, and general expenditure controls.

The remaining suppressed demand of £1.5million relates to DASS.

- 5.7 The 2013-14 budget includes a savings profiling account of £2 million and a Change Management Implementation Fund of £4 million. The majority of savings included within the budget were calculated on a full year basis. However it was known that a number of savings would only achieve a part year impact in 2013/14. This is particularly the case where staffing reductions were required. The delivery of savings is under constant review and Directorates are examining ways of funding any slippage before a call on central funding is requested. The latest forecast staffing savings slippage is estimated at £1.8 million and, should this not be financed internally by Directorates, will be earmarked against the Savings Profiling account (page 7 of the Budget Book and Forecasts 2013/16). This figure will be updated as the year progresses.
- 5.8 Due to the financial management processes outlined above, the budget position as reported in this and previous monitors is stable. It is however recommended that the spending freeze be continued until further notice to aid financial management.
- 5.9 Cabinet 19th September agreed the transfer of up to £1 million from the Efficiency Investment Fund to Regeneration and Environment to fund the implementation of the revised Street Cleansing contract as per the agreed 2013/14 budget savings option. A sum of £1 million was estimated to cover costs such as redundancies, part funding of the saving prior to contractual change date and any other transition costs. Funding was identified from the Efficiency Investment Fund which will be repaid over a four year period commencing 2014/15 as per the Budget Book and Forecasts 2013/16 (page 58). The £1 million one off investment will generate a £1 million saving each year and the figure net of Efficiency Fund repayment is already included within our future indicative budgets.

6 CONTROL OF GROWTH

- 6.1 The impact of demographic change and financial cover for risk - that is outcomes that could be worse than assumed - was built into the budget as set out in Tables 8 and 9, and is detailed at [Annex 8](#). It is important that estimates of growth for 2013-14, made in November 2012, are checked against actual demand so that any over-estimate is revised accordingly. Equally, the funding to cover risk can only be accessed for 2013-14 where evidence can be adduced for that funding.
- 6.2 As part of the preparation for the 2014-15 budget, directorates are to provide confirmation and supporting evidence for current and future year growth requirements. Once verified these requests will lead to formal release within the current year or inclusion within future estimates.

Table 7: Growth £000's

Department	2013/14 Budget	2013/14 Release	2014/15 Budget	2015/16 Budget
CYP Total	1,230	-	-	-
DASS Total	3,717		2,202	1,805
LHRAM Total	-		-	573
RHP Total	-		-	1,000
Technical Total	12		72	72
Finance Total	237		-	-
	5,196		2,274	3,450

Table 8: Risk £000's

Corporate Growth (Budget Book page 7)	2013/14 Budget	2013/14 Release	2014/15 Budget	2015/16 Budget
Pay Inflation	1,700	1,700	3,400	5,400
Superannuation Revaluation	0		2,500	2,500
Change Management Implementation Fund	4,000		-	
Savings Profiling	2,000	1,800	-	
Price inflation unallocated				1,000
Growth unallocated			726	-
	7,700	3,500	6,626	8,900

Notes: inflation incorporated into departmental budgets amounts to £2.464m. £1m pay inflation against T&Cs – investigation of alternative savings to allow pay award continue. £1.8m against employee profiling. £0.7m pay inflation relates to market supplements and other employee costs.

7 INCOME AND DEBT

- 7.1 The Council's income arrangements with regard to non Council Tax and Business Rates were reviewed and reported to the 23 May Cabinet. Revenue and Income falls into the four broad areas shown below for reporting purposes, which will be developed:

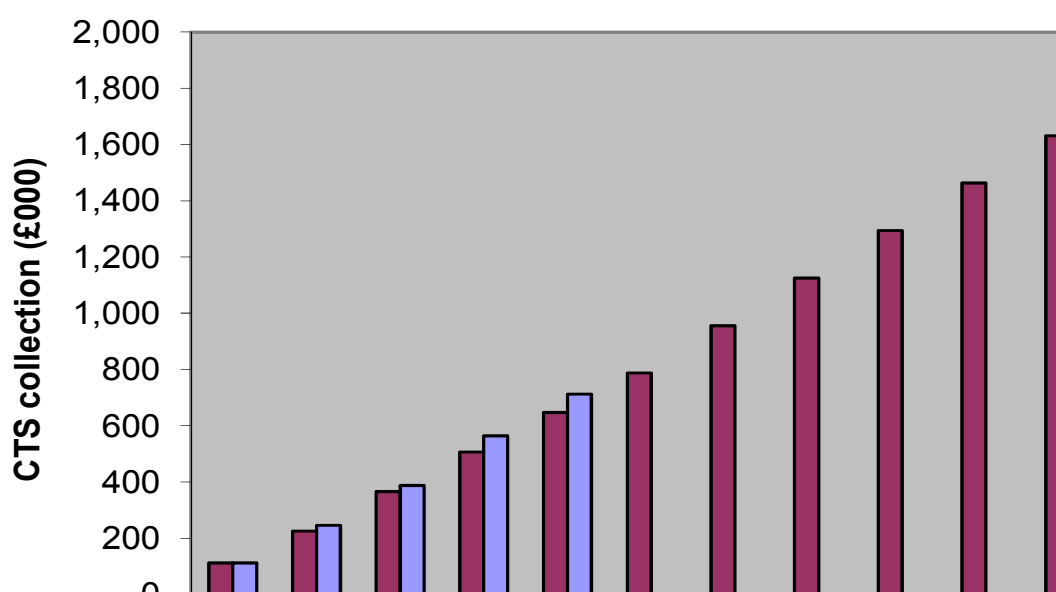
Table 10: Amount to be collected in 2013-14 £000's

	2013-14 Collectable	2013-14 Collected	%
Council Tax	135,495	62,253	45.94
Business Rates	70,315	35,503	50.49
Fees and charges – Adults	43,731	16,638	38.04
Fees and charges – all other services	30,786	22,453	72.93

- 7.2 There is a backlog of Accounts Receivable debt to be processed in the last two areas. Reporting will continue until a normal level of debt is reached. The detail is at [Annex 9](#).
- 7.3 A high risk income item is that required from residents who previously paid no Council Tax. The graph below will track collection performance against the budget assumption.

Graph 3: Projected/Actual Council Tax Support Collection by month £000

Council Tax Support Collection 13-14



- 7.4 The Council Tax Support Scheme was introduced in April. As this involves billing a large number of properties who have not previously paid Council Tax, having previously received benefit at 100%, an overall collection rate of 75% generating £2.8 million has been assumed. The forecast is that £1.86 million (66%) will be collected by 31 March with recovery actions post 31 March increasing the collection to the target figure. At 31 August collection was 23.3% equates to £713,291.
- 7.5 Recovery from non Working Age debtors is continuing as normal. Action taken to recover from those of Working Age that previously received 100% Council Tax Benefit was delayed by a month to allow for late payments or any queries caused by having to pay for the first time. During July, 3,422 summons were issued which are to be heard over two hearing dates in August 2013 for customers who were previously on 100% Council Tax Benefit.
- 7.6 Repayment plans offering weekly/fortnightly instalments were offered to those contacting the Council.
- 7.7 Issues regarding the collection of sundry debt were reported to Cabinet on 23 May 2013. The use of reserves had been earmarked to fund any increased need for debt write offs or increase to the bad debt provision. A significant amount of income has been received to reduce the level of debt and therefore the call on reserves. There is a need to fund the costs of severance and associated increased pension costs in the year of up to £5.5 million. It is proposed that any unused reserves will be used for this purpose.
- 7.8 The delivery of permanent savings on staffing budgets requires initial costs to be incurred for redundancy costs and where applicable pension. Provision of £5.5 million has been made for these costs and this remains the latest estimate for the implementation of the 2013/14 savings. Commitments of £5 million have so far been identified. The remaining costs will be incurred as staff leave the authority during 2013/14.

- 7.9 Business Rates income collection was 50.5% during August. This is slightly higher than the 49.7%% collected at the equivalent period in 2012/13. Comparisons will fluctuate as some payments received early last year in respect of Health Authority payments amongst others were paid in August. The taxbase has resulted in an extra £1 million to be collected in the first 5 months of this financial year. The timing of refunds may also affect the comparison. Recovery procedures have been tightened with debt being pursued earlier and the position is being closely monitored.

8 MANAGEMENT ACTIONS

- 8.1 The Departmental Directors and the Chief Executive's Strategy Team will seek to identify actions to keep spend within the Budget allocated – these actions are detailed in Annex 10. The spending freeze agreed decisions are reflected within the tables above.
- 8.2 It is proposed that, as part of the budget architecture, prudent budget management is rewarded at the year-end, with the ability to carry forward underspends. Equally, less than prudent budget management will require that departments fund any overspending from the following year's budget. The detailed guidance will be presented for approval following agreement of the updated financial regulations by audit and risk management committee.

9 CASHFLOW

- 9.1 As part of the development of monitoring, cost centre managers are embarking on the profiling of their budgets to reflect how spend actually occurs. A pilot study is shortly to commence which will lead to a wider roll out. Eventually we should be able to be proactive in deciding when spend will take place, and get income to arrive earlier to improve the Council's cashflow and earn additional income from interest.

10 RELEVANT RISKS

- 10.1 The possible failure to deliver the Revenue Budget will be mitigated by:
- The training of cost centre managers to improve skill levels; four events on profiling and forecasting budgets have been delivered to over 160 cost centre managers with the next event planned on building next year's budget.
 - A specific tracking system of savings to ensure delivery;
 - Improvements to procurement compliance, to generate more savings and better monitoring information;
 - A monthly review by Chief Officers, and Cabinet, together with an improved Scrutiny regime, and greater transparency;
 - Individual monthly review by Cabinet Portfolio holder at portfolio meeting;
 - Agreement that Strategic Directors are to 'consume their own smoke' regarding slippage not covered from central funds;
 - A successful capitalisation submission will reduce the call on revenue resources.

11 OTHER OPTIONS CONSIDERED

- 11.1 Any option to improve the monitoring and budget accuracy will be considered.

12 CONSULTATION

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

13 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

14 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

- 14.1 Cabinet 18 February 2013 agreed a revised 2013/14 General Fund balance risk calculation of a minimum of £13 million. The level to be achieved by March 2014 is £17.7m.

Table 10: Summary of the projected General Fund balances

Details	£m	£m
Projected balance 31 March 2014 when setting the Budget 2013-14		+13.6
Add: Estimated increase following completion of 2012-13 revenue accounts	+3.6	+3.6
Add: Potential underspend, at M4		+0.32
Projected balance 31 March 2014 (Target per Cabinet 18/2/13 £17.739)		17.52

Note: 2012/13 revenue accounts subject to audit which will be completed in September 2013.

- 14.2 The current levels of Earmarked Reserves are shown in Table 11 with a full listing included at [Annex 11](#). Earmarked Reserves are currently forecast to be £64.8 million which compares to £86.2 million reported in the June 2012 Revenue Monitor.

Table 11: Earmarked Reserves 2013/14

	Balance at 1 April 2013 £000	Movement in year £000	Current Balance 31 August 2013 £000
Housing Benefit Reserve	10,155	-	10,155
Insurance Fund	7,821	-	7,821
Efficiency Investment Rolling Fund	2,000	(1,000)	1,000
Grant Reserves	1,308	-	1,308
Management of other risks	29,228	-	29,228
School Balances and Schools Related	14,264		14,264
Total Reserves	64,776	(1,000)	63,776

Note: 2012/13 revenue accounts and 1 April opening balance are subject to audit which will be completed in September 2013.

15 LEGAL IMPLICATIONS

- 15.1 The entire report concerns the duty of the Council to avoid a budget shortfall as outlined at paragraph 5.5. This is not just an academic exercise in balancing the books. The Chief Finance Officer is under a personal duty under the Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.
- 15.2 If the Chief Finance Officer reports that there are insufficient resources to meet expenditure, the Council is prevented from entering into any new agreement which may involve the incurring of expenditure at any time by the authority, until the report is considered, and if the problem is ongoing until it is resolved.

16 EQUALITIES IMPLICATIONS

- 16.1 This report is essentially a monitoring report which reports on financial performance. Any budgetary decisions, of which there are none in this report would need to be assessed for any equality implications.

17 CARBON REDUCTION IMPLICATIONS

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

18 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

19 REASONS FOR THE RECOMMENDATIONS

- 19.1 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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Annexes

- Annex 1 Revenue Monitoring and Reporting Timetable 2013/14.
Annex 2 General Fund Revenue Budget for 2013/14 agreed by Council.
Annex 3 Changes to the Budget 2013/14 since it was set.
Annex 4 RAGBY Full Details
Annex 5 Savings tracker
Annex 6 Adults/Children's Replacing one-off 2013-14 funding
Annex 7 Freeze Outcomes
Annex 8 Growth and Risk
Annex 9 Income and Debt
Annex 10 Management actions
Annex 11 Earmarked Reserves – General Fund
Annex 12 Budgetary Issues

SUBJECT HISTORY

Council Meeting	Date
From September 2012, the Revenue monitoring reports have been submitted monthly to Cabinet. Budget Council	5 th March 2013

Annex 1

REVENUE MONITORING AND REPORTING TIMETABLE 2013/14

Period Number	Month	General Ledger Updated and Reports Available To Be Produced	Reports Available For The Executive Strategy Group	Reports Available For Cabinet
			Monthly	Monthly
1	April	May 8	May 28	June 13
2	May	Jun 7	June 18	July 11
3	June	Jul 5	Aug 13	Sept 19
4	July	Aug 7	Sept 24	Oct 10
5	August	Sept 6	Sept 24	Oct 10
6	September	Oct 7	Oct 22	Nov 7
7	October	Nov 7	Nov 26	Dec 12
8	November	Dec 6	Dec 17	Jan 16
9	December	Jan 8	Jan 21	Feb 11
10	January	Feb 7	Feb 25	Mar 13
11	February	Mar 7	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC

AGREED BY COUNCIL ON 5 MARCH 2013

Directorate/Service Area	Current Budget
Expenditure	£
Chief Executives	8,239,800
Families and Well Being	
Children and Young People	89,143,300
- Adult Social Services	82,950,800
- Safeguarding Plus Schools and Schools Grant	3,280,500
-Sports and Recreation	8,904,000
Regeneration and Environment	100,127,300
Transformation and Resources	12,423,500
Net Cost of Services	305,069,200
Corporate Growth	7,700,000
Corporate Savings	10,952,000
Budget Requirement	301,817,200
Income	
Local Services Support Grant	45,000
New Homes Bonus	2,119,500
Revenue Support Grant	106,968,000
Business Rtes Baseline	31,424,000
Top Up	39,739,000
Council Tax Requirement	111,357,800
Contribution from General Fund Balances	10,163,900
Total Income	301,817,200
Statement of Balances	
As at 1 April 2013	23,800,000
Contributions from Balances to support budget	10,163,900
Forecast Balances 31 March 2014	13,636,100

Annex 3 CHANGES TO THE BUDGET AGREED SINCE THE 2013-14 BUDGET WAS SET

These comprise variations approved by Cabinet / Council including approved virements, budget realignments reflecting changes to the departmental structure and responsibilities, and expenditure freeze decisions, as well as any technical adjustments.

Table 1: 2013-14 Original & Revised Net Budget by Department

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 5	Revised Net Budget
Chief Executive	8,240	-4,440	-	3,800
People - Adult Social Services	82,951	-138	-	82,813
People – Children & YP, & Schools	91,738	-6,843	-	84,895
People – Asset Mgmt & Transport	-	5,534	-	5,534
People – Safeguarding	685	1,396	-	2,081
People – Sports and Recreation	8,904	-42	-	8,862
Places - Environment & Regulation	79,651	-51	-	79,600
Places – Housing & Comm Safety	15,342	-551	-	14,791
Places – Regeneration	5,134	-18	-	5,116
Transformation & Resources	12,424	5,153	-	17,577
Corporate Growth & Savings	-3,252	-	-	-3,252
Net Cost of Services	301,817	0	0	301,817

Relating to the completion of the 2012-13 accounts

Cabinet	Items	£m

Variations to the approved budgets 2013-14

Cabinet	Items	£m
n/a	Corporate and Democratic Services to be grouped within the Transformation and Resources Directorate where Direct management control for these areas lies	4.639
n/a	The Anti-Social Behaviour team is part of the Families and Well Being Directorate - Children and Young People and the budget has therefore been transferred from Housing and community safety.	0.569
n/a	Quality Assurance and Family Group Conferencing have been transferred from Specialist Services in Children and Young People to the Joint Safeguarding unit where direct management control lies.	1.396
n/a	A support post has also been transferred from Transformation and Resources to the Chief Executive's Directorate.	0.037
n/a	A number of training and legal posts have been transferred from Children and Young People to Transformation and Resources	0.353
n/a	Transfer of staffing budgets from DASS in Families & Wellbeing to Financial Services within Transformation & Resources	0.170
n/a	Transfer from T&R to Chief Executive. Funding for Community Engagement.	0.025
n/a	Realigning of the call centre recharge relating to the new garden waste service from Environment & Regulation to Transformation and change.	0.009
n/a	Transfer of staffing budgets from DASS in Families & Wellbeing to CYP.	0.010
n/a	Transfer of 2 Constituency Committee Posts to Chief Executive from CYP.	0.095
n/a	Transfer of budget from Waste & Environment Service Area to create new roles to lead Constituency Committees.	0.042
n/a	Staff transfer from CYPD to Financial services following recent	0.044

	restructure.	
	OVERALL IMPACT OF THESE DECISIONS	0.0

Virements below level requiring Cabinet approval

Cabinet	Items	£m

Annex 4 - RAGBY FULL DETAILS

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Chief Executive	4	0	0	4	0	0
Adult Social Services	2	0	0	2	0	0
Children & Young People, & Schools	7	1	0	4	2	0
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	1	0	0
Environment & Regulation	2	0	0	2	0	0
Housing & Comm Safety	1	0	0	1	0	0
Transformation & Resources	7	1	0	5	0	1
Corporate Growth & Savings	2	0	0	2	0	0
Total	27	2	0	22	2	1

RAGBY REPORTING AND OTHER ISSUES

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 in the Council Estimates (Green Book).) and,
- Subjective Area (by the type of spend / income).

Business Area Reds

	Chief Executive	People	Places	Trans & Res	Total	Percent of total
Red Overspend	0	1	0	1	0	5.4%
Value £000s/ % Overall Net Budget		534		500		0.34

An overspend for staff and agency is projected in Specialist Services (Children & Young People)
A shortfall on the court costs savings option has resulted in a red rating (Transformation and Resources).

Business Area Yellows

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Yellow underspend	0	0	0	1	0	2.7%
Value £000s/ % Overall Net Budget				749		0.29

Savings on treasury management due to use of internal borrowing and scheme slippage has produced a yellow rating (Transformation and resources)

Subjective Area Reds

Expenditure

Customer/Client Receipts: The forecast of £2.97 million below budget is largely due to the £2m income adjustment referred to in paragraph 4.5 in the main report.

Supplies and Services: The forecast of £0.59 million over budget is due to expected overspend within Learning Disabilities area of Adult Social Services.

Subjective Area Yellows

Expenditure

Third Party Payments: The forecast £1.2 million underspend is a result of various savings within Adult Social Services, Children and Young People, and Transformation & Resources.

Other Grants and Reimbursements: The forecast of £1.5 million variance is due to expected over recovery of income within Adult Social Services.

Employees: The forecast of £0.5 million underspend is as a result of a projected outturn within Business Processes in Transformation & Resources.

Financing Costs: The forecast of £0.5 million underspend is due to capital programme slippage.

Annex 5 SAVINGS TRACKER

1 Summary

BRAG	Number of Options	July 2013	Change from prev mnth	Approved Budget Reduction	Amount Delivered at August	To be Delivered
B - delivered	24	24	0	17,265	17,265	0
G – on track	32	31	1	19,461	9,535	9,926
A - concerns	12	13	-1	8,890	687	8,203
R - failed	2	2	0	2,729	1129	1600
P – replacements for Red	1	1	0	0	542	758
Total at M5 Aug 13	71			48,345	29,158	20,487
<i>Total at M4 July 13</i>	<i>71</i>			<i>48,345</i>	<i>28,586</i>	<i>21,059</i>

2 Detail

SAVINGS (TYPE 1) TARGETS – ACHIEVEMENT OF THE SAVINGS (2013-14)

Families and Well Being – DASS

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M5 August 13 £000	To be delivered £000
Review of VCF Sector Grants	705	Implemented	B	705	0
Community Meals	169	All reviews have been completed and provision of community meals now ceased.	B	169	0
Review of Support for Carers	250	Letter issued and reviews progressed for one-off payments, payments not related to client assessed need, and payments to related individuals	G	250	0
Day Care and Day Services Transformation	750	Consultation completed and service proposals finalised	G	0	750
Charging for Non Residential Services	880	Implemented	G	300	580
Transport Policies	250	Additional grant funding CYP	G	0	250
Targeted Support through NHS Contracts	1,828	<ul style="list-style-type: none"> - All clients no longer requiring double handling identified contract performance to be monitored (£83k). - Use of Social Fund Grant Allocation. (£800k). - Service specifications and procurement schedule for re-ablement and domiciliary care in progress to enable contracts to be let from 1st October 2013. (£84k). - Targets implemented for residential placement numbers plus scheme of delegation. (£454k) - Continuing Health Care – correct application of law and policy. (£377k). 	G B G G G	800	1028

Assistive Technology	150	Charges now proposed from 1st October 2013, income target remains achievable.	G	0	150
Extra Care Housing/External Respite and Short-term Provision	300	- Extra Care Housing Provider Negotiations continue. - Revised Respite Policy to be produced and review the feasibility for block contracts for respite	G A	0	300
Residential and Respite Care	160	Director implementing action plan to reduce Supported Living costs	A	0	160
Review of Equipment Service	100	Revised S75 in place for 2013-14 with Community Trust. Discussions commenced with NHS re revised hosting arrangements	A	0	100
Modernisation of leisure	429	Revised shift rotas have now been implemented. The delay in implementation is expected to result in slippage of £125k on this budget saving option.	A	0	429
Review of Residential Care for Learning Disabilities	300	LD packages currently overspending	R	0	300

Families and Well Being – Childrens

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M5 Aug 13 £000	To be delivered £000
Education Psychology Service	80	This has been achieved through existing vacancies in the service.	B	80	0
Schools Budget	250	Reduction in Council contribution towards Schools PPM	B	250	0
Careers, Education and Advice	700	Contract renegotiation has achieved this saving for the full year.	B	700	0

Schools Music Service	21	Will be achieved on target.	B	21	0
Oaklands Outdoor Education Centre	23	Will be achieved on target.	B	23	0
Foundation Learning	121	Reduced commissioning has achieved this saving	B	121	0
Commissioning of Parenting Services	700	Reduced commissioning has achieved this saving	B	700	0
Youth Challenge	200	Reduced provision has achieved this saving	B	200	0
Short Breaks for Children with Disabilities	150	Reduced commissioning has achieved this saving	B	150	0
School Improvement and Income from Schools	160	The review of the school improvement programme is on track, as is anticipated buy back of services from Academies.	G	100	60
Youth and Play Services	687	Restructure underway, but slippage of £103k is anticipated.	G	566	121
Child and Adolescent Mental Health Service	250	Confirmation that staff have left so saving on target.	G	250	0
Area Teams for Family Support	200	Restructure is underway, but anticipated slippage of £23k.	A	67	133
Children's Centres and Sure Start	1,576	Slippage in transfers and restructure is anticipated at £441k as procurement forecasts of a delay in completion to January – this will be offset by income.	A	0	1576

Regeneration and Environment

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M5 August 13 £000	To be delivered £000
Invest Wirral	352	This saving is on target – the funding relates to economic activities that are no longer continuing.	B	352	0
Home Insulation	926	Programme ended saving achieved	B	926	0
Apprentice Programme	420	Savings achieved	B	420	0

Pre-Planning Advice	10	On target to be achieved	G	10	0
Pest Control	30	There is some of slippage on this budget saving due to a delay in the departure of an employee and the associated costs. It is expected that this slippage will be managed within existing budget resources.	G	26	4
Garden Waste Collection	582	Income target met and currently overachieving. Garden waste tonnages slightly below projections but drop in recycling credit income will be offset by subscription income and budget monitoring exercise has picked up necessary adjustments. Negotiations with Biffa over savings to be identified through fleet reduction are underway (to be completed by November 13).	G	582	0
Dog Fouling Enforcement	97	On target for savings to be achieved	G	85	12
Household Waste Collection	80	An increase in the charge for the ERIC services has been agreed and implemented. However, there is currently no capacity in IT to implement required changes to update CRM until end of August 2013 for bin charging element of project. Budget shortfall (est at £20K) will be met within existing budget provision. (Although there is an over achievement in income from schools waste as schools have not reduced their bin emptying requirements as much as anticipated).	G	60	20

Handyperson Scheme	209	There is some slippage on this budget saving due to a delay in the departure of employees. It is expected that this slippage will be managed within existing budget resources. Services to the general public ceased trading in April/May after scheduled works had been completed. Any new referrals have been directed to the Local Authorities Approved Contracted List held by Trading Standards.	G	170	39
Trading Standards	71	This budget savings option involved the reduction of two posts within the section. One of these posts was already vacant and so the saving will be achieved. There will be some slippage with the saving on the other post due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources.	G	65	6
Highway Maintenance	588	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the works plan of the service and will therefore, be achieved.	G	585	3
Street Cleansing	1,000	The service changes have been implemented on time. Transitional costs will be covered by a transfer from the efficiency fund, if approved in September.	G	1000	0
School Waste	180	An income target has been created which will be monitored throughout the year. Currently there are no problems	G	180	0

		envisaged to achieving this saving.			
Street Lighting	265	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the works plan of the service and will therefore, be achieved.	G	262	3
Highway Drainage	106	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a rationalisation of inspections. This rationalisation has already been built into the inspection programme and will therefore, be achieved.	G	97	9
Reduction in Parks Maintenance	450	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the works plan of the service and will therefore, be achieved.	G	447	3
Housing Support for BME Communities	111	There is some of slippage on this budget saving due to a delay in the departure of employees. It is expected that this slippage will be managed within existing budget resources.	G	91	20

Car Parking	281	Although Car Parking Income is currently forecasting a shortfall against the 2013-14 budgeted income target, the reasons for the shortfall do not directly relate to the service changes made at the start of the year to achieve the savings option target of £281,000. These service changes included the reduction of a car parking administration post (1 FTE) and the reduction of expenditure on the car parking enforcement and cash collection contracts. Parking charges were also rationalised across the borough to bring all tariffs in line with Birkenhead and to remove the inequalities of low charges in West Wirral. The data collected to date shows that all of these changes have been successfully implemented and the expected savings of £281,000 will be achieved.	G	281	0
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Transformation and Resource

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M5 August 13 £000	To be delivered £000
Efficiency Investment Fund	4,400	Cabinet 8th November 2012 agreed to elimination of fund and growth and replacement by rolling fund.	B	4,400	0
Treasury Management	1,700	Built into budget to reflect the revised Capital Programme	B	1,700	0
Revenues and Benefits	550	This saving has been built into the budget and staffing levels are in line with its achievement.	B	550	0
Information Technology Service	210	Full savings for this budget option delivered in year one.	B	210	0

Marketing and Public Relations	167	Funding removed from budget	B	167	0
Tranmere Rovers Sponsorship	135	Sponsorship has ended.	B	135	0
Power Supplies - Contract Saving	11	A new supply contract is in place.	B	11	0
Area Forum Funding	391	Savings achieved	B	391	0
Council Tax Increase	2,600	Saving has been incorporated into the budget and is expected to be achieved.	B	2,600	0
Council Tax: Discounts and Exemptions	2,284	Saving has been incorporated into the budget and is expected to be achieved.	B	2,284	0
Reduction in External Audit Fees	140	The budget has been reduced to reflect the new contract and is expected to be fully realised in year.	G	0	140
Local Council Tax Support Scheme	2,785	Scheme introduced and progress being monitored as per section 7.3 above	G	0	2,785
Reducing Council Management	5,000	Vacant posts at Chief Officer level have been included in the latest management savings for June. Vacant posts are being pro rata'd over the year. April and May savings have been updated.	G	937	4,063
Trade Union funding	-270	The funding for the Trade Unions has been built in with the costs to still be recharged across business areas at the end of the year.	G	0	-270
Reducing the Cost of Democracy	100	The cost of the Members Allowances has been reduced and the saving is expected to be achieved in this area.	G	0	100
The Mayor of Wirral	50	It is expected that Civic Services will be able to achieve this saving from June 2013 and there will be a drive to reduce overtime and supplies to achieve the saving.	G	0	50

Libraries and One Stop Shops	391	Staff savings at the budget level are evident in April monitoring.	G	391	0
Housing Benefits – Maximisation of Grant	2,000	Saving has been incorporated into the budget and is expected to be achieved.	G	2,000	0
Service Restructures	905	<p>Broken down as:</p> <p>£50k Asset Mgmt – delayed restructure but the full £100k should be achieved during 2013-15</p> <p>£292k HR delayed restructure but it is envisaged that the full saving of £584k will be achieved over the course of 2013-15.</p> <p>£263k related to RHP</p> <p>£300k for Legal Services, of which £100k relates to employees which is expected to be achieved through compensatory budgets with the restructure helping to achieve the £200k that is currently set aside Legal/Court costs which are a very volatile area.</p>	<p>G</p> <p>A</p> <p>G</p> <p>A</p>	0	905
Better Use of Buildings	100	Details as to how this saving will be achieved are to be finalised as there are also savings that have rolled forward from previous years relating to assets.	A	0	100
Transforming Business Support	500	Saving has been incorporated into the budget. Staff savings are expected and some have already been achieved. Further work is taking place to develop saving.	A	169	331
Reducing the numbers of Agency workers	500	The current saving in year is 30k up to June 2013. However, there are plans to bring a significant number of current contracts to an end later in year.	A	30	470

Procurement	320	This saving has not progressed as anticipated, but compensatory savings are expected to be made during the year.	A	91	229
Workforce Conditions of Service	3,800	Negotiations with TUs are concluding. Target saving likely to be £3.7 million. Slippage depending upon agreement is likely	A	330	3,470
Council Tax: Court Costs	2,429	Current projections show that the full saving will not be delivered. Compensatory savings will be made from staffing and financing budgets from within Transformation and Resources.	R	1,129	1,300

Annex 6 ADULTS/CHILDREN'S REPLACING ONE-OFF 2013-14 FUNDING

ADULTS

Details	Proposed 13-14 (£000)	Delivered 13-14 (£000)	Proposed 14-15 (£000)	Proposed 15-16 (£000)	Comments / progress on implementation
Live savings					
Service Reviews (for development and future discussion with members)	1,014		3,530	900	
Management action	362		3,328	790	
Total all categories	1,376		6,858	1,690	

Note: 21013/14 monies may be allocated first to annexe 12 issues in 2013/14

CHILDRENS

Details	Proposed 13-14 (£000)	Delivered 13-14 (£000)	Proposed 14-15 (£000)	Proposed 15-16 (£000)	Comments / progress on implementation
Commissioning (saving achieved in advance)	250	250			Saving achieved in advance of 14-15 requirement

Connexions/CEIAG (saving achieved in advance)	300	300			Saving achieved in advance of 14-15 requirement
Transfer Pension costs to Schools Budget	100				Costs to be transferred as in 2012-13
Uncommitted Adoption Grant	200	200			As per cabinet report June 2013
Further reduction in PPM programme for schools	200				Reduction to be taken into account in the available programme
Springboard / School Readiness additional budget	400	400			Budget not committed
YOS bring forward service review	50	50			To be met from vacancies and spend controls
Total	1,500	1,200			

Annex 7 FREEZE OUTCOMES

No decisions have been made in 2013/14 which result in monies being transferred from directorate budgets to the freeze holding account.

Annex 8 GROWTH AND RISK

Growth £000's

		2013/14	2013-14
Ref	Department/ Option Title	Budget	Release
	CYP		
5	Independent Reviewing Officers	90	
6	Additional Social Worker Capacity in Wallasey District	315	
7	Social Workers in Schools	75	
8	Family Justice Review	100	
9	Staying Put Policy	100	
12	Foster Care	500	
13	Youth Justice Board Costs	50	
	CYP Total	1,230	
	DASS		
2	Increase in Fees for Residential & Nursing Care to reflect a Fair Price for Care	1,000	
4	Increase in Demand (Young Adults with Learning Disabilities)	944	

5	Increase in Demand (Older People)	1,773	
	DASS Total	3,717	
	Technical		
3	Annual Property Uplift Biffa contract	12	
	Technical Total	12	
	Finance		
1	Reduction in HB Admin grant 2013/14	237	
	Finance Total	237	
		5,196	

Risk £000's

Corporate Growth (Budget Book page 7)	2013/14 Budget	2013-14 Release
Pay Inflation	1,700	1,000
Superannuation Revaluation	0	
Change Management Implementation Fund	4,000	
Savings Profiling	2,000	1,800
Price inflation unallocated		
Growth unallocated		
	7,700	2,800

Annex 8 (Continued)

Inflation Allocated to Departments 2013-16			
	2013/14	2014/15	2015/16
	£000	£000	£000
CYP			
PFI	140	140	140
Retirement Costs	80	80	80
Foster/Adoption	190	190	190
CYP Total	410	410	410
DASS			
Placements	15	15	15
Residential and Nursing Care	1,518	1,518	1,518
Transport	60	60	60
Total	1,593	1,593	1,593
Families and Well Being Total	2,003	2,003	2,003
Regeneration and Environment			
Biffa	413	413	413
Colas	48	48	48
Regeneration and Environment Total	461	461	461
Grand Total	2,464	2,464	2,464

Annex 9 INCOME AND DEBT

Council Tax

The following statement compares the amount collected for **Council Tax** in the period 1 April 2013 to 31 August 2013 with the amount collected in the same period in 2012/13:

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	135,495,000	125,771,283
Cash Collected	62,253,000	59,447,638
% Collected	45.9%	47.3%

Council Tax benefits has been abolished and replaced by Council Tax support and the numbers and awards as at 31 August 2013 are as follows:

Number of Council Tax Support recipients	38,232
Total Council Tax Support expenditure	£27,964,000
Number of pensioners	16,408
Number of vulnerable	6,532
Number of working age	21,784

The level of collection reflects the increased charges to those charge payers now in receipt of Council Tax Support and having to pay a minimum of 22% of the annual charge as well as the increase charges in respect of reduced discounts and exemptions. Overall there is an extra £10million to be collected for 2013-14. Working Age of 21,784 includes 6,532 who receive maximum support leaving 15,342 paying at least 22%.

Business Rates

The following statement compares the amount collected for **National Non-Domestic Rates** in the period 1 April 2013 to 31 August 2013 with the amount collected in the same period in 2012/13:

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	70,314,661	68,229,500
Cash Collected	35,505,828	33,906,805
% Collected	50.5%	49.7%

Accounts Receivable

The table below shows the new department names and the split at what stage of the recovery cycle they are:

Description	Less than 28 days	1st reminder	2nd reminder	3rd reminder	Total as at 31.7.13
Chief Executive	£224,365	£7,441	£10,875	£551,143	£793,824
Neighbourhood	£11,188	£871	£1,794	£23,504	£37,357
Transformation	658,080	£3,225,371	£28,992	£590,274	£4,502,717
Families	£11,782,413	£947,328	£1,239,427	£10,469,388	£24,438,556
Environment & Regulation	£377,778	£140,716	£147,911	£2,705,696	£3,372,108
Totals	£13,053,824	£4,321,757	£1,428,999	£14,340,005	£33,144,585

The above figures are for invoices in respect of the period up to the end of August 2013. Payments and amendments such as write offs and debts cancellations continue to be made after this date on these accounts.

BENEFITS

The following statement details the number of claimants in respect of benefit and the expenditure for Private Tenants and those in receipt of Council Tax Benefit up to 31 August 2013:

	2013/14	2012/13
Number of Private Tenant recipients	31,690	31,822
Total rent allowance expenditure	£59,937,442	
Number under the Local Housing Allowance Scheme (<u>included in the above</u>)	12,119	12,007
	£23,306,367	
Number of Council Tax Support recipients	38,300	
Total Council Tax Support expenditure	£28,135,531	
Total expenditure on benefit to date	£88,072,973	

The following statement provides information concerning the breakdown according to client type as at 31 August 2013

Private Tenants

Claimants in the Private Rented Sector	14,697
Claimants in the Social Rented Sector	16,993
Owner Occupiers	10,518
Total claimants by age group	
under 25 years old	2,610
25 – 60 years old	21,988
over 60 years old	17,610

There are **42,208** benefit recipients in Wirral as at 31 August 2013.

Under Occupancy regulations

From 1 April 2013 property size criteria was introduced to working age tenants of social housing (Registered Providers). Where a claimant is deemed to be occupying accommodation larger than they reasonably require, Housing Benefit (HB) levels have been restricted as follows:

- One “spare” bedroom incurs a 14% reduction. In Wirral the current average is £12 weekly and there are 3,044 households affected;
- Two or more spare bedrooms incurs a 25% reduction – the Wirral average is currently £21 weekly and there are 729 affected;
- Out of a total social sector HB caseload of 16,993; 4,249 are currently affected by this;

Housing Benefit Fraud and Enquiries – 01 April 2013 to 31 August 2013

New Cases referred to Fraud team in period	504
Cases where fraud found and action taken	27
Cases investigated, no fraud found and recovery of overpayment may be sought	214
Cases under current investigation	198
Surveillance Operations Undertaken	0
Cases where fraud found and action taken:	
Administration penalty	0
Caution issued and accepted	4
Successful prosecution	23
Summons issued for prosecution purposes	28

Discretionary Housing Payments

Discretionary Housing Payments (DHP) may be awarded to provide short term financial assistance to Housing Benefit claimants who are experiencing difficulty meeting a shortfall in their rent because maximum benefit is not being paid. DHP is not a payment of Housing Benefit and is funded separately from the main scheme.

The Government contribution for 2013/14 is £917,214 with an overall limit of £2,293,035 which the Authority must not exceed. These levels have increased significantly this year as part of central government's measures to help alleviate hardship resulting from the major welfare reforms, such as under occupancy as well as ongoing Local Housing Allowance issues. To date £257,560 of this fund has been allocated. In addition, £35,000 has been allocated to Housing Options to meet rent deposits to enable people to move into sustainable tenancies. It is expected that Wirral will use up the full government contribution by year end.

Local Welfare Assistance

From April 2013, the discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund were abolished and replaced in Wirral by our

new Local Welfare Assistance Support Scheme (LWA). For 2013/14 Wirral's scheme is supported by a £1,345,925 Government Grant. Wirral's scheme replaces cash payments in favour of suitable alternatives where at all possible e.g. through the provision of pre payment cards for food and fuel and direct provision of white goods. The scheme is to be reviewed after six months to see how implementation has gone and for possible scheme alterations. The number of applications is rising on a week by week basis. LWA applications for August 2013 averaged 75 per week due to a significant reduction during the Bank Holiday week.

LWA details for period from 02 April 2013 to 31 August 2013

Number of awards granted for food	1,527	value	£67,793
Number of awards granted for fuel	1,142	value	£21,122
Number of awards granted for goods	260	value	£63,748

Total number of households receiving an award	1,725	value	£152,663
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Number of claims not qualifying for assistance	1,400
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Annex 10 MANAGEMENT ACTIONS

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

Department	Items	£000
All	Spending freeze to continue during first quarter.	
All	Introduction of Concerto system to monitor progress against savings targets.	
People	Reviews by Adults and Children to identify measures to fund pay back of 2013/14 one-off funding (£13.7 million).	
Regeneration	Early implementation of Supporting People 2014-15 saving	1,300

Annex 11 EARMARKED RESERVES - GENERAL FUND £000's

	Balance at 1 April 2013 £000	Movement	Balance at 31 August 2013 £000
Schools Balances	11,936	-	11,936
Housing Benefit	10,155	-	10,155
Insurance Fund	7,821	-	7,821
Budget Support	4,200	-	4,200
Intranet Development	3,161	-	3,161
Local Pay Review	2,296	-	2,296
Community Fund Asset Transfer	2,146	-	2,146
Efficiency Investment Rolling Fund	2,000	(1,000)	1,000
One Stop Shop/Libraries IT Networks	1,878	-	1,878
Supporting People Programme	1,105	-	1,105
Worklessness	1,085	-	1,085
Severance Pay	1,026	-	1,026
Stay, Work, Learn Wise	908	-	908
Intensive Family Intervention Project	871	-	871
Working Neighbourhood Fund	760	-	760
School Harmonisation	668	-	668
Schools Capital Schemes	581	-	581
Childrens Workforce Development Council	558	-	558
Apprentice Programmes 2 & 3	546	-	546
Home Adaptations	518	-	518
Dedicated Schools Grant Carry Forward	472	-	472
Planned Preventative Maintenance	463	-	463
ERDF Match Funding	444	-	444
Schools Automatic Meter Readers	415	-	415
Schools Contingency	370	-	370
Strategic Asset Review	366	-	366
Child Poverty	350	-	350
Business Improvement Grant	342	-	342
Local Area Agreement Reward	322	-	322
Schools Service IT	294	-	294
Homeless Prevention	271	-	271
Other Reserves	6,448	-	6,448
Total Reserves	64,776	(1,000)	63,776

Note: 2012/13 revenue accounts and 1st April opening balance is subject to audit which will be completed in September 2013.

Annex 12 BUDGETARY ISSUES

	Service area	Issue	2013-14	2014-15	2015-16	2016-17	Resolution
People							
	Adults overstated income	Income was included at 100% of billed, rather than at the (lower) level of collection. Improved collection would reduce the loss but this should be evidence led.	2,000	2,000	2,000	2,000	Entered into M1 Monitor. 2013-14 from Directorate. 2014-15+ Bad debt provision will cover
	Legal Fees ex CYP	Foster Care placements - with improved work routines, amenable to reduction.	100	50	0	0	Funding from M3 increased grants
Places							
	RHP	Homeless Grant rolled into Formula Grant, but not taken out of budget. No solution.	221	221	221	221	2013-14 from forecast savings in M3
	Willowtree	Shortfall in accommodation budget; resolution depends on service and asset disposal	33	33	33	33	2014-15+ from grant adjustment Agreed can be met from permanent budget reduction
Transformation							
	Market Supplements	Single Status is unimplemented. Until then, grade mismatches can only be 'fixed' by market factors. Estimated has reduced from £1m in M1 to £490k excluding any additional cover.	490	450	450	0	Reduced from £1m M1 Monitor based on latest estimates. From pay growth budget M3
	2012-13 T&C's	Non-achievement; count as part of 2014-15 target	300	0	0	0	2013-14 from forecast savings in M3
	2012-13 Trans Bus S	Non-achievement; count as part of 2014-15 target	300	150	0	0	2013-14 from forecast savings in M3
	2013-14 T&Cs	Shortfall in achievement; count as part of 2014-15 target	472	0	0	0	2013-14 from forecast savings in M3
	Facilities Management	Shortfall in achievement on closure of buildings; count as part of 2014-15 target	250	0	0	0	Agreed can be met from permanent budget reduction
Totals			4,166	2,904	2,704	2,254	
Solutions			2013-14	2014-15	2015-16	2016-17	
	Agreed redns	Willowtree Facilities Management	-33 -250	-33	-33	-33	Agreed can be met from permanent budget reduction
	In M1 monitor	Adults income – in 2013-14 funded from bad debt provision in later years	-2,000	-2000	-2000	-2000	2013-14 in year savings and bad debt provision
		Market Supplements funding from central budget for pay growth (page 7) Budget Book	-490	-450	-450	0	funding from central budget for pay growth (page 7) Budget Book

		T&Cs part funding from central budget for pay growth (page 7) Budget Book	-200	0	0	0	
		Foster Care placements	-100	-50	0	0	Funding from increased grants per Directorate M3
		Homeless Grant	-221	-221	-221	-221	2013-14 from increased balances forecast in M3 monitor in M3, 2014-15+ from grant adjustment
		Remaining issues relating to 2013-14	-872	-150	0	0	Funded from increased balances forecast in M3 monitor
Current additional resource required from savings			0	0	0	0	

CABINET

10 OCTOBER 2013

SUBJECT	CAPITAL MONITORING 2013-14 MONTH 5 (AUGUST 2013)
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1. EXECUTIVE SUMMARY

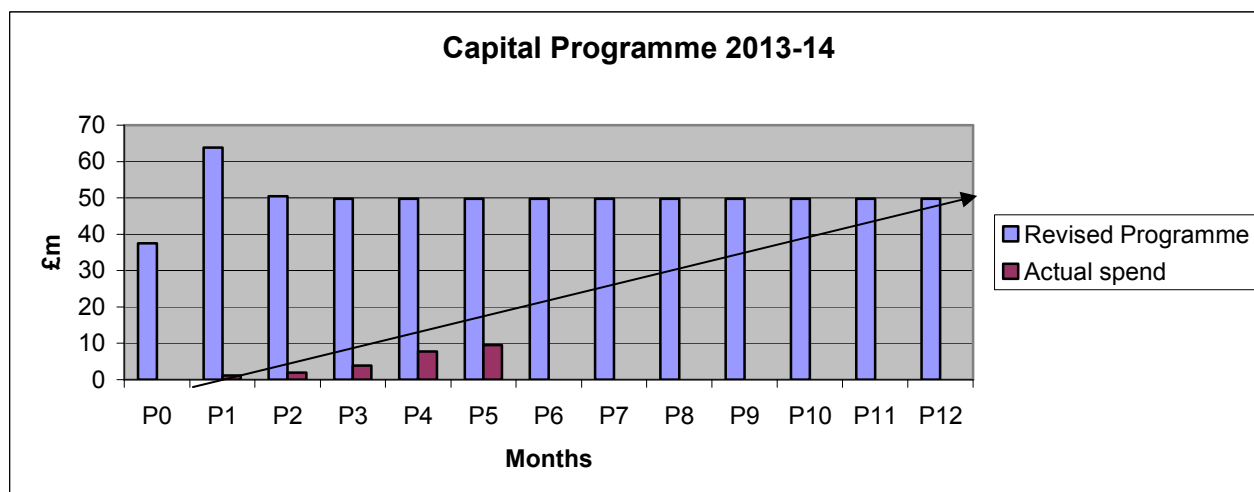
- 1.1 This report sets out the capital position for 2013-14 at Period 5 (August 2013) and actions to minimise risk.

2. RECOMMENDATIONS

- 2.1 That Cabinet is asked to note:
- the spend to date at Month 5 of £9.518m, with 42.0% of the financial year having elapsed.

3 OVERALL POSITION AT PERIOD 5 (AUGUST 2013)

- 3.1 The projected capital forecast for the year, at Month 5 shows a potential outturn of no overspend or underspend.

Chart 1: Capital Programme spend below line of best fit**4 ORIGINAL AND PROPOSED CAPITAL PROGRAMME FOR 2013-14**

- 4.1 The capital budget for 2013-14 is subject to change. The Period 5 monitor reflects the programme agreed by this Committee on 16th September.

Table 1: Capital Programme 2013-14 at Period 5 (August) £000's

	Capital strategy	Changes approved by Cabinet	Reprofiling to be approved	Other changes to be noted or approved	Revised Capital Programme
Invest to save	1,400	-400	0	0	1,000
Bids to release assets	1,053	2,457	0	0	3,510
People - Adults	11,025	-9,125	0	0	1,900
People - CYP	10,286	6,388	0	0	16,674
Places - Regeneration	5,979	5,162	0	0	11,141
Places - Environment	7,196	6,476	0	0	13,672
Trans & Res -Finance	210	0	0	0	210
Trans & Res - Asset Mgt	315	1,249	0	0	1,564
Total expenditure	37,464	12,207	0	0	49,671

4.2 There are no significant variations requiring approval for period 5.

4.3 The Government has recently issued their capitalisation directions. The qualifying criteria to 'capitalise' statutory redundancy costs prevent the Council from applying in 2013-14.

4.4 The latest position regarding the co-location of Pensby/Stamley schools was reported on 13 June. It highlighted the reason for the anticipated additional cost of £1.038m and how these costs would be accommodated; £0.833m grant, £0.120m council resources and £0.085m school contribution. Weekly risk management meetings are being held to monitor and mitigate against the effects of any further increases to the project costs.

5 PHASING OF THE PLAN – THE USE OF GATES

5.1 Since February, officers have embarked on implementing a system – Concerto - that will tell them how all the schemes in the capital programme are progressing. Instead of only having two scheme measures, being 'start' and 'completed', we will be able to look 'inside the box' and see the progress of a scheme. Table 3 examples the Gates for the Capital Receipts programme.

Table 3: example of five Gates for Capital Receipts

Gate	Activity by Quarters
Conceptual Stage	Identification of potential disposal
Approval Stage	Agreement in principal by Asset Review Board
Delivery Stage	Approval to disposal and method of disposal
Finished Stage	Agreement to final terms
Closure Stage	Legal completion and receipt of monies

5.2 The benefit of the system is that each scheme will be planned across the year(s), initially in Quarters, and progress can be tracked. Furthermore, all the schemes can be 'added up', so we will have a predicted phasing for the whole capital programme, over three years.

5.3 Having this information will enable us to intervene where schemes are slipping, navigate around 'choke points' where everything is happening at once and plan the funding of the programme so we can manage to finer tolerances. For example,

historically, the Council has always carried a high level of capital receipts, to cover risk, rather than using them.

6 ACTUAL SPEND TO DATE – IS THE PROGRAMME ‘ON PLAN’?

- 6.1 Until the Concerto system is fully developed we will continue to use the general measure of progress introduced last year. The actual capital expenditure at Period 5 is £9.518m with 42% of the financial year having elapsed. .

Table 4: Spend to date August (5/12 = 42%)

	SPEND TO DATE		COMMENTS ON VARIATION RAG
	£000	%	
INVEST TO SAVE	0	0	GREEN - ACCEPTABLE
BIDS TO RELEASE ASSETS	112	3.2	GREEN - ACCEPTABLE
PEOPLE - ADULTS	0	0	GREEN - ACCEPTABLE
PEOPLE - CHILDREN'S & YOUNG PEOPLE	3,614	21.7	GREEN - ACCEPTABLE
PLACES - REGENERATION	1,629	14.6	GREEN - ACCEPTABLE
PLACES - ENVIRONMENT	3,384	24.8	GREEN - ACCEPTABLE
TRANS & RES -FINANCE	4	1.9	GREEN - ACCEPTABLE
TRANS & RES - ASSET MGT	775	49.6	GREEN - ACCEPTABLE
TOTAL EXPENDITURE	9,518	19.2	

- 6.2 The table below will be updated with more detailed forecasts in subsequent reports.

Table 5: Projected Outturn compared to Revised Budget £000's

	REVISED	PROJECTED	VARIATION
	BUDGET	OUTTURN	
INVEST TO SAVE	1,000	1,000	0
BIDS TO RELEASE ASSETS	3,510	3,510	0
PEOPLE - ADULTS	1,900	1,900	0
PEOPLE - CHILDREN'S & YOUNG PEOPLE	16,674	16,674	0
PLACES - REGENERATION	11,141	11,141	0
PLACES - ENVIRONMENT	13,672	13,672	0
TRANS & RES -FINANCE	210	210	0
TRANS & RES - ASST MGT	1,564	1,564	0
TOTAL EXPENDITURE	49,671	49,671	0

7 SCHEMES THAT ARE NOT KEEPING TO PLAN.

- 7.1 The purpose of this section is to highlight schemes that are not keeping to plan and the range of responses that are needed. At this point in the cycle there are no such schemes.

8 FINANCING OF THE CAPITAL PROGRAMME

8.1 Table 6 summarises the financing sources and changes made to Period 5. The major changes proposed, since the capital programme was approved in March 2013 are:

- the use of unsupported borrowing to finance slippage and new schemes;
- the use of grant funding not required in 2012-13 which will fund the associated slippage in expenditure; and
- to deploy spare capital receipts.

Table 6: Revised Capital Programme Financing 2013-14 £000's

CAPITAL PROGRAMME FINANCING	CAPITAL STRATEGY	CHANGES APPROVED BY CABINET	BUDGET CHANGES TO BE APPROVED BY CABINET	REVISED 2013-14 PROGRAMME
UNSUPPORTED BORROWING	7,920	8,778	0	16,698
CAPITAL RECEIPTS	3,121	3,844	0	6,965
REVENUE AND RESERVES	888	881	0	1,769
GRANT – EDUCATION	8,786	4,341	0	13,127
GRANT – INTEGRATED TRANSPORT	1,136	5	0	1,141
GRANT – LOCAL SUSTAINABLE TRANSPORT	695	395	0	1,090
GRANT – LOCAL TRANSPORT PLAN	2,864	522	0	3,386
GRANTS – OTHER	12,054	-6,559	0	5,495
TOTAL FINANCING	37,464	12,207	0	49,671

9 PROJECTED LONGER TERM CAPITAL PROGRAMME

9.1 Funding for the forecast 2013-14 to 2015-16 capital programme is shown in Table 7.

Table 7: Capital Programme Financing 2013-14 to 2015-16 £000's

CAPITAL PROGRAMME FINANCING	2013-14 REVISED ESTIMATE	2014-15 REVISED ESTIMATE	2015-16 ORIGINAL ESTIMATE	TOTAL PROGRAMME
UNSUPPORTED BORROWING	16,698	5,692	1,300	23,690
CAPITAL RECEIPTS	6,965	2,838	1,000	10,803
RESERVE RESERVES	1,769	140	0	1,909
GRANT – EDUCATION	13,127	5,813	357	19,297
GRANT – INTEGRATED TRANSPORT	1,141	1,155	0	2,296
GRANT – LOCAL SUSTAINABLE TRANSPORT	1,090	676	0	1,766
GRANT – LOCAL TRANSPORT PLAN	3,386	2,978	0	6,364
GRANTS – OTHER	5,495	11,092	0	16,587
TOTAL FINANCING	49,671	30,384	2,657	82,712

10 SUPPORTED AND UNSUPPORTED BORROWING AND THE REVENUE CONSEQUENCES OF UNSUPPORTED BORROWING

10.1 The cost of £1 million of Prudential Borrowing would result in additional revenue financing costs of £100,000 per annum in the following year. As part of the Capital

Strategy 2013-14 to 2015-16 the Council has included an element of prudential borrowing. At Period 5 there is a sum of £23.6m of new unsupported borrowing included over the next three years, which will result in approximately £2.4m of additional revenue costs detailed at Table 8, if there is no change in strategy.

Table 8: Unsupported Borrowing Forecasts & Revenue costs £000's

	2013/14	2014/15	2015-16	2016-17	TOTAL
NEW UNSUPPORTED BORROWING CUMULATIVE	16,698	5,692 22,390	1,300 23,690	-	23,690
CUMULATIVE ANNUAL REVENUE REPAYMENT COSTS		1,670	2,239	2,369	

However, the Unsupported Borrowing has to be divided into that for which there is planned support – a spend to save scheme – and the truly unsupported schemes.

Table 9: Analysis of Unsupported Borrowing

	2013/14	2014/15	2015-16	TOTAL
SPEND TO SAVE	6,110	820	300	7,230
OTHER BORROWING	10,588	4,872	1,000	16,460

11 CAPITAL RECEIPTS POSITION

11.1 The Council has worked with the LGA to review the Council's Assets – a report was presented to Chief Officers on May 7. A stand out comment was that the Council could realise £20m from asset disposals by 2015, some of which has already been counted into Table 10 below. Work is being undertaken to identify which of the receipts in the table below are included in this assessment.

11.2 The capital programme is reliant on the Council generating capital receipts to finance the future capital programme schemes. The Capital Receipts Reserve at 1 April 2013 contained £8.1m of receipts. The table assumes the proposed spend, set out at 4.1 is agreed.

Table 10: Projected capital receipts position – funding requirement £000's

	2013/14	2014/15	2015-16
CAPITAL RECEIPTS RESERVE	8,100	2,635	7,247
IN - RECEIPTS ASSUMPTION	1,500	7,450	N/A
OUT - FUNDING ASSUMPTION	-6,965	-2,838	-1,000
CLOSING BALANCE	2,635	7,247	6,247

11.3 At the end of August the Council had received £0.902m usable capital receipts which are detailed in Annex 4.

11.4 Details of the schemes to be funded by capital receipts in 2013-14 can be found in Annex2.

12 RELEVANT RISKS

- 12.1 The possible failure to deliver the Capital Programme will be mitigated by the fortnightly review by a senior group of officers, charged with improving performance.
- 12.2 The generation of capital receipts could well be influenced by factors outside the authority's control e.g. ecological issues.
- 12.3 Capacity shortfalls are being addressed through the development of closer working with the LGA and Local Partnerships.

13 OTHER OPTIONS CONSIDERED

- 13.1 None.

14 CONSULTATION

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

15 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

16 RESOURCE IMPLICATIONS

- 16.1 The whole report is about significant resource implications.

17 LEGAL IMPLICATIONS

- 17.1 There are no legal implications.

18 EQUALITIES IMPLICATIONS

- 18.1 An Equality impact assessment is not attached as there are none.

19 CARBON REDUCTION IMPLICATIONS

- 19.1 None.

20 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 20.1 None.

21 REASONS FOR RECOMMENDATIONS

- 21.1 Regular monitoring and reporting of the capital programme will enable decisions to be taken faster which may produce revenue benefits and will improve financial control of the programme.

REPORT AUTHOR:

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SUBJECT HISTORY

Council Meeting	Date
Capital monitoring reports, from September 2012, are being submitted monthly. Capital programme submitted to Council	5 th March 2013

ANNEXES

- Annex 1 Capital monitoring and reporting timetable 2013/14
- Annex 2 Revised Capital programme and funding source
- Annex 3 Deferred unsupported capital schemes
- Annex 4 Capital Receipts
- Annex 5 CYP Capital programme and Funding

Annex 1

CAPITAL MONITORING AND REPORTING TIMETABLE 2013/14

Period Number	Month	General Ledger Updated and Reports Available To Be Produced	Reports Available For The Executive Strategy Group	Reports Available For Cabinet	Reports Available For Council Excellence Overview & Scrutiny Committee
			Monthly	Monthly	Quarterly
1	April	May 8	May 28	June 13	-
2	May	Jun 7	June 18	July 11	-
3	June	Jul 5	Aug 20	Sept 5	01-Oct
4	July	Aug 7	Sept 24	Oct 10	-
5	August	Sept 6	Sept 24	Oct 10	-
6	September	Oct 7	Oct 22	Nov 7	27-Nov
7	October	Nov 7	Dec 2	Dec 18	-
8	November	Dec 6	Jan 19	Feb 4	-
9	December	Jan 8	Feb 1	Feb 17	26-Mar
10	January	Feb 7	Feb 25	Mar 13	TBC
11	February	Mar 7	TBC	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC	TBC

ANNEX 2 PROPOSED CAPITAL PROGRAMME AND FUNDING CABINET 11 JULY 2013

Department	Programme manager	Capital Strategy	Changes approved	Re-profiling to be approved	Other changes to be approved	Total Programme	Borrowing	Receipts	Revenue / Reserves	Education Grants	Integrated Transport	Local Sustainable Transport	Local Transport	Other Grant	Total Funding
Invest to save or core efficiency															
Replace Integrated Childrens System	Mark Ellis	1,000		-400		600	600								600
Energy schemes	Hazel Edwards	400				400	400								400
Invest to save or core efficiency Total		1,400	-	-400	-	1,000	1,000	-	-	-	-	-	-	-	1,000
Bids that release redundant council assets															
Demolish Stanley Special	Mike Woosey	275				275	275								275
Demolish Bebington Town Hall and Liscard Municipal	Neil Corser	378				378	378								378
Demolish former Rock Ferry High	Mike Woosey	400				400	400								400
Strategic Asset Review	Jeff Sherlock		457			457	457								457
Fund to assist land assembly and re-sale			2,000			2,000		2,000							2,000
Bids that release redundant council assets Total		1,053	2,457	-	-	3,510	1,510	2,000	-	-	-	-	-	-	3,510
Transformation & Resources Finance															
West Kirby and Conway Centre OS	Malcolm Flanagan	210				210			210						210
Transformation & Resources Finance Total		210	-	-	-	210	-	210	-	-	-	-	-	-	210
Transformation & Resources Asset Management															
The Priory	Gwenda Murray		25			25	25								25
Rock Ferry Centre	Gwenda Murray	315	141			456			456						456
Cultural Services Assets	Jeff Sherlock		220		-220	0									0
Arrowe Park Changing Pavilion	Jeff Sherlock				100	100	100								100
West Kirby Concourse Roof	Jeff Sherlock				159	159	159								159
Wallasey Town Hall	Gwenda Murray		810			810	810								810
Liscard Hall	Jackie Smallwood		14			14			14						14
Transformation & Resources Asset Management Total		315	1,210	-	39	1,564	1,094	470	-	-	-	-	-	-	1,564
People - Children & Young People															
Children's centres	Jeanette Royle		231	-206		25				25					25
Aiming Higher for Disabled Children	Dawn Tolcher	240	267		-117	390				390					390
Condition/Modernisation	Jeanette Royle	4,500	1,350		-303	5,547	407		21	5,119					5,547
Family Support Scheme	Simon Garner		115			115	115								115
Formula Capital Grant	Mike Woosey	2,000	535			2,535			42	2,493					2,535

[illegible]

Parks Plant and Equipment	Bill Hancox Anthony	1,498		-231	1,267		1,267								1,267
Parks vehicles replacement	Bestwick	440			440		440								440
Park depot rationalisation	Mary Bagley	500			500		500								500
Landican Cemetery	Mary Bagley	-	82		82		82								82
Birkenhead Park Restoration Fees	Mary Bagley	-	97		97		97								97
Hoylake Golf Course	Mary Bagley	-	30		30		30								30
Park Outdoor Gyms	Jackie Smallwood	-	167		167								167		167
Reeds Lane Play Area	Jackie Smallwood	-	61		61								61		61
Eastham Country Park	Christine Smyth	-	36		36								36		36
Royden Park	Christine Smyth	-	20		20								20		20
Floral Pavilion Stage & Orchestra Pit	Kate Carpenter	-	37		37		37								37
Cemetery Improvements	Mary Bagley		80	-80	0										0
Birkenhead Tennis Courts	Mary Bagley		90	-90	0										0
West Kirby/Guinea Gap				1,000	1,000		1,000								1,000
Leisure Equipment	Damien Walsh	63	-14		49				49						49
Places - Environment Total		7,196	5,872	-	604	13,672	5,431	2,207	49	-	1,141	1,090	3,386	368	13,672
Places - Regeneration															
Think Big Investment Fund	Alan Evans		434		434		434								434
Clearance approved Cabinet	Alan Lipscombe		2,199		2,199		830	560	47				762		2,199
Home Improvement approved Cabinet	Alan Lipscombe		1,122		1,122		573	390	159						1,122
Disabled Facilities – Adaptations	Greg Cooper	2,929	904	-300	3,533		1,904						1,629		3,533
Improvement for sale grants	Lisa Newman		380		380				380						380
Cosy Homes Heating	Ed Kingsley	250	119		369		119	250							369
Empty Property Interventions	Paul Jackson		334		334		121	125	60				28		334
New Brighton	David Ball		1,162		1,162		1,162								1,162
Maritime Business Park	Alan Evans	2,800		-1,625	1,175		400						775		1,175
Other Regional Growth Fund Schemes	Alan Evans				433		433							433	433
Places - Regeneration Total		5,979	6,654	-1,625	133	11,141	5,543	1,325	646	-	-	-	-	3,627	11,141
Grand Total		37,464	12,993	-2,371	1,585	49,671	16,698	6,965	1,769	13,127	1,141	1,090	3,386	5,495	49,671

Annex 3

Deferred Unsupported

Summary

	2013-14 £000	2014-15 £000	2015-16 £000	Totals £000
Invest to save or core efficiency	0	0	0	0
Bids that release redundant council assets	0	0	0	0
DASS	0	0	0	0
Finance	0	0	0	0
CYP	680	700	0	1,380
Law, HR & Asset Management	1,025	1,500	1,500	4,025
Regeneration	2,080	1,250	300	3,630
Technical Services	2,405	2,119	397	4,921
Total	6,190	5,569	2,197	13,956

Detail

Invest to save or core efficiency

0	0	0	0
---	---	---	---

Bids that release redundant council assets

0	0	0	0
---	---	---	---

DASS

0	0	0	0
---	---	---	---

Finance

0	0	0	0
---	---	---	---

CYP

Schools Development Programme

Woodchurch Rd primary Foundn 2 classrooms	80	700	0	780
Woodslee Primary school ***	600	0	0	600
	680	700	0	1,380

Law, HR & Asset Management

Cultural Services Assets ***	1,000	1,500	1500	4,000
The Priory	25	0	0	25
	1,025	1,500	1500	4,025

Regeneration

Think Big Investment Fund	300	300	0	600
Improvements to Stock ***	950	950	0	1,900
Wirral Healthy Homes	105	0	0	105
Empty Property Interventions ***	125	0	0	125
Hoylake	600	0	0	600
	2,080	1,250	300	3,630

Technical Services

Street Lighting	200	0	0	200
Bridges	250	0	0	250
Capitalised Highways Maintenance	1,000	1,000	0	2,000
Coast Protection	47	55	0	102

Parks, Cultural Services and Roads

Arrowe Park changing facilities	500	800	0	1,300
Birkenhead tennis court	90	7	0	97
Cemetery infrastructure and landscaping	50	50	0	100
Birkenhead Park drainage	238	57	0	295
Frankby cemetery extension	30	150	0	180
	2,405	2,119	397	4,921

Less schemes now approved

(2,675)	(207)		(2,882)
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Funding type:

Unsupported Borrowing	3,515	5,362	2,197	11,074
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*** Represents schemes now included in the Capital Programme.

Annex 4

CAPITAL RECEIPTS AT AUGUST 2013

	£000
6, The Grove, Wallasey	11
Land at the Carr	12
Bridge Walks	15
Stringhey Road Car Park	19
Print Unit Equipment	30
Junction 1 Bidston Retail Park	32
Turntable Building	58
Thurstaston Rangers Cottage	<u>310</u>
	487
Right to buy proceeds (Magenta Living & BBCHA)	473
A. Total usable receipts	960

Annex 5

CAPITAL PROGRAMME 2013/14: FUNDING AND PROPOSED NEW STARTS

DfE CAPITAL MAINTENANCE AND BASIC NEED ALLOCATION £3,922,398

NON SPECIFIC SCHOOL LOCATIONS			
School Access/DDA	250,000	Mendell Primary – Main entrance remodel/security	25,000
Boiler Renewal Programme	250,000	Mosslands – Groundwork following mobile removal	30,000
Kitchen Ventilation Programme	250,000	Mount Primary – Fencing, access	40,000
Sub-Total	£750,000	New Brighton Primary – kitchen/staff room scheme additional works	60,000
		Orrets Meadow – Specialist bases	35,000
FEASIBILITY & DESIGN DEVELOPMENT		Pensby High Federation – Window installation phase 2	100,000
		Portland Primary – Window installation	50,000
Elleray Park Special – Suitability	10,000	Prenton Primary – Window installation	30,000
Fender Primary – Capacity	10,000	Riverside Primary – Internal refurbishment	50,000
Greenleas Primary – Capacity	10,000	Sandbrook Primary – External doors and adjoining windows.& Toilet Refurbishment	45,000
Mosslands – Structural	10,000	Stanton Road – toilets, roof	50,000
Pensby High – Accommodation Review	10,000	St George's Primary – Fire Alarm system	50,000
Well Lane Primary – Suitability	10,000	St George's Primary – Sports facility	130,000
		Thingwall Primary – Mobile replacement – internal reconfiguration	300,000
Sub-Total	£60,000	Town Lane – Reception/Offices/Staff Room	250,000
		WASP – Various modifications	200,000
		Wirral Hospital School – Service kitchen installation	30,000
SCHEMES		Woodchurch Road Primary – Remodeling F2 & class bases	550,000
Christchurch CE (B'head) – Mobile Demolition	20,000	Woodslee Primary – Foundation replacement.	550,000
Church Drive Primary - Main entrance/security/ICT	150,000		
Egremont Primary – Kitchen remodelling	60,000	Priority School Building Programme commitment	500,000
Ganneys Meadow – Access Car Park	20,000		
Hillside Primary – Roof and suitability	30,000	Sub-Total	3,740,000
Gayton Primary – Suitability and toilets	200,000		
Kilgarth Special – External Play area	60,000		
Leasowe Early Years – Access road	20,000	ALL TOTALS	4,550,000
Liscard Primary – Window installation	30,000	Carry forward 2012/13	750,000
Meadowside Special – Swimming Pool changing area phase 1	75,000	Remaining sum to be allocated to Priority Projects	122,389

OTHER DfE CAPITAL

Devolved Formula Capital (LA Schools)	£678,865
Devolved Formula Capital (Aided Schools)	£228,797
Aided Schools LCVAP (Agreed with Diocesan Bodies)	£1,121,887
Aiming Higher – Short Breaks (including Europa Pool) (allocated in 2012/13)	£305,000
Nursery (2 year olds) Capital (to be allocated) (allocated in 2012/13)	£614,000

COUNCIL CAPITAL 2013/14

(As per Cabinet Report 18 February 2013)

Wirral Youth Zone	£1,000,000
School Places	£300,000
Somerville Primary School	£200,000
Stanley School demolition / planning	£275,000
Rock Ferry High School demolition (proposed)	£400,000
ICS System	£1,000,000

The overall programme for delivery in 2013/14 includes previously approved and funded schemes.

All new starts will consider the use of DFC contributions

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WIRRAL COUNCIL

CABINET MEETING

10TH OCTOBER 2013

SUBJECT:	CORPORATE PLAN PERFORMANCE MANAGEMENT REPORT (AS AT 31ST AUGUST 2013)
WARD/S AFFECTED:	ALL
REPORT OF:	FIONA JOHNSTONE (DIRECTOR OF PUBLIC HEALTH AND HEAD OF POLICY & PERFORMANCE)
RESPONSIBLE PORTFOLIO HOLDER:	CLLR ANN MCLACHLAN (GOVERNANCE AND IMPROVEMENT)
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 The aim of this report (Appendix 1) is to outline the current performance of the Council (as at 31st August 2013) against the delivery of the Corporate Plan for 2013/14.
- 1.2 The report translates the priorities set out in the Corporate Plan into a coherent and measurable set of performance outcome measures and targets. These are used to evaluate the achievement of strategic priorities over the next year of the plan.
- 1.3 The development of the Corporate Plan will be an iterative process during 2013/14 based on the feedback and requirements of elected members and portfolio leads. Therefore, the latest version of the report contains:
 - Key finance information
 - Risk management information (aligned to red RAG rated indicators)
 - Year-end forecast position
 - North West benchmarking information (the level of information will increase in line with the availability of data nationally)
- 1.4 The iterative development of this report will run in parallel to the wider development of the underpinning business planning and performance management infrastructure within the council (e.g. Performance Management Framework Policy, electronic provision of performance information to elected members, transition from targets to outcomes).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 As part of the second phase of the development of the Corporate Plan, a set of SMART (Specific, Measurable, Achievable, Realistic and Time related) outcome measures have been developed with each of the three Strategic Directorates and the Corporate function (Neighbourhoods & Engagement and Public Health, Policy & Performance).

- 2.2 A series of business planning sessions were organised with each Strategic Directorate designed to convert the objectives outlined in the Corporate Plan into a set of strategic outcome measures aligned to organisational resources, systems and employees.
- 2.3 To ensure alignment of outcome measures to organisational resources, systems and employees the planning sessions were comprised of a multi-disciplinary team of corporate support services (e.g. HR, Risk, Finance, Policy and Performance & Business Intelligence).
- 2.4 Strategic Directors determined the outcome indicators contained within the performance report and agreed (and signed off) the following parameters (developed by their teams) which underpin their on-going performance management:
- 2013/14 Plan
 - 2013/14 Plan trajectory
 - 2013/14 Performance tolerance levels (determine RAG [Red, Amber, Green] status)
 - Head of Service responsible for delivery of target
- 2.5 Corporate Plan performance will be monitored on a monthly basis against the parameters agreed as part of the business planning process (e.g. RAG tolerance levels). A number of indicators are only available on a quarterly basis, in line with the availability of data.
- 2.6 The outputs from this monitoring process will be performance managed proactively on an exception basis. The system is designed to promote a “no surprises” approach to performance management.
- 2.7 Heads of Service responsible for the delivery of targets must complete an exception report and delivery plan for all indicators which are under performing (e.g. red RAG rated indicators). Appendices 2, 3 and 4 illustrate the exception reports/delivery plans for:
- Local environmental quality (LEQ) of litter, detritus and dog fouling in main gateways and shopping areas target.
 - Establishment reduction compared to savings assumption.
 - Permanent admissions of older people (aged over 65 and over) to residential and nursing care homes, per 100,000 population.
- 2.8 Monthly Corporate Plan performance reports will be produced and made available (to support corporate challenge) in line to support:
- Monthly DMTs
 - Monthly Portfolio Lead briefings
 - Quarterly Audit, Risk, Governance and Performance meetings
 - Quarterly Policy and Performance Committees
 - Cabinet meeting (Quarterly following Overarching Policy and Performance Committee)

- 2.9 The corporate plan will be underpinned by a hierarchy of metrics captured in Directorate, Service and Team plans.

3.0 RELEVANT RISKS

- 3.1 The performance management framework policy is aligned to the risk management strategy. In relation to the Corporate Plan risk information is provided for the following indicator:

- Local environmental quality (LEQ) of litter, detritus and dog fouling in main gateways and shopping areas

4.0 OTHER OPTIONS CONSIDERED

- 4.1 N/A

5.0 CONSULTATION

- 5.1 Corporate plan drafted based on the feedback generated by the What Really Matters public consultation.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 N/A

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

- 7.1 Financial implications of undertaking the actions to deliver the Corporate Plan will be addressed by departments as appropriate. Financial approval of the contents of this report will be sought following the initial review at CESG.

8.0 LEGAL IMPLICATIONS

- 8.1 Legal implications of undertaking the actions to deliver the Corporate Plan will be addressed by departments as appropriate. Legal approval of the contents of this report will be sought following the initial review at CESG.

9.0 EQUALITIES IMPLICATIONS

- 9.1 The Corporate Plan has a clear focus on supporting those who are disadvantaged, including the delivery of specific services and through ensuring that all of Wirral's diverse communities are equally able to access services.
- 9.2 Equalities implications relating to the actions set out in the Corporate Plan will be addressed by departments as appropriate, and details set out in individual departmental plans. This work is also monitored by the Corporate Equalities and Cohesion Group and the Council Excellence Overview and Scrutiny Committee.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 N/A

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 N/A

12.0 RECOMMENDATION/S

12.1 Cabinet are requested to note the information contained within this report and the relevant exception/delivery plans.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To ensure that the report provides Elected Members with the information required to evaluate the delivery of the three strategic priorities identified by the Corporate Plan.

REPORT AUTHOR: **Tony Kinsella**
Head of Performance
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APPENDICES

Appendix 1 – Corporate Plan Performance Report as at 31st August 2013 (2013/14)

Exception reports/Delivery plans for:

Appendix 2 –Local environmental quality (LEQ) of litter, detritus and dog fouling in main gateways and shopping areas target and establishment reduction compared to savings assumption.

Appendix 3 - Establishment reduction compared to savings assumption.

Appendix 4 - Permanent admissions of older people (aged over 65 and over) to residential and nursing care homes, per 100,000 population.

REFERENCE MATERIAL

N/A

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Co-ordinating Policy and Performance Committee (performance as at 31st July 2013)	September 2013
Cabinet and Council meetings (agreement of the performance framework to support the corporate Plan)	July 2013
Co-ordinating Policy and Performance Committee (draft performance framework presented and feedback from committee members)	June 2013
Cabinet and Council meetings (agreement of the Corporate Plan)	February 2013

WIRRAL COUNCIL
Corporate Plan Performance, Finance and Risk Report as at 31st August 2013



Page 1

No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Overall Status	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
PERFORMANCE													
DOMAIN 1: FAMILIES AND WELLBEING													
Children and Young People Department													
1	Rate of Children Looked After (per 10,000 population 0–17)	SSDA 903 Return	100.1	76.0	95.7	98.3	100.7	95.7	G	↔	Aug	S Garner (Acting)	
2	Rate of Children in Need (per 10,000 population 0–17)	Children in Need Census	415.5	336.3	396.8	418.5	410.5	396.8	G	▼	Aug	S Garner (Acting)	
3	Preventative Services – Qualitative Measure (Placeholder)	A qualitative outcome metric to evaluate the impact of redesigning Family Support Services (as a result of a Peer Review by the Children's Improvement Board) on the experience of families is currently being developed (during Q2). It will examine the experience of users and staff.										S Pimblett	
Department of Adult Social Services													
4	Safeguarding: % of Safeguarding Referrals actioned within 24hrs	SWIFT	98.2%	N/A	100%	100%	98.3%	99.0%	G	▬	Aug	J Evans	Out of a total of 1,166 Safeguarding alerts received during this period a total of 20 have not been actioned within 24 hours.
5	Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population	ASC-CAR & Office for National Statistics (ONS)	908.8	810.2	695.0	758.0	910.2	743.0	R	🏠	Aug	C Beyga	<p>Since the July performance update there have been a further 8 placements recorded in Swift with start dates in June. This has increased the number of placements in June to 55 which gives an average per month for the 1st quarter of 49.</p> <p>To achieve the 2013-14 target the average number of placements needs to be 37 per month. If this level of activity was to be achieved for the remaining 3 quarters the outturn would be 743 (A variance of 7% against target)</p>
DOMAIN 2: REGENERATION AND ENVIRONMENT													
Environment & Regulation													
6	Number of interventions put in place for travel plans and transport (to improve accessibility to employment & opportunities)	Travel Solutions	868	N/A	1,000	318	920	1,600	G	🏠+	Apr - Aug	M Smith	The higher than anticipated volume of referrals received has resulted in the annual target being achieved six months ahead of schedule: a recent marketing campaign has also resulted in a further unanticipated increase of referrals. In light of the volume of interventions being received Wirral Travel Solutions have increased the year-end forecast by 60%.
7	To maintain local environmental quality (LEQ) of litter, detritus, & dog fouling in main gateways and shopping areas	Local Survey Data	New Indicator	N/A	92%	90%	83%	92%	R	🏠-	Apr - Jun	M Smith	During Quarter 1 the redundancy consultation with unions and the Biffa workforce resulted in less activity. In addition workforce supervisory levels were lower as a result of the work that needed to be completed to implement the £1M street cleansing savings. The area of concern has been identified (detritus along gateway routes) and steps have been taken to bring this performance indicator back on track by quarter two reporting. An Action Plan (see attached report) has been created to support the corrective activities.

WIRRAL COUNCIL
Corporate Plan Performance, Finance and Risk Report as at 31st August 2013



No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Overall Status	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
Housing & Community Safety													
8	Number of new affordable homes	Homes & Communities Agency MIS	202 (forecast outturn)	N/A	322	40	42	363	G	+	Apr - Jun	I Platt	Additional units will be achieved which we were unable to forecast as these have been secured as a result of new funding opportunities which we are unable to predict throughout the year. This is reflected in the difference between year end target and forecast yearly outturn.
9	Number of empty properties returned to use or demolished through local authority action	M3 Northgate Database	250 (forecast outturn)	N/A	255	30	30	255	G	.	Apr - Jun	I Platt	Please note that this figure may be subject to change as Council Tax records are utilised to verify when a property is occupied and there is often a time lag in the updating of this council tax information. This therefore hinders our ability to report the most up to date statistics promptly at the end of the quarter in question.
10	Number of interventions to improve private rented sector properties	MVM Database	New Indicator	N/A	400	100	174	400	G	+	Apr - Jun	I Platt	
11	Number of adaptations completed	MVM Database	1,523	N/A	1,860	465	513	1,860	G	+	Apr - Jun	I Platt	
Regeneration													
12	Jobs created and safeguarded (via Invest Wirral)	Invest Wirral	1,580	N/A	925	296	296.5	925	G	+	Apr - Jul	D Ball	
13	Apprenticeships supported (Wirral Apprentice Programme)	Hanlon Information System	New Indicator	N/A	50	TBC	NYA	50	-	-	-	D Ball	The Wirral Apprentice Programme report has now been approved, signed off and the scheme will be up and running in September.
14	Number of working age people claiming out-of-work benefits (economic in-activity)	NOMISWEB	16.10%	N/A	15.60%	15.80%	15.90%	15.60%	G	+	Q1 February 2013	D Ball	Release dates of data relate to February and November each year. The figure provided in this report is classed as Q1 data which relates to February 2013. The next update of performance progress will be during November 2013.
DOMAIN 3: TRANSFORMATION AND RESOURCES													
Resources													
15	Chargeable Services (% achievement versus best practice)	KPMG Annual Study	TBC	N/A	Upper Middle Quartile (Feb 2014)	-	-	Upper Middle Quartile	-	-	-	V Quayle	Following a report presented to the Chief Executive Strategic Group (5/06/2013), it was agreed; - to trial Trading Accounts in a central service; - to implement Trading Accounts for Legal Refresh (the recharge system), and - to commission an external company to recommend appropriate recharge system.
16	% Adult Care Packages supported by Direct Debit	Accounts Payable Ledger	NIL	N/A	30%	0%	0%	30%	G	—	Apr - Jul	V Quayle	Department on target to have the system available by the end of September 2013, to support the introduction of direct debit payments from October 2013.
17	Establishment reduction compared to savings assumption	Establishment List	N/A	N/A	100%	100%	0%	100%	R		Apr - Jul	V Quayle	Work continues in aligning establishment and finance records. Await Human Resource to undertake the comparison and alignment exercise following the current round of redundancies before reporting this indicator. This exercise is behind schedule (by 1 month) and is therefore RAG rated as red.
18	Budget savings achieved	General Ledger	N/A	N/A	£48.4m	£16.70m	£28.37m	£48.40m	G	+	Apr - Jun	V Quayle	
Human Resources													
19	Agency/Consultancy costs	General Ledger	£2,000,000	N/A	£1,500,000	£666,667	NYA		-	-	-	C Hyams	The data is drawn from the Accounts payable ledger and as the payment is retrospective the data is not always up to date. Work is on-going to establish this data flow.

WIRRAL COUNCIL
Corporate Plan Performance, Finance and Risk Report as at 31st August 2013








No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Overall Status	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
20	Sickness absence: The number of working days/shifts lost due to sickness absence (cumulative)	M44 Form	10.50 days	N/A	10.50 days	3.37days	3.27days	9.88days	G		Apr - Jul	C Hyams	Quarter 1 performance breakdown: - April's actual sickness absence rate was 0.80 days, above the target of 0.73 days (and RAG rated as red). - May's actual cumulative sickness level was 1.62 days, below the target of 1.78 days (and an improvement in comparison to May 2012, when it was 1.72 days). - The actual sickness absence for June 2012 was 2.50 days. An updated sickness absence rate for August will be available at the end of September 2013.
DOMAIN 4: CORPORATE													
Public Health, Policy & Performance													
21	Alcohol-related admissions to hospital	Secondary Uses Service (SUS)	2,486.9	NYA	2,355.2	2,355.2	2,283.5	2,355.2	G		May 12 - Apr 13	J Webster	The latest 12 month rolling data currently shows a decrease in the rate of alcohol-related admissions to hospital. There have been issues with the provision of Secondary Uses Service (SUS - national source of hospital inpatient, outpatient & A&E data) data since the start of the financial year related to national Information Governance issues. Cheshire & Merseyside Commissioning Support Unit (CSU) are currently working to resolve these issues.
22	Smoking quitters (4 weeks)	Stop Smoking Service	2,259	NYA	3,500	761	579	2,668	A		1st Apr - 13th Jul	J Webster	Four week quitters is a Wirral Wide target, however there are a number of providers that contribute to this target. Concern over the performance of the services has been raised as they were failing to meet performance targets. Action plans were put into place with a focus on re-configuring the way the service works with intermediate stop smoking providers e.g. community pharmacists and GP surgeries. The re-design of the Wirral Community Trust Public Health service has facilitated this as each locality team is able to schedule monthly visits to intermediates to address training requirements and timely data returns. This action will continue to develop & embed over 2013/14. July quitters is 1.2% (7 quitters) off achieving green RAG rate. This improvement is as a result of the changes in practice as detailed in earlier commentary. In comparison to 2012/2013 the number of quit dates set into local stop smoking services has decreased by almost 50% but the quality of the outcomes (i.e. 4 week quits) has been maintained.
													Prevention of cardiovascular disease is just as important as treatment. Cardiovascular disease is one of the major causes of premature mortality (deaths in under 75s) in England. The Longer Lives report, published by Public Health England (PHE) in June reported on the number of people who died under the age of 75 in each local authority area between 2009 and 2011. Overall, the report shows Wirral as having a higher than average rate of premature death. We were ranked 113 out of 150 local authorities for the level of premature deaths. We were ranked 14th in our peer group of 15. We have seen a reduction in premature death rates from heart disease and stroke and this is testament to the work that has been done both with regard to prevention – smoking cessation, identifying and

No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Overall Status	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
23	Under 75 mortality rate from all cardiovascular diseases (including heart disease and stroke)	Office for National Statistics (ONS)	68.7 (2009-2011)	74.19 (2009-2011)	64.0	64.0	68.5	-	G	+	2010 - 2012	J Webster	managing high blood pressure in particular and treatment i.e. the prescribing of aspirin and statins to those people with established heart disease. This work needs to continue at pace so that we reduce rates even further. We are commissioning a health checks programme for 40-74 year olds from GPs so that people can have a check. This data is reported annually. 2012/13 performance is
Neighbourhoods & Engagement													
24	Constituency plans in place for 2014/15	-	-	N/A	Mar 2014	Mar 2014	-	-			-	E Degg	Annual measure.
25	Partial devolution of services to be delivered at constituency level	-	-	N/A	Sep 2013	Subject to agreement.					-	E Degg	The Chief Executive Strategic Group will be discussing what services will be devolved to constituency level.
26	Full devolution of services to be delivered at constituency level	-	-	N/A	Mar 2014	Subject to agreement.					-	E Degg	
27	Local Government Equality Framework: To be an 'excellent council'	-	-	N/A	Amber (Mar 2014)	Mar 2014	-				-	E Degg	Annual measure.

No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Overall Status	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
FINANCE													
28	Revenue	General Ledger	-	N/A	£301.82m	TBD	TBD	£301.55m	G		Apr - Jun	V Quayle	At month three (June 2013), the full year forecast projects a General Fund underspend of £267,000.
29	Capital programme	General Ledger	-	N/A	£37.464m	TBD	£3.874m	£49.671m	G		Apr - Jun	V Quayle	The spend to date at month three (June 2013) is £3.874m, with 25.0% of the financial year having elapsed.

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RISK: Remaining significant risks to achievement of non-compliant target												
	Objective	Risk Description	Risk Category	Risk Owner	Current Net Scores			Risk Review Frequency	Reporting Period	Accountable Officer (Head of Service)	Additional control measures planned	
					Likelihood	Impact	Total					
30	To maintain local environmental quality (LEQ) of litter, detritus, & dog fouling in main gateways and shopping areas	£1M reduction in street cleansing budget reduces available frontline resources by up to 40%	Reputation Service Delivery Performance	Zone 1 (shopping areas) current resource levels are protected.	4	4	16	M	Apr - Jun	M Smith	Attempts to secure “gateway” cleansing teams subject to Union negotiations. Package offered, supported in principle by Council to incentivise unions to accept concessions to enable more jobs to be saved.	
				Zone 1 shopping areas are output based, meaning the contractor has to maintain standards (Code of practice of litter and refuse) at own cost/risk.							Specific monitoring of gateways and zone 1 areas to commence May 2013. Identification of additional monitoring resources/ regime to be established from within existing staffing resources.	
31	Establishment reduction compared to savings assumption	Inconsistency in data held by different teams inhibits the Council's ability to effectively monitor the outcome of savings projects.										

-  Performance is improving
Lower is better
-  Performance is improving
Higher is better
-  Performance is deteriorating
Lower is better
-  Performance is deteriorating
Higher is better
-  Performance sustained
in line with targets set

G	Performance within tolerance for target set.
A	Performance target slightly missed (outside of tolerance).
R	Performance not on track, action plan required.

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PERFORMANCE ACTION PLAN TEMPLATE

This template is to be completed for ALL measures showing **RED** status of non-compliance against the specified target.

INDICATOR OVERVIEW	
Indicator Title	To maintain local environmental quality (LEQ) of litter, detritus, dog fouling in main gateways and shopping areas.
Strategic Director Lead	Kevin Adderley, Strategic Director Regeneration & Environment
Departmental Lead	Mark Smith, Head of Service Environment & Regulation
Target	90% for Quarter 1 2013/14

CURRENT SITUATION: Detail what the performance is for this measure and reason/s for non-compliance		
Performance this Period	83% (Q1)	+ / - Target : - 7%
Non-compliance reason	A period of consultation during Quarter 1 with unions and the Biffa workforce about redundancies resulted in less activity in the cleansing workforce. In addition, workforce supervisory levels were lower due to work that needed to be done to implement the £1million street cleansing savings.	

ACTIONS: This describes what's necessary or how to achieve a 'green' score. This way everyone is clear on what is required and when; knows the expected outcome and how to achieve it .	
What (is required)	The feedback from the newly formulated cleansing survey has been subject to detailed analysis. The results have identified detritus along gateway routes as an area of concern which will need to be addressed. Future surveys will provide confirmation or otherwise of targeted improvements.
How (will it be achieved)	A team has been formed consisting of 1 extra large mechanical sweeper and a 2 man cage crew operating Monday to Friday (the gateway team). It is designed to address resourcing requirements as from 1 st July 2013, and to focus on improving detritus along gateway routes. In addition, further work will be carried out by the new neighbourhood team.
Who (will be responsible)	Tara Dumas, Senior Manager Waste & Environment
When (will results be realised)	It is expected that survey audit scores will be within the forecasted target by Quarter 2 reporting.

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PERFORMANCE ACTION PLAN TEMPLATE

This template is to be completed for ALL measures showing **RED** status of non-compliance against the specified target.

INDICATOR OVERVIEW	
Indicator Title	Establishment reduction compared to savings assumption
Strategic Director Lead	Joe Blott, Strategic Director, Transformation & Resources
Departmental Lead	Jim Molloy, Interim Director of Resources
Target	100%

CURRENT SITUATION: Detail what the performance is for this measure and reason/s for non-compliance		
Performance this Period	0%	+ / - Target : -100
Non-compliance reason	<p>Staffing budgets have been reduced to reflect savings agreed within the 2013/14 budget process. Work is continuing in aligning HR and finance staffing records. Updating of the finance budget establishment following the current round of redundancies is continuing. The alignment exercise and the establishment have been reduced per savings implementation but the alignment process is taking longer than was originally anticipated. This is due to several reasons including restructures still taking place within Directorates and competing workload pressures within both Financial Services and Human Resources.</p>	

ACTIONS: This describes what's necessary or how to achieve a 'green' score. This way everyone is clear on what is required and when; knows the expected outcome and how to achieve it.	
What (is required)	<p>Finalised Financial Services updated salary listings reconciled to actual budgets are awaited to enable the comparison and alignment exercise to be undertaken.</p> <p>HR establishment updates are awaited to enable the comparison and alignment exercise to be undertaken.</p> <p>2013/14 Budget Option Restructures to be finalised.</p>
How (will it be achieved)	Staffing resources are required to deliver this target. These resources are however also required to undertake a range of existing activities and to support the 2014/15 budget option process.

	The 2013/14 deferred restructures need to be finalised so full alignment can take place.
Who (will be responsible)	Peter Molyneux Financial Services Andrea Williams Human Resources
When (will results be realised)	31st October 2013.

PERFORMANCE ACTION PLAN TEMPLATE

This template is to be completed for ALL measures showing **RED** status of non-compliance against the specified target reported.

INDICATOR OVERVIEW

Indicator Title	Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population
Strategic Director Lead	Clare Fish
Departmental Lead	Chris Beyga
Target	758.0 (August) / 695.0 (March 2014)

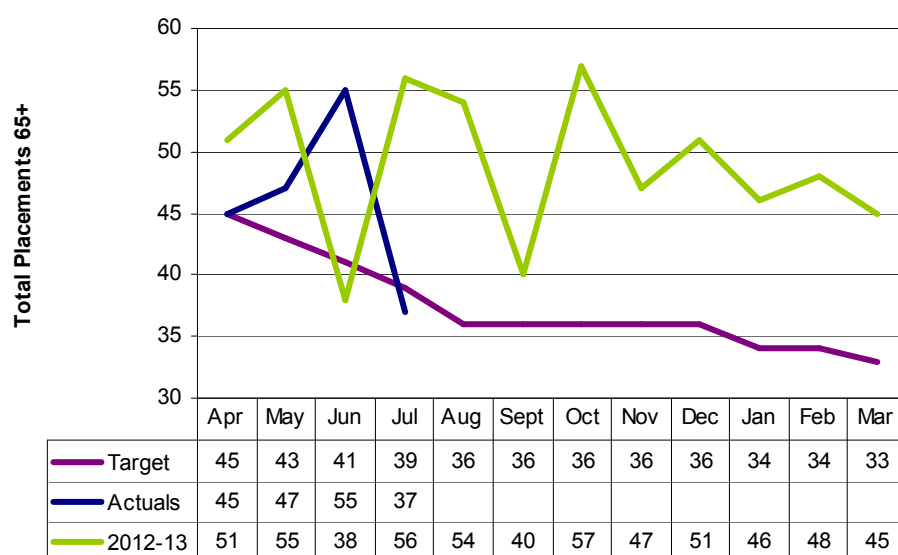
CURRENT SITUATION: Detail what the performance is for this measure and reason/s for non-compliance

Performance this Period	910.2	+ / - Target: -152.2 (20%)
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Non-compliance reason The chart below illustrates that placement levels during 2013-14 are on an upward trend (with an average per month of 49 for quarter 1 against a target average of 43).

Although the figures currently available for July indicate a significant reduction in placements this may be the result of delays in the recording of placements on the social care system.

Between July and August a total of 8 placements had been recorded on the social care system with start dates in June. Action is being taken as part of data cleansing process to ensure that backdated placements are entered on the system.



ACTIONS: This describes what's necessary or how to achieve a 'green' score. This way everyone is clear on what is required and when; knows the expected outcome and how to achieve it.

What (is required)

Understanding the problem:

47% of all permanent admissions can be traced back to hospital discharges and a further 16% linked to other health related initiatives (Rapid Access, Social Care Funding, etc). These are placements that are generally made in the community by health practitioners.

All placements from hospital start as short term, the only exception being where a long term placement has previously been agreed and there is a change of need e.g. residential to nursing. Short term placements can be commissioned for a variety of reasons:

- expedite discharge whilst waiting for community based services
- carer breakdown or environmental reasons where an immediate return is not viable or the level of presenting need is felt to be so great that the individual cannot be supported safely within a community setting
- a lack of suitable community based alternative services (in some situations), making placements the only viable and safe option.

A further 13% of admissions are due to capital depletion of individuals previously self-funding their placements.

The above scenarios mean Wirral has a very high number of people admitted to care on a short term basis. Many of these placements are made outside of the control of Local Authority pathways. This creates a number of risks:

- a financial risk which currently falls on the Local Authority to pick up people who have been placed by the NHS
- quality risks in the placement processes
- the risk that once admitted people will lose their independent living skills.

Focus of activity to improve performance:

Community based options must be maximised post discharge and all re-ablement options exhausted for all Hospital discharges.

All disciplines within the acute hospital discharge team must focus on promoting independence rather than bed focused solutions. This does require some leverage and challenge to current processes

	<p>Current commissioning activity will deliver more capacity and a greater range of domiciliary care and re-ablement/intermediate care services.</p> <p>However, work needs to continue with Health Commissioners to reduce and ultimately eliminate the use of alternative initiatives such as the social fund and rapid access, thus ensuring the health and social care economy work together to improve decision making, utilise resources and reduce the use of bed based options.</p> <p>With immediate effect the Local Authority should not "automatically" take responsibility for picking up the funding for placements made by the NHS. The responsibility for these placements should remain with the NHS until DASS assessment and formal decision making processes have been followed including the scheme of delegation. All appropriate assessments should be fully completed including exploration where relevant of alternative funding streams such as CHC.</p>
How (will it be achieved)	<p>1. A new scheme of delegation has been issued within the department with regard to all placements/packages of care arranged after the 31st July 2013. This is designed to ensure appropriate authorisation levels are in place and continued rigorous scrutiny of placements.</p> <p>For example, the enhanced recording of short term placements will enable in-depth analysis of the reasons for care home placements and in-turn will inform future management actions and commissioning intentions.</p> <p>2. The Pull Pilot is now operational within A&E, and DASS staff are working as part of a multi-disciplinary team to avoid inappropriate hospital admissions. It focuses on the use of community based resources and prioritises people that are unfunded and need a placement from either hospital or community. Through a system of prioritisation and assessment it will also make NHS funded places a lower priority than the non-funded placements. This will ensure that people are not at risk. However, it will lead to the funding risk remaining with the NHS for people placed by them</p> <p>3. Work is progressing on the joint appointment of an Integrated Discharge Manager (funded by DASS, Community trust and WUTH) to facilitate a more cohesive approach to discharge and to enhance team development. Specific focus will be given to reducing the numbers of individuals going direct to placements, ensuring the right assessment at the right time and a more joined up</p>

	<p>approach between health and social care colleagues</p> <p>4. The recent restructure within DASS has resulted in several staff moving into the hospital from locality teams encouraging a sharing of differing experiences, skills and knowledge.</p> <p>5. The development of community Integrated Care Co-ordination Teams (ICCTs) may also assist the move to a more fully integrated service model. Five ICCT's are planned for October 2013 and will focus on maintaining individuals within the community and supporting earlier discharge.</p> <p>6. A recent team pilot in the Birkenhead locality has focused upon ensuring that short term placements are picked up quickly in the community. This is currently being evaluated and processes transferred into the above multi-disciplinary team work across all teams to ensure speedy resolution.</p>
Who (will be responsible)	Head of Service (Delivery) Senior Manager (Independence), Senior Managers Neighbourhoods
When (will results be realised)	<p>If the volume of placements made during quarter 1 of 2013-14 continues it is unlikely that year end performance will be delivered for this indicator (e.g. within the "green" tolerance level).</p> <p>However, as identified above, there are a number of initiatives in place or progressing with Health partners. These initiatives, together with the management actions that have already been put in place, should have a positive impact on the number of permanent placements made by the Department.</p> <p>Data is currently being gathered to analyse the impact of the initiatives and management actions and this will be available at the end of September 2013. This will enable a more accurate forecast of year end performance to be provided (as part of an updated exception report/delivery plan).</p> <p>New contract arrangements for domiciliary care and reablement services, which will be in place early in the new year, should also have a positive impact offering enhanced capacity and responsiveness.</p> <p>Progress will continue to be rigorously monitored and dependent on the scale of impact and evaluation there may be a requirement for further management actions to be agreed.</p>

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WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT	DISCRETIONARY HOUSING PAYMENT FUND 2013/14 POLICY - SUPPORTING TENANTS SHORTFALL IN RENT
WARD/S AFFECTED	ALL
REPORT OF	HEAD OF BUSINESS PROCESSES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR ADRIAN JONES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides information on the intended allocation of the Discretionary Housing Payment (DHP) Fund following the implementation of key aspects of the Welfare Reform Act from April 2013. It also details the general principles of how staff will assess each claim given the significant shortfall in funds available.

2.0 BACKGROUND AND KEY ISSUES

- 2.1. Central Government has for many years allocated a direct grant sum in order to help alleviate a shortfall in rent and this has been administered by the Council's Housing Benefits service. In light of the additional financial effects of the welfare reforms in 2013 on the most vulnerable claimants, the government significantly increased the amount of funding available.
- 2.2 Nationally, the total fund increased from £60m in 2012/13 to £155m in 2013/14 with the specific intention of addressing issues arising from the implementation of the social sector size criteria or "bedroom tax" and the benefit cap .The benefit cap will be rolled out and affect Wirral Residents from July 2013 whilst under occupation regulations were implemented in April.
- 2.3 Wirral's funding for DHP increased from £522,238 in 2012/13 to £917,214 in 2013/14.This is the government contribution and there is an overall limit of £2,293,035 which cannot be exceeded but of which, any expenditure above the government grant would fall to be met from the authority's own General Fund. Wirral has never exceeded the government grant limit in any previous year.
- 2.4. In August 2013 the government announced a £35m package of additional DHP support. This is split into three categories. Wirral does not qualify for the rural component of £5m and of the £10m pot Wirral receives £64,409 extra. The details of how the remaining £20m will be distributed are to be announced.

It seems likely to be via a bidding process and there is a suggestion that this will be linked to showing that the grant allocation is used in a fair, robust and

appropriate manner. Given the considerable shortfall all authorities face it is expected bids in excess of the sum available will be made

- 2.5. At the start of the financial year Wirral had 4,228 households deemed to be under occupying and have had their Housing Benefit restricted. Of these 901 were subject to 25% reduction (average £22 pw) in respect of two or more rooms, the rest are 14% reductions in respect of one bedroom (average £12 pw). The government made last minute provisions for households to be allowed a room for foster children, a disabled child or serving members of the Armed Forces to exclude from these reductions and officers continue to identify claimants who fall into these categories.
- 2.6. In 2012/13 Wirral spent £464,830 in respect of 1,210 awards all in respect of Private Tenant claims. The balance (or under spend) was able to be carried forward to this year.
- 2.7. Since April the Benefits service has received over 800 claims for DHP with over 50% of those as a direct result of this change in legislation. As at 1st September the number of awards made was £292,433 paid or committed based on 600 applications with a further 200 plus applications awaiting processing on the receipt of further information. Further applications are expected once recovery action is taken by landlords and it is still projected that this funding will be used within year.

3.0. **DISTRIBUTION OF THE FUND**

- 3.1. The DHP fund in 2013/14 is intended to assist those in both the private and social rented sector by helping to meet a shortfall in rent, to enable them to remain in their accommodation. When the fund was originally set up in 2001, awards were seen as a short term solution. Clearly given the range of situations seen that is not always appropriate and there are circumstances where someone does not have the ability to pay and either there is no suitable alternative accommodation or it would be unreasonable to expect them to move and DHP awards are more long term.
- 3.2. There are no rights of appeal against a decision whether or not to make an award or against the level of award. Wirral continues to operate good practice by having an internal review process available. The only legal route in relation to challenge is limited to Judicial Review should a policy be considered to fetter discretion or be unreasonable.
- 3.3. It is Wirral's practice to consider each case individually using the following criteria which will also be used this year:-
 - The claimant's circumstances - whether it is reasonable to expect them to move to more affordable accommodation. For example;
Have adaptations been made to the property to meet disability needs,
Is there a strong support network in place locally for those who need it
The effects on children's schooling
Supporting people in work, particularly if they live near to their place of work

- The level of disposable income – we will consider declared household income and acceptable levels of essential expenditure as well as whether there is sufficient household income remaining to meet the shortfall in rent.
 - Homelessness prevention – as trialled last year we have initially allocated £35,000 of the fund to the Housing Options Team who make decisions regarding awards for tenancy deposits, moving costs to enable people to take up sustainable tenancies.
 - The length of the award – Short term awards which bridge the gap until housing benefit increases due to a change in someone's circumstances are considered favourably and we will consider a mid term award to enable someone to find more affordable accommodation. Longer term awards are more likely to be given to those who are vulnerable and in exceptional circumstances.
- 3.4. In determining ability to pay the shortfall, some eligibility criteria may appear to have been disregarded. This is likely to be the case where the claimant and partner have a disability and receive a high level of disability benefits. Whilst we disregard disability benefits related to mobility expenditure, if there is a high level of disposable income remaining we may conclude that it is not unreasonable to expect the shortfall to be met from that income provided that in doing so, we would not create a situation of financial hardship. The need here is to balance sensitively those with disability and a level of disposable income available alongside those with no disposable income who also need to preserve residency at least whilst looking for alternatives.
- 3.5. Social Sector tenants have been protected from the changes which affected those in the Private Sector since April 2008 and there is a noticeable reluctance to accept that Welfare Reforms do affect all types of tenants receiving Housing Benefit.
- 3.6. The Welfare Reforms have undoubtedly affected most ,those of working age who are not considered vulnerable .Those who are affected by changes to Housing Benefit are also those affected by the introduction of Council Tax Support which is significantly less favourable than the old Council Tax Benefit scheme. In Wirral , those who previously received 100% Council Tax Benefit now only receive 78% benefit .For a Band A property this means a payment of £18.34 pm which is not eligible for benefit and which must be paid from existing benefits .
- 3.7. Job Seekers Allowance weekly benefits rates are :-
- single under 25 - £56.80
 - single over 25 - £71.70
 - couple - £112.55

This demonstrates a distinct lack of ability to pay any shortfall for those in these categories compared to those in receipt of higher levels of disability benefits with higher weekly income.

- 3.8. To award DHP to all those affected by the under occupancy sanction alone would cost around £3m a year. Last year's DHP expenditure was primarily in respect of claimants in the private rented sector. It is expected that call on this fund by private rented sector tenants will be largely unaltered so there is clearly still a need to give consideration to the requirements of this sector alongside considering those in the social rented sector. Added to that is the Benefit Cap regulations which begin in July 2013 and may also see these claimants looking to access this fund to assist their shortfall in rent and this is reflected in the attached matrix. Unless our criteria changes towards private sector this would leave less than £500,000 available for the RSL sector or policy or about £1 to use for every £5 shortfall.
- 3.9. As with any discretionary power the Council must show it has both an overall procedure as to how this fund will be distributed (which is set out above) while ensuring that each case is treated on its individual merits. To further assist attached to this report is the initial matrix to be used to look at cases and decide what evidence is required for each type of case, what will be the likely period of award and a current rank in priority given the sum available is less than the call on the fund. This matrix is for indicative purposes and will be kept under review.
- 3.10. We have enhanced the decision making process so there is a more focussed approach and expenditure is made in respect of those with the greatest need. Decisions are authorised by senior processing staff and expenditure is monitored monthly. Should trends indicate the funding will be insufficient to sustain current, committed and future awards, the criteria would need to be reviewed or this would impact on the Council's overall General Fund.
- 3.11. We are working closely with landlords to look at priority cases and where possible avoid them taking action regarding arrears. However that will be a decision for each landlord. Job Centre Plus are working specifically with Wirral Partnership Homes to actively place people in employment and to get help and budgeting advice for those not fit for work.
- 3.12. We will give consideration to the next stage of partnership working to facilitate a more holistic approach to issues around requests for DHP and, in particular, those claims which we have to refuse.
- 3.13. The authority (Cabinet 24 January 2013 minute 168) has committed to a six month review of its Local Welfare Assistance Scheme which is in its first year of operation and has an award fund of £1,345,925. This review will be concluded in the Autumn and an early consideration is how that fund may assist organisations to support people rather than as an ongoing direct cash support. Any corporate development in that field would easily link to supporting claimants who look to access this scheme as well. The Benefits service will work with corporate colleagues to develop any proposals in this regard.

4.0 RELEVANT RISKS

- 4.1 There are a number of key risks associated with the extension of this scheme to the Social Landlords Sector. These are:

- The value of eligible applications will exceed the allocated grant and a form of limitation will need to be utilised.
- The Council unless it diverts resources from other budgets will have to refuse applications once the grant has been spent which may cause hardship to claimants;
- The scheme is to be continuously monitored and scrutinised spending which may require adjustment of the eligibility criteria and this may mean that those cases with a lower priority will be the first to be excluded from the scheme if the budget cannot accommodate them.
- The number of applications for the scheme could escalate as other welfare reforms are rolled out. The Benefit Cap regulations begin in July 2013 and may also see these claimants looking to access this fund to assist their shortfall in rent.
- The impact on landlords and claimant could include recovery action by landlords and ultimately add to the already acknowledged overall increase in evictions and homelessness
- Whilst we are able to accurately estimate resources required to administer the scheme as demand levels rise staff resources could be insufficient to process applications within required timescales.
- Capacity of other service areas and external organisations to handle the outcomes of this limited scheme e.g. voluntary organisations receiving increased claimant referrals and landlords who face a decision over a rent shortfall.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 The methodology set out in this report which is to be used in distributing this grant will be kept under review.

6.0 CONSULTATION

- 6.1 This has been undertaken internally with Housing and Regeneration colleagues. Externally we continue to work with both private and social sector landlords as well as advice organisations.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 The likely shortfall in available grant will see increased referrals to such groups where they have advice work or are a base for support and relief to those with financial hardship

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

- 8.1 Financial - Should the DHP expenditure exceed the Government contribution of £917,214 plus the new element of £64,405 then any excess would fall to be met from the authority's General Fund. There is no additional funding set within the Councils budget for any overspend. The authority may receive additional sums from the £20m additional DHP fund announced in August which is contingent on how that is to be awarded to authorities.

- 8.2 IT – our system already handles this type of application and will do so under this extended scheme.
- 8.3. Staffing – These applications require consideration by experienced assessors and given the increased numbers of applications this continues to place an increased pressure on the resources of the benefits service. While the shift to on line or self access continues this area of work requires a level of personal support from both benefits and customers services staff.
- 8.4. Assets – there are no implications arising from this report.

9.0 LEGAL IMPLICATIONS

- 9.1 The authority continues to act within the legislation and guidance available.

10.0 EQUALITIES IMPLICATIONS

- 10.1 The procedures identify the need to take account of protected groups and a revised EIA has been undertaken.

11.0 CARBON REDUCTION IMPLICATIONS

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

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

13.0 RECOMMENDATIONS

- 13.1 That the outline procedure for assessing applications for Discretionary Housing payment be approved and that officers keep the policy under review.
- 13.2. That Members receive periodic updates on the application of this procedure.

14.0 REASON FOR RECOMMENDATION

- 14.1 That Cabinet is aware of the overall situation with regard DHP's and can approve the procedures officers will use to handle these applications.

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Discretionary Housing Payment – Priority Matrix from June 2013

Appendix 1

Claimant groups	Evidence required	Likely award period	Priority level
Foster carers if room requirement is > 1 room	Confirmation of number of rooms required Consider amount of disposable income	For up to 52 weeks from the date of last placement	1
Claimants who :- <ul style="list-style-type: none"> have adaptations to their property to meet disability needs need separate rooms for medical reasons it is unreasonable to expect to downsize due to a medical condition & do not meet criteria for additional bedroom 	Medical evidence Consider amount of disposable income	Long term	1
Expectant mothers over 20 weeks pregnant	Medical evidence of due date Consider amount of disposable income	Short term –to date of confinement	2
Housing Benefit claimants subject to the benefit cap	Consider amount of disposable income	Short term –until alternative accommodation found (may not necessarily be referred via/to Housing Options)	2
Room left vacant for child in temporary care of the LA	Evidence that child is in care . Consider amount of disposable income & take account of temporary absence rules	Short term	2
Households with significant birthdays within 12 months	Consider amount of disposable income	Medium term – to date of significant birthday	3
Private sector under 35s	Consider amount of disposable income	Short term	3
Care leavers –up to the age of 25 (protected from SRR up to age 22)	Consider amount of disposable income	Medium term	3
Claimants within 12 months of pension credit qualifying age	Consider amount of disposable income	Medium term – until significant birthday	3

Homelessness prevention – discuss with Team Leader	Confirmation of priority homeless status Consider amount of disposable income	Short term	3
Low income claimants who can demonstrate hardship . Consider favourably those who live near to their workplace .	Consider amount of disposable income .	Short term It may be appropriate to give a long term award to enable someone to remain in work .Discuss with Team Leader .	4
Claimants under 25 - on lower benefits rates until they are 25	Consider amount of disposable income	Short term	4

Term Period Guidance

Short term = 13 weeks

Medium term = until a relevant date in the future or 26 weeks

Long term = 52 weeks and subject to review.

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT:	COUNCIL TAX SUPPORT SCHEME DISCRETIONARY RELIEF POLICY
WARD/S AFFECTED:	ALL
REPORT OF:	INTERIM DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ADRIAN JONES
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report details the proposed Council Tax Discretionary Relief Policy under Section 13A of the Local Government Finance Act (LGFA) 1992 to be adopted to support individual cases of Hardship. It outlines the criteria, procedure and review process. Cabinet is asked to consider the scheme and agree its use.
- 1.2 The report also recommends that delegated authority be given to the Strategic Director for Transformation and Resources and senior officers to determine individual applications of exceptional hardship.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Section 13A of Local Government Finance Act 1992 makes provision for the granting of discretionary discounts for Council Tax by Councils which reduces the Council Tax paid by using locally defined discounts. The discount granted can be anything up to 100% and is met from Council resources. The main driving force behind the introduction of these discounts was to allow Councils to react to local circumstances such as flooding or other natural disasters. It is intended only as a short-term assistance and must not be considered as a way of reducing council tax liability indefinitely. The Council has to fund 100% of any relief granted.
- 2.2. The Council has thus far exercised its discretion under Section 13a of the LGFA 1992 to grant discounts to pensioner groups since 2007/08 by determining them as a specific class of case. The Council has also awarded a discount to a Women's Refuge since 2004 both of the discounts are considered on an annual basis. Applications relating to a class of Council Tax case will still be considered by Cabinet upon a submission of a report by the Strategic Director for Transformation and Resources.
- 2.3 The Council Tax Reduction Schemes Regulations 2012 saw Council Tax Benefit was abolished on 31st March 2013 and replaced by a locally defined support scheme for those on low income. This is now in the form of a discount

to the amount payable and is funded by a direct grant which was 10% less than that received under the old scheme. This is £2.6m for Wirral. Due its overall financial situation Wirral was unable to use its remaining budget to fund this shortfall and had to agree a Council Tax Support Scheme that requires payment of 22% of the annual charge from working age charge payers previously in receipt of full benefit.

- 2.4. The introduction of the scheme in April has seen 15,600 working age households have their entitlement to help in paying the Council Tax capped at 78%. Many of these households are paying council tax for the first time with the contribution being for a Band A property £220 pa or £4.20 per week.
- 2.5. The 2012 Regulations set out a prescribed procedure in which an application may be made for discretionary relief and this requires the Council to introduce a policy for considering such applications whereas previous to Council Tax Support a policy was not required. The Local Government Ombudsman considers it is good practice to have such a policy in place.
- 2.6. Wirral's proposed policy is attached as an appendix to this report. It details the criteria the authority will use to guide its decision making process, how the application and notification process will be administered and the review process that will be available. As with other discounts under this legislation it is intended only as a short-term assistance and must not be considered as a way of reducing council tax liability indefinitely. The scheme is cash limited to a set budget.
- 2.7. It is likely that a high number of charge payers will face financial hardship if they have failed to budget accordingly or if they have over-stretched themselves with other financial obligations and they will wish to apply for support, particularly in the first year of the Scheme's introduction.
- 2.8. Through the operation of this Policy, the Council will seek to help:-
 - *Alleviate poverty;*
 - *Encourage and support residents in to employment;*
 - *Keep families together;*
 - *Safeguard residents in their homes;*
 - *Support the vulnerable in the community;*
 - *Claimants experiencing personal crises;*
 - *Support young people in the transition to adult life; and*
 - *Those who are trying to help themselves.*
- 2.9. The award of discretionary local discounts must be through a transparent decision making process which is clear and open to scrutiny. The development of the guidelines set out in the appendix to this report will offer assistance to applicant and help ensure the aims and objectives of the Council are met when making decisions in this regard.

3.0 RELEVANT RISKS

- 3.1 There is potential that a legal challenge could take place if a policy is not in place and the potential for a negative report by the Ombudsman is increased.
- 3.2. It is important that careful consideration be given to any application, including all the criteria, in order that any discretionary discount awarded is fully justified and open to scrutiny. In applications for discounts on the grounds of financial hardship, there must be full disclosure of any information requested, together with supporting evidence. Failure to comply will result in the application being rejected.
- 3.3 The recommended appeals process provides an opportunity for decisions to be scrutinised and reviewed and will ensure that the process is transparent.
- 3.4 Without a framework for considering applications there is a risk of damage to the Council's reputation as there could be inconsistency in decisions. There is also a risk that the costs of operating the scheme, i.e. the amount of local discounts awarded, becomes unaffordable thus the hardship fund is cash limited. Each application will therefore need to be carefully considered to ensure that awards are only made in exceptional and/or justifiable circumstances.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The option to have no policy is not considered a viable option.

5.0 CONSULTATION

- 5.1 There is no consultation formally required on the adoption of a policy and it will be subject to review. Consultation will be undertaken to see how the policy can be developed in future within the financial constraints of the authority.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 The likelihood is that a significant number of charge payers, who see their Council Tax charges increase, will look to access this policy via support from this sector's groups and organisations. Charge payers who apply to the authority will be signposted to these organisations as we do now for additional support and advice.

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

- 7.1 Financial – The level of awards that may be given is not yet known and is dependant on individual decisions and their relative circumstances. Any award under Section 13a falls entirely on the Council, there is no cost to any preceptor. These awards of relief have to be funded and managed from current Council budgets. It is proposed that for this year a cash limited budget of £50,000 is set. To fund this in year one will be by use an element of the

Local Welfare Assistance Grant (£1,345,925 in 2013/14) which is a non ring fenced grant. Local Welfare Assistance take up is now increasing but was lower than expected in the initial first five months and this sum does not then impact on the ongoing available assistance. The grant is used to support people facing financial hardship which will also be the purpose of this relief. Officers will closely monitor the position of both areas given their cash limited nature. Depending on decisions for 2014/15 alternatives will need to be sought for future year's relief as well as having a more accurate assessment of the actual call on such relief.

- 7.2. Staffing – The scale of applications is unknown and may affect ongoing staff resources. Initially these will have to be dealt with within current resources and officer will monitor its impact on the overall service.
- 7.3. IT – The current Capita Benefits and Revenues system already in use at Wirral is able to action and record awards onto each account. However, at least for year one, recording and administering the application and decision-making process will be via a spreadsheet system or access database. In our drive to maximise use of self access for contacts there will be a web form available for applications.
- 7.4. Assets – There are none arising from this report.

8.0 LEGAL IMPLICATIONS

- 8.1 The policy meets the legislative requirements for Council Tax Support and will be kept under review with the Head of Legal and Member Services.

9.0 EQUALITIES IMPLICATIONS

- 9.1 The Equality Impact Assessment is attached.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 There are none arising directly from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are none arising directly from this report.

12.0 RECOMMENDATIONS

- 12.1 The policy, guidance and scheme of delegation, as set out in the Appendix of this report, relating to Section 13a of Local Government Finance Act 1992, in respect of Discretionary Relief for Council Tax is adopted. The is policy to be reviewed and reported back later in the new financial year to agree its ongoing adoption for future years
- 12.2. The sum of £50,000 be set as the Hardship Relief for this purpose.

13.0 REASON FOR RECOMMENDATIONS

- 13.1 To ensure Members are aware of the need to introduce the policy, it's content, administration and funding, all of which are viewed as essential in meeting the full legislative requirements of the Council Tax Support Scheme.

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REFERENCE MATERIAL

Local Government Finance Act 1992
Local Government Act 2003 Sections 11a and 13a
Local Government Finance Act 2012.

SUBJECT HISTORY

Council Meeting	Dates
Cabinet	18 February 2013
Cabinet	9 December 2011
Cabinet	3 February 2011

Wirral Borough Council

Council Tax Discretionary Relief Policy 2013/14

1. General Provisions

- 1.1 The Council has power under S13A of the Local Government and Finance Act (LGFA) 1992 to reduce the council tax charge on any chargeable property in the borough for any day. This power can be exercised in relation to any individual case or by determining a class of case for which the charge should be reduced.
- 1.2 The amount of any successful award may reduce a council tax charge to nil, including reducing any balance left payable after any council tax support, discounts and exemptions have previously been granted to the applicant. The discretionary relief awarded will be from a cash limited fund set by the authority.
- 1.3 Any application made under S13A provisions must be a last resort following the exploration of any other entitlement such as council tax support, discounts and exemptions.
- 1.4 There must be exceptional circumstances to justify any request for a reduction and the Council will only consider granting short term assistance, and not reduce council tax liability indefinitely.
- 1.5 Each case will be considered on its own merits. Applications potentially relating to the determination of a class of property will be given to Members for consideration.
- 1.6 These guidelines set out the manner in which the Council will receive and consider applications for discretionary council tax relief.

2. Application Process

2.1 An application for a discretionary award can be made in writing, or by electronic communication.

2.2 Where:

- the Council has made a determination under s13A (1) (c) in relation to a class of case in which the liability for council tax has been reduced, and
- a person in that class would otherwise be entitled to a reduction under its scheme,

that person's application for a reduction under the Council's local council tax scheme will also be treated as an application under S13A (1) (c).

2.3 Applications that cannot be made personally by an applicant can be made by their advocate, appointee or a recognised third party acting on their behalf.

2.4 Applications must be accompanied by:

- the name, address and payment reference number of the applicant;
- a full explanation as to why the relief is claimed;
- details of any hardship, including a full financial statement of income and expenditure, or personal and household circumstances relating to the application;
- the period for which relief is requested.

3. Criteria for Considering Relief

3.1 The Council may consider in determining whether to grant relief:

- whether an application has been made for council tax support or a council tax discount or exemption, and if so all evidence has been received in order to determine those claims;
- whether, in the case of a corresponding claim for Housing Benefit, consideration has been given to a discretionary housing payment where applicable;
- the circumstances on which the application is based including evidence of the financial hardship incurred by the applicant, details how this is affecting their personal circumstances and this would justify a reduction in their council tax charge;

- whether the hardship experienced by the applicant is outside their control, for example due to a flood, storm damage, explosion or ‘major incident’ which forces them out of their property;

A major incident is defined as: *“Any event or circumstances (happening with or without warning) that causes or threatens death or injury, disruption to the community, damage to property or to the environment, on such a scale that the effects cannot be dealt with by emergency services, local authorities and other organisations as part of their normal day to day activities” (Dealing with Disasters Cabinet Office booklet).*

- what reasonable steps have been taken by the applicant or household member to resolve their situation prior to the application;
- the likelihood of the circumstances of the applicant or household member improving;
- whether in the case of an apparent incident of isolated hardship, to sign post the applicant to other sources of support which may be more appropriate as an alternative or to supplement the consideration of relief;
- whether the applicant or household member has access to other assets which could be accessed to help pay council tax;
- whether any outstanding debt is unpaid as a result of the wilful refusal or culpable neglect of the applicant to make payment;
- if there are sufficient resources available to make a reduction in council tax;
- whether any award would be reasonable having regard to the interests of other council tax payers;

3.2 Alternative available assistance may be provided to applicants where it is considered appropriate.

3.3 Failure to provide information requested to support an application without sufficient reason, within any timescale set, will result in it being considered without that information;

3.3 Only in exceptional circumstances, for example where an applicant has just received an account due to late billing beyond their control, will consideration be given to granting relief for a financial year prior to that in which the application is made.

4. Delegated Decision Making Process for applications

- 4.1 The Strategic Director of Transformation and Resources is authorised to make a determination on discretionary relief applications in individual cases of exceptional financial hardship. This will be done by consideration of applications under £1,000 delegated to the Revenues Senior Manager or the Benefits Senior Manager, those over £1,000 will be delegated to the Head of Service;
- 4.2 Appeals against these decisions will be considered by the Head of Service, up to £1,000, or by the Strategic Director of Transformation and Resources for those over £1,000.
- 4.3 Applications for Council Tax Discretionary Relief relating to a wider determination of class of case will continue be submitted to Cabinet by the Strategic Director of Transformation and Resources.

5. Period of Relief

- 5.1 Relief will normally be granted for a specific determined period, depending on the circumstances of the application, but not for more than 12 months.
- 5.2 This relief is intended only as a short-term assistance and must not be considered as a way of reducing council tax liability indefinitely.
- 5.3 Only in exceptional circumstances, for example where an applicant has just received an account due to late billing beyond their control, will relief be considered in respect of a financial year prior to which the application is made.

6. Notification of Decision

- 6.1 The Council will aim to notify the applicant of its decision within 14 days of receiving sufficient information to make a decision.
- 6.2 Any change of circumstances relating to the application must be notified to the Council within 14 days.

- 6.3 The council reserves the right to cancel an award where it deems it appropriate upon the receipt of additional information.

7. Review of Decisions

- 7.1 The Local Government Finance Act 1992 provides no right of appeal against the Council's use of discretionary powers. However, in the interests of transparency, the Council will provide a process for reviewing decisions where discretionary relief has not been granted. However a review will only be conducted if the applicant's circumstances have changed and they can provide sufficient new evidence to support their application.
- 7.2 The applicant must put their case in writing, giving the reason(s) why they consider the original decision should be overturned, to The Strategic Head of Transformation and Resources Services, requesting a review of the decision. They must do this within 28 days of the date of the original decision, and provide additional evidence to support their request.
- 7.3 Each application review will be considered on its own merits.
- 7.4 The Council will then decide whether the applicant has provided any additional information against the required criteria that could justify a change to its decision.
- 7.5 Any subsequent legal decision to allow discretionary decisions to be subject to appeal to the Valuation Tribunal Service will be addressed in accordance with procedures laid down.

8. Notification of Decisions on Reviews

- 8.1 The Council will aim to notify an applicant, setting out the reason for its decision, within eight weeks of receiving the appeal.

9. Fraudulent Claims

- 9.1. The Council reserves the right to withdraw any award for relief where, following a decision, it becomes aware that this has been made as a result of a false or fraudulent claim.

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT:	APPROVAL OF WIRRAL COASTAL STRATEGY
WARD/S AFFECTED:	ALL COASTAL WARDS
REPORT OF:	KEVIN ADDERLEY, STRATEGIC DIRECTOR FOR REGENERATION AND ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR BRIAN KENNY, ENVIRONMENT AND SUSTAINABILITY
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek approval for the actions and management plan developed as part of the Wirral Coastal Strategy.
- 1.2 The Coastal Strategy identifies a timescale for intervention to reduce flood and coastal erosion risk. Four priority areas have been identified where intervention has been identified as being required in the next 20 years. However for these works to be implemented, external contributions in addition to grant-in-aid from the Environment Agency (EA), will need to be found. This report looks to instruct the Strategic Director for Regeneration and Environment to explore opportunities to provide funding outside the EA grant-in-aid system so that risk to coastal communities and assets can be reduced.
- 1.3 The Coastal Strategy is not a statutory document, however the Council is exercising its powers as a Coastal Erosion Risk Management Authority in undertaking its production.

2.0 BACKGROUND

- 2.1 In order to manage the risks from flooding and coastal erosion, strategies for managing the coast are developed within a hierarchical framework. The strategic hierarchy comprises Shoreline Management Plans (SMPs), followed by Strategy Plans and finally detailed scheme appraisal. Each of these approaches becomes progressively more detailed and site specific, leading ultimately, provided sufficient funds are available, to the implementation of a management scheme that is considered appropriate for a specific length of coastline.

The policies contained within the current North West England and North Wales Shoreline Management Plan (SMP2), were adopted by Cabinet in September 2010. Whilst the SMP identifies what policy should be adopted for future Coastal Defence management, the Wirral Coastal Strategy identifies how and when the policies would most appropriately be implemented. The Executive Summary to the Wirral Coastal Strategy is annexed as **Appendix 1**. The full Strategy document and Appendices can be found at the following link:

<https://www.wirral.gov.uk/my-services/council-and-democracy/have-your-say/consultations/closed-consultations/coastal-strategy-phase-2>.

- 2.2 The strategy work undertaken is subject to 100% grant-in-aid funding administered by, and in accordance to guidance published by, the EA.

- 2.3 Stage 1 of strategy production involved a review of all existing information and a public consultation exercise was undertaken to promote the development of the strategy and to gather views about options for management actions. Over one hundred questionnaires were received, the outputs from which were used to develop the objectives for the coastal strategy. Key Stakeholders such as major landowners and other organisations with a responsibility for the coast were contacted separately, and again their views were used to help develop the strategy objectives.
- 2.4 The Strategy considers future flood and coastal erosion risks, over a 100-year timeframe, with actions generally considered within the three epochs:
- Short Term: The next 20 years
 - Medium Term: 20-50 years from the present
 - Long Term: 50-100 years from the present
- 2.5 The principal aims of the Strategy are:
- To confirm the level of predicted coastal erosion and tidal flood risk facing the Wirral coastline over the next 100 years, utilising the most recent climate change guidance.
 - To consider a range of coastal management options from which a preferred coastal strategy is recommended. This takes account of environmental assessments, economic viability and identification of funding sources, including potential private sector involvement / contributions.
 - To produce a Strategy Implementation Plan that meets the social / recreational, economic and environmental needs of the Wirral frontage.
- 2.6 Finally, the Strategy identifies a preferred option or management arrangement for each distinct length of coast, the scope of which may vary over time as risks change, and a preliminary assessment of the amount of funding that particular measures could receive from the public purse and the additional funding that would be required from elsewhere.

3.0 WIRRAL COASTAL STRATEGY

- 3.1 The Strategy covers the entire Wirral coastline, which is split into three primary frontages, consistent with natural process behaviour and environmental interests:
- Strategy Frontage West – the River Dee shoreline, from the Borough boundary at Gayton to Red Rocks at Hoylake;
 - Strategy Frontage North – the North Wirral shoreline, from the Red Rocks at Hoylake to Fort Perch Rock at New Brighton; and
 - Strategy Frontage East – the River Mersey shoreline, from Fort Perch Rock at New Brighton to the Borough boundary at Eastham.
- 3.2 Flood and Coastal Erosion risk for each of the three strategy frontages has been defined by using outputs from the following studies:
- Wirral Flood Risk Hazard Mapping (EA)
 - Wirral Areas Benefiting from Defences Study (EA)
 - Coastal Erosion Mapping (EA)
 - Wirral's Strategic Flood Risk Assessment.

- Wirral's Coastal Monitoring programme.
- Cell 11 (Liverpool Bay, North Western and Tidal Dee Coastal Groups) Joint Probability Study.
- Data relating to the physical and coastal environment and local and regional predictions of sea level rise and other effects of climate change.

- 3.3 Following the Flood and Coastal Erosion Risk Assessment, an Economic Assessment was undertaken to calculate the value of damages and losses that could be caused to residential and commercial property and asset infrastructure if no coastal defence management actions are undertaken. By assessing the economic consequence of implementing a series of coastal defence management actions a Benefit to Cost Ratio (BCR) for each length of coastline is determined. Understanding the BCR for each management option leads to the discounting of non-viable options, and assists, in association with environmental assessment, the selection of the preferred option.
- 3.4 The three principal frontages described in Paragraph 3.1 above have been further subdivided into 14 "Strategy Units" which reflect existing defended and undefended areas along the coast. Table ES1 in **Appendix 1** identifies the preferred management options that have been developed for fourteen distinct lengths of coastline. The preferred approach provides a narrative of the management actions over the 3 epochs to 100 years hence. Details of the management actions for each epoch for each individual length of coastline are given in the full Coastal Strategy.
- 3.5 The preferred management actions identify a requirement for renewal or intervention works at four locations within the 20 years short term epoch. These locations are identified in Table ES2 in **Appendix 1** with an indication of the estimated cost of the works and the likely Flood Defence Grant in Aid (FDGiA) that the schemes would attract from EA. The difference between the FDGiA contribution and the estimated scheme cost is the element that requires financing from other sources if the works are to progress. The Wirral Coastal Strategy has identified possible future funding sources which, if realised, would assist in reducing the funding shortfall. The potential earliest implementation date for these four locations represents the timescale set by the funding opportunity, rather than an immediate requirement for intervention. **Notwithstanding this, intervention in all four areas identified in Table ES2 is required within the next 20 years.**
- 3.6 In addition to the areas above where capital improvement or refurbishment works have been identified there are further requirements to undertake additional studies or actions to inform some of the longer term management actions identified in Table ES1. A summary of these actions is provided in Table ES3 in **Appendix 1**.

4.0 RELEVANT RISKS

- 4.1 The Wirral Coastal Strategy sets out a plan for managing current and future flood and coastal erosion risk. In order to carry out the management actions required and support future FDGiA applications to the Environment Agency, the Strategy requires approval from Wirral Council. Non-approval of the Wirral Coastal Strategy would result in a lost opportunity to secure future investment in Wirral's coastal defences.
- 4.2 Preparation of the Wirral Coastal Strategy has been funded in full by grant-in-aid from the EA. Non-approval of the Strategy may result in the EA recouping all of the preparation costs from the Council, totalling £208,000.
- 4.3 There is a statutory requirement to ensure that management actions developed within the coastal strategy do not conflict with environmental legislation. To this end the

coastal strategy has been reviewed for environmental compliance specifically with regard to the EU Water Framework Directive, European Directive 92/43/EEC (The Habitats Directive) and also the Strategic Environmental Assessment Regulations 2004. The review was subject to statutory consultation with Natural England and the EA.

- 4.4 The management of the shoreline, through the Wirral Coastal Strategy, requires consideration of funding for intervention works during the next 20 years. Whilst programming of such works can be timed to take advantage of grant-in-aid opportunities from EA, there is a need to investigate and identify additional funding sources to ensure that the works can be planned and delivered, and timed to maximise the opportunities for that grant-in-aid from the EA's programmes.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 The Wirral Coastal Strategy has developed the proposed management plan from a wide range of options which have been subject to economic, environmental and social appraisal. The proposed management plan best meets the needs of the Wirral frontage.
- 5.2 It is not possible to phase works in order to carry out grant-in-aid funded work in advance of any need to source alternative funding to complete management action plans at any of the locations.

6.0 CONSULTATION

- 6.1 There have been two stages of public consultation during development of the Wirral Coastal Strategy. Stage 1 sought to gather views from the public and key stakeholders on the key issues facing the coast and the output from this stage was used to produce the strategy objectives.
- 6.2 Stage 2 Consultation sought the views of the public and key stakeholders on the preferred management actions proposed in the draft Coastal Strategy. All consultation responses have been considered. Consultation responses and the actions taken are included in the Consultation Report to the Wirral Coastal Strategy.
- 6.3 Statutory consultation was undertaken with Natural England and the Environment Agency on the development of the Strategic Environmental Assessment, Compliance with the Water Framework Directive and also compliance with Habitat Regulations.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 There are no implications for voluntary, community and faith groups

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

- 8.1 The Coastal Strategy identifies an estimate of investment required in Wirral's coastal defence assets to manage flood and coastal erosion risk. The Coastal Strategy also makes an assessment of how much of this investment can be funded through the EA's Flood Defence Grant in Aid (FDGiA).
- 8.2 For three out of the four schemes identified there is a shortfall in FDGiA required to successfully implement the schemes. Nationally, the EA advocate use of 'Partnership Funding' to provide the necessary investment to deliver schemes. The EA's guidance for Partnership Funding indicates many sources including:

- Matched contributions from regeneration initiatives
- Contributions from the Council's own resources
- Use of the EA Regional Flood and Coastal Communities (RFCC) levy
- Possible levy on local rate payers (the principle of beneficiary pays)

8.3 The shortfalls in FDGiA for the schemes identified in Table ES2 in **Appendix 1** are given below. There is a requirement to further explore the Partnership Funding arrangements to identify funding sources which could lead to successful early delivery of these schemes :

Scheme	Estimated. Cost (£'000)	Estimated EA Grant Aid (£'000)	Shortfall (£'000)
West Kirby Flood Prevention	1,800	1,000	800
Rock Park River Wall Refurbishment	1,700	700	1,000
Meols Sea Wall Refurbishment	3,750	1,000	2,750

Table ES2 also identifies the potential earliest implementation dates if the funding shortfalls are overcome. These dates do not reflect the likelihood of risk but are an indication of when potential alternative funding sources may be available. **Notwithstanding this, intervention at these locations is required within the next 20 years.**

8.4 Preparation costs associated with future appraisal of the above schemes to successful delivery are eligible for Environment Agency grant-in-aid funding, whether by in-house or external resources.

8.5 There are no IT implications arising from this report.

9.0 LEGAL IMPLICATIONS

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

10.0 EQUALITIES IMPLICATIONS

10.1 Has the potential impact of the Wirral Coastal Strategy been reviewed with regard to equality?

10.2 Yes and impact review is attached - <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/technical-services-0>

11.0 CARBON REDUCTION IMPLICATIONS

11.1 There are no carbon reduction implications arising from this report.

11.2 The management plan has been subject to an environmental appraisal to ensure that its proposals do not conflict with environmental legislation.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 The National Planning Policy Framework (NPPF) issued in March 2012 indicates:

Paragraph 100 - that inappropriate development in areas at risk of flooding should be avoided by directing development away from areas at highest risk; but where development is necessary; making it safe, without increasing flood risk elsewhere

Paragraph 106 - Local Planning Authorities should reduce risk from coastal change by avoiding inappropriate development in vulnerable areas or adding to the impacts of physical changes to the coast, and should identify as a Coastal Change Management Area any area likely to be affected by physical changes to the coast and be clear what development will be appropriate in such areas and make provision for development and infrastructure which needs to be relocated away from these areas.

12.2 Section 20 of the Wirral Unitary Development Plan (UDP) includes policies on development within the coastal zone, including:

- Provision of coastal defence works (CO4 and CO5).
- Development in areas at risk of coastal erosion (CO6).

12.3 The delivery of the of the SMP policies through the management plan for the Wirral Coastal Strategy will inform the policies in the emerging Wirral Core Strategy Local Plan which was formally published for pre-submission public consultation between 12 December 2012 and 11 February 2013, and in particular:

- Policy CS34 in the Submission Draft Core Strategy is concerned with Flood Risk and Coastal Protection and will, when adopted, replace the UDP Policies CO4 and CO5 highlighted above.
- Policy CS37 (Contamination and Instability) would replace Policy CO6.
- Policy CS45 identifies flood alleviation and coast protection works as potentially falling within the scope of a future charging schedule under the Community Infrastructure Levy or through planning conditions/legal agreements.

12.4 Where planning permission is required for the works identified in the Wirral Coastal Strategy, these will be assessed in accordance with national policy and the appropriate Development Plan policy in force at the time, alongside the recommendations of the Wirral Coastal Strategy and Shoreline Management Plan themselves. The Coastal Strategy will be a material consideration when determining future planning applications and it additionally highlights the potential need for project-level Water Framework Directive, Habitats Regulations and Environmental Impact Assessments for individual proposals.

13.0 RECOMMENDATION/S

13.1 Cabinet is requested to

- (i) Approve the management plan and action plan identified in the Wirral Coastal Strategy; and
- (ii) Note the funding required for scheme delivery over the next 20 year timeframe and request that the Strategic Director for Regeneration and Environment investigate programme and funding opportunities from grant-in-aid sources, and identify options and opportunities for the shortfalls in funding.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 The Wirral Coastal Strategy is the second in a series of hierarchical plans for the management of flood and coastal erosion risk. The Wirral Coastal Strategy has been

produced in accordance with the EA's Flood and Coastal Erosion Risk Management Appraisal Guidance and has also been subject to public consultation.

- 14.2 Management of Flood and Coastal Erosion risk through the Wirral Coastal Strategy demonstrates best practice and will not prejudice Wirral in pursuing EA grant-in-aid in order to deliver works to protect Wirral's coast and communities.

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Appendix 1 – Wirral Coastal Strategy Executive Summary

REFERENCE MATERIAL

Wirral Coastal Strategy (AECOM) April 2013

National Planning Policy Framework (Department for Communities and Local Government) March 2012

North West England and North Wales Shoreline Management Plan SMP2 (Halcrow Group Limited) July 2010 available at:

<http://democracy.wirral.gov.uk/documents/s14906/Report%20of%20the%20Director%20of%20Technical%20Services%20Appendix%20CABeng100902rep1.pdf>

Flood and Coastal Erosion Risk Management Appraisal Guidance (Environment Agency) March 2010

Wirral Unitary Development Plan February 2000

SUBJECT HISTORY (last 3 years)

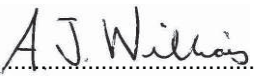
Council Meeting	Date
Cabinet – Adoption of the Shoreline Management Plan (Minute 118)	2nd September 2010
Cabinet – Wirral Coastal Strategy and Acceptance of Environment Agency Grant (Minute 208)	4th November 2010
Sustainable Communities Overview & Scrutiny Committee - Decisions Taken Under Delegated Powers – Tender Acceptance (Minute 12)	7th June 2011
Cabinet – Wirral Coastal Strategy Additional Works (Minute 292)	2nd February 2012

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Wirral Coastal Strategy

Executive Summary



Prepared by: 
Alan Williams
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Checked by: 
Kevin Keating
Associate Director

Approved by: 
David Wells
Regional Director

Wirral Coastal Strategy Executive Summary

Rev No	Comments	Checked by	Approved by	Date
1	Draft Issue for Client Comment	KK	DW	27.02.2013
2	Final Issue for Client Review	KK	DW	19.04.2013
3	Final Issue	KK	DW	03.05.2013
4	Final Issue – minor amendments, Table ES 2	KK	DW	17.05.2013

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Date Created April 2013

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List of Supporting Documents

- Wirral Coastal Strategy Main Report
- A. Process Understanding and Behaviour
 - B. Flood & Erosion Risk Assessment
 - C. Stakeholder Engagement Plan
 - D. Preliminary Option Appraisal
 - E. SEA Report
 - F. HRA Report
 - G. WFD Assessment Report
 - H. Wallasey Dunes Study
 - I. Economic Appraisal
 - J. Partnership Funding

Wirral Coastal Strategy; Executive Summary

1.1 Background to the Strategy

- 1.1.1 The coastline of Wirral is a place used for recreation, enjoyed for its natural beauty and provides valuable habitat for a variety of important plants and animals / flora and fauna. However, its beauty has attracted urban development and this development means that the coastline needs to be actively managed to ensure risk posed by tidal flooding and coastal erosion are acceptable. Management is needed and should be coordinated across the whole peninsula for a variety of reasons. Discrete lengths of the coastline do not exist in isolation – coastal sand and mud is transported from one place to another – sometimes creating issues that need resolving (e.g. silting of beaches at Hoylake) and other times bringing benefit. Development and land use on Wirral is also managed in a coordinated way through local planning policy. Planners need a strategic level assessment of coastal hazards across Wirral, both present and future, in order to make better planning decisions. In summary, a coastal strategy is needed for Wirral and this document provides this.
- 1.1.2 During the 1970s and 1980s there was significant investment in providing improved coastal defence, particularly across the North Wirral and much of the shoreline now benefits from the provision of manmade defences. However, since 2001 there has been no major capital investment in coastal defence measures across the Wirral frontage, apart from refurbishment of the outer wall of the Marine Lake, West Kirby, which was carried out in 2008. There has however been on-going maintenance of existing coastal defence assets and ancillary infrastructure.
- 1.1.3 There is a need to identify sustainable arrangements for the future management of flood and coastal erosion risk and it is against the above background that the Wirral Coastal Strategy has been produced. Preparation of the Strategy commenced in May 2011. A draft Strategy document was consulted on from mid August to November 2012 and the Strategy document will, following Council approval, be finalised in June 2013. A Strategy Appraisal or StAR report, which provides the business case for government financial support for the Strategy, is due for consideration and sign off by the Environment Agency and Defra later in 2013.

1.2 Guidance and Legislation

- 1.2.1 To manage the risks to people and the developed and natural environment from flooding and coastal erosion, strategies for managing the coast are developed within a hierarchical framework. The strategic hierarchy comprises Shoreline Management Plans (SMPs), followed by Strategy Plans and finally detailed scheme appraisal. Each of these approaches becomes progressively more detailed and site specific, leading ultimately, provided sufficient funds are available, to the implementation of a management scheme that is considered appropriate for a specific length of coastline. The current North West England and North Wales Shoreline Management Plan (SMP2), was adopted by Wirral Council in September 2010 and defines a preferred shoreline management policy for each Policy Unit defined along the Wirral Frontage. Whilst the SMP identifies what policy should be adopted for future Coastal Defence management, the Wirral Coastal Strategy identifies how the policies would most appropriately be implemented.
- 1.2.2 The Strategy has been produced in accordance with current Flood and Coastal Erosion Risk Management (FCERM) Appraisal Guidance¹ and complies with the relevant provisions of the:
- Strategic Environmental Assessment (The Environmental Assessment of Plans and Programmes) Regulations 2004 (SEA Regulations);
 - European Directive 92/43/EEC (The Habitats Directive), and;
 - EU Water Framework Directive (WFD)

¹ Environment Agency, March 2010. Flood and Coastal Erosion Risk Management appraisal guidance

1.3 Strategy Implementation and Funding

- 1.3.1 The Strategy provides an overall justification for desirable schemes. It then identifies potential funding sources, whether central government financial support might be available and the scale of any funding gaps.
- 1.3.2 Responsibility for managing potential central government funding of FCERM in England rests with the Environment Agency (EA), who receive a block grant from the Department of Food and Rural Affairs (DEFRA). This is called [Flood Defence Grant in Aid](#) (FDGiA). The total size of this funding source is of the order £100~200million per annum nationally.
- 1.3.3 Central government funding is accessed in accordance with DEFRA's "[Partnership Funding](#)" policy. The focus of this is to award funds to schemes that provide direct benefit to people, particularly in deprived areas, or that sustain the natural environment. This policy also encourages finding contributions from other sources as, if found, such contributions mean that FDGiA is more likely to be awarded for the remainder. Therefore, often the priority is to find local funds to support bids for FDGiA – use the possibility of obtaining FDGiA to 'lever in' local funds. This requires engagement of the local people and businesses in order to seek direct financial support and also to create political support to prioritise local investment in coastal erosion and flood risk management. This is certainly the case for the Wirral coastline.
- 1.3.4 Linked to the FDGiA bid process, on an annual basis Wirral Council is required to submit a list of proposed schemes to the Environment Agency for potential funding, referred to as the Medium Term Plan (MTP). This is a list of potential schemes to be funded in the next 5 years. Wirral's MTP provides the key information needed for the Environment Agency to assess what FDGiA support is possible. A Sanctioned List is then published on the Environment Agency's [website](#) for each region determining the allocations. The Council's MTP is issued to the Environment Agency in June and the Sanctioned List is confirmed the following February.

1.4 Strategy Outputs

- 1.4.1 This Coastal Strategy provides the following:
- A more detailed understanding of the physical coastal processes applying (tides, waves and beach movement),
 - Improved definition of the flood and coastal erosion risks faced by shoreline communities both now and in the future,
 - Identification of the likely environmental impacts, and
 - Assessment of alternative approaches for the future management of the coastline of Wirral.
- 1.4.2 The Strategy then identifies a preferred set of management arrangements for Wirral, the scope of which may vary over time, as the risks change. This may be because of expected climate change or other issues. In addition the Strategy also provides a preliminary assessment of the amount of support that particular measures will receive from the public purse and the additional locally sourced funding that will be required for implementation of the measures. The Strategy considers future management approaches over a 100-year timeframe, with actions generally considered with the same three epochs as defined in the SMP2:
- Short Term - the next 20 years (plus a sub-division listing works in the next 5 years)
 - Medium Term - 20-50 years from the present
 - Long Term - 50-100 years from the present
- 1.4.3 The preferred management options identified by the Strategy for each of the frontage lengths are shown in Table ES1. The preferred management approaches have been derived following testing of various options against relevant objectives.
- 1.4.4 Table ES2 identifies those Capital works prioritised by the Strategy for implementation in the short term, the estimated FDGiA funding that they could attract, the balance that will be required from elsewhere.
- 1.4.5 Funding for maintenance of defences managed by Wirral Council will continue.

Table ES 1 Wirral Strategy Preferred Management Options

Strategy Unit		Preferred Approach	
No.	Length	Description	Comments
1	Heswall and Gayton	Maintain existing defences where present during first two epochs with provision of individual property level protection (PLP) and improved defences to Target Road sewage treatment works in the second or third epoch. Elsewhere no active intervention.	Low FDGiA availability. Will require local Council, public or private contributions in the future.
2	Thurstaston Cliffs	No active intervention.	Minimal tangible assets at risk. Allows cliff erosion to continue, with need for re-location of mobile homes in the future.
3	Caldy Cliffs	Maintain existing defences during first two epochs and replace in third epoch (subject to private contributions). Possible extension to defences adjacent to Thurstaston Sailing Club in the medium or long term to mitigate against exposure of historic landfill site (to be informed by detailed assessment).	Low FDGiA. Will require mostly private contributions from individual property owners and Caldy Golf Club in the future. There is no long-term commitment to maintain current Council built defences in future.
4	West Kirby	Maintain existing defences until life expired, including associated beach management, then renew and including Marine Lake Outer Wall. Provide secondary flood defence measures along promenade during first epoch.	Majority of funds should be available through FDGiA but additional Partnership (local) funding will be required. Beach Management Plan to be reviewed in 2015
5	Royal Liverpool Golf Club	No active intervention.	No need for any works identified at present. Beach Management Plan to be reviewed in 2015.
6	Hilbre Island	Maintain subject to funds being available	Would attract little FDGiA funding and would require external funding from other sources to carry out works, otherwise strategic role of the Island may be compromised.
7	Hoylake & Meols	Maintain and refurbish existing defences and associated beach management. Improved toe works to Meols Parade during first epoch.	Limited FDGiA funding available but additional Partnership (local) funding will be required. Beach Management Plan to be reviewed in 2015.
8	Wallasey Embankment	Maintain existing defences for as long as is feasible until near life expired. Consider appropriate options to sustain a longer term hold the line policy, including public consultation. Continue to maintain and upgrade inland river defences as necessary.	FDGiA funding should be available for asset replacement or renewal works but major beneficiaries would be expected to contribute (e.g. golf clubs).

Table ES 1 Wirral Strategy Preferred Management Options

Strategy Unit		Preferred Approach	
No.	Length	Description	Comments
9	Wallasey Dunes	Maintain existing defences until life expired. Consider appropriate options to manage the coastline thereafter, given the long term SMP2 policy of no active intervention. This will need to include public consultation.	Limited benefits - Potential FDGiA funding limited to potential benefits of an alternative approach on the natural environment. Requires on-going liaison with relevant bodies e.g. Wallasey GC, Natural England etc, to develop appropriate management plan for area.
10	Kings Parade	Maintain and refurbish existing defences, as necessary. Additional flood protection in third epoch.	Little capital expenditure expected in the short to medium term, but potentially could be available later due to increased risk. FDGiA should be available for such longer term needs.
11	Mersey River Wall	Maintain and refurbish existing defences, as necessary. Additional flood protection in third epoch.	It is expected that the Council will sustain these assets as needed given the broad benefit provided in terms of recreation. Limited FDGiA may be forthcoming for future works, mainly at the New Brighton end.
12	Birkenhead Docks	Assets owners will maintain and refurbish existing quay and dock walls and defences. Peel Ports (the owners of the dock estate), provide improved flood defence in the future as expected redevelopment occurs.	Low risk at present. Frontage largely privately managed by third parties e.g. Peel Ports, Cammell Lairds etc. Some FDGiA funding may be available to support improved flood defence as part of redevelopment initiatives, but the bulk of any funding / improved flood management will need to be provided by the Council or developers themselves (e.g. for Wirral Waters)..
13	Rock Park & New Ferry	Maintain and refurbish existing defences, as necessary. Refurbishment of existing wall at Rock Park during first epoch.	There is potential for FDGiA contribution towards estimated £1.7 million capital cost of Rock Park Esplanade Improvement Works during first epoch. Heritage Lottery funding or other sources may also be accessible.
14	Bromborough & Eastham	Maintain and refurbish existing walls and defences. Provide improved flood defence, as necessary (future).	Low risk at present. Frontage largely privately managed by third parties e.g. Peel Ports. Limited FDGiA funding available based on current arrangements.

Table ES 2 Wirral Strategy Prioritised Works

Strategy Unit	Proposed Works	Type of Works	Potential Earliest Implementation (years from present) ¹	Urgency of Issue	Est. Cost (£k)	Est. max Government Contribution (£k)	Comment
West Kirby	Provision of new flood prevention measures	New construction works	2-3	Moderate	1,800	1,000	Local / Council contribution essential to implement ²
Rock Park	River wall refurbishment works	Refurbishment	3-4	Low	1,700	700	External / Local / Council contribution essential to implement. ³
Meols Parade	Sea wall toe and refurbishment works	Reinforcement of existing defence	2-6	Moderate	3,750	1,000	Local / Council contribution essential to implement ⁴
Wallasey Embankment	Additional embankment toe protection	Reinforcement of existing defence	11-20	Low	700	700	FDGiA funding likely to be available but contributions from beneficiaries are likely to be expected.

Notes

¹ Timing of works is subject to EA approval and obtaining required external contributions, where appropriate

² Potential contribution from the Highways Capital Programme and other potential funding sources to be identified.

³ Potential Heritage Lottery Grant of up to £1.4 million identified.

⁴ Potential contribution from the Highways Capital Programme and other possible funding sources to be identified.

1.5 Future Studies and Other Actions

- 1.5.1 There is a requirement for the following to be undertaken, in order to support development of the intervention measures identified:
- Collection of information and preparation of detailed assessments to support production of individual scheme Project Appraisal Reports (PARs)
 - Carry out scheme specific WFD, Habitats Regulation Assessments (HRA) and Environmental Impact Assessments
 - Obtaining support for and development of formal Partnership funding arrangements
 - General collection of data and information to support and develop detailed designs
- 1.5.2 In addition to proposed intervention actions, on-going collection of coastal process, shoreline response and asset condition will be carried out through the North West Regional Monitoring Strategy with current funding arrangements in place to 2016. Regular (annual) review of data collected and the production of reports will be carried out to ensure that the information collected is appropriate to inform proposed strategy actions.
- 1.5.3 Finally, the Strategy has identified that a number of specific studies and actions that will inform on-going FCERM across the Wirral frontage. These are presented in Table ES3:

Table ES 2 Wirral Strategy Studies & Actions

Strategy Unit	Description	Timing (years)	Est. Cost (£k)
2 & 3	Detailed investigation of future options for managing exposure of historic landfill tip at Thurstaston ¹	0-20	10-25
6	Development of detailed management plan for Hilbre Islands	1-5	5-10
4, 5 & 7	Review of Hoylake and West Kirby Beach Management Plan	0-5	5-15
9	Setting up of a Wallasey Dunes Steering group consisting of Council staff, representatives from the golf clubs, Nature conservation bodies e.g. Natural England, RSPB etc.	1-5	Nominal
9	Production of an evolving dune management plan for the Wirral Dunes frontage, aimed at promoting actions that accord with the long term management aspirations for the frontage.	1-5, on-going review	Initial 10-20
12, 13 & 14	Regular asset inspection of defences in the River Mersey, upstream of Seacombe Ferry	Start year 1, maximum 5 yearly frequency	5-10

Notes

¹ This will be carried out as part of a Dee wide investigation, led by the Environment Agency and Welsh Assembly Government, with contributions to be made by other interested parties. Timing to be confirmed.

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT:	WIRRAL COASTAL STRATEGY – VARIATION TO FEE CEILING
WARD/S AFFECTED:	ALL COASTAL WARDS
REPORT OF:	STRATEGIC DIRECTOR OF REGENERATION AND ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR BRIAN KENNY ENVIRONMENT AND SUSTAINABILITY
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 Contract Procedure Rule 16.2 requires technical variations to an existing contract to be reported for noting, if the value or cumulative value of variations exceeds 10% of the original contract sum.
- 1.2 This report sets out the uplift to the fee ceiling for the Wirral Coastal Strategy by £8,004, which cumulatively with earlier variations extends the original contract value by more than 10%
- 1.3 The Wirral Coastal Strategy is a non-statutory document which is fully grant aided by the Environment Agency (EA) The uplift falls within the contingency sum for the Wirral Coastal Strategy which has been approved by the EA.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Tenders for the production of the Wirral Coastal Strategy were received in March 2011 and the most economically advantageous tender of £89,314 submitted by AECOM was accepted under delegated authority by the Director of Technical Services on 7th April 2011.
- 2.2 Use of delegated authority was reported to the Sustainable Communities Overview and Scrutiny Committee on 7th June 2011.
- 2.3 The contract for the Wirral Coastal Strategy has been subject to three variations to date which have increased the original contract value from £89,314 to £122,592. The Director of Technical Services report to Cabinet on 2nd February 2012 (minute 292) reported these variations.
- 2.4 A request for an uplift to the fee ceiling was received from AECOM in June 2013 which reflected:
 - Increased Project Management costs as a result of the Council extending the programme length.
 - An additional requirement to provide an Executive Summary to the Strategy Plan and provide an additional level of detail of the financial implications and timescale of management actions.
 - Assistance provided in the submission of the Medium Term Plan to the EA.

- Attendance at EA requested meeting in May 2013 to discuss the approvals timetable and process leading to EA sign off.
- 2.5 The fee uplift requested in respect of work already undertaken is £4,749 and reflects additional work items which are necessary for successful delivery of this project. The increased project management costs have occurred as a consequence of factors outside the control of AECOM.
 - 2.6 Furthermore the meeting with the EA in May 2013 identified an additional requirement for the consultant which is essential for the successful delivery of the project. The EA have indicated that attendance by the Consultant at their Large Project Review Group (LPRG) meeting is now necessary in order to offer client advice and deal with any technical queries directly. AECOM have provided an estimate for this additional work of £3,255 which includes for preparation and response to LPRG comments prior to the meeting and travelling expenses.
 - 2.7 The EA LPRG meets in January 2014 to consider the Wirral Coastal Strategy. It is anticipated that issues arising from that meeting will be resolved soon thereafter with completion of the Coastal Strategy in this financial year.
 - 2.8 The technical variations above have increased the contract value from £122,592 to £130,596.
 - 2.9 The Wirral Coastal Strategy is subject to 100% grant-in-aid from the Environment Agency. Strategy Costs are approved to £208,000 with a contingency allowance of £48,000 included within that approval. Use of the contingency sum to cover the fee uplift is appropriate in this case and would ensure there is no net cost to Wirral.
 - 2.10 The contract to AECOM was awarded using an NEC Option A Professional Services contract through which the consultant provides a fixed price activity schedule for completion of the project. The contract is not a term contract and is therefore eligible for extension.
 - 2.11 By awarding the contract to AECOM based on the most economically advantageous (and lowest) tender assessed using a quality / cost model lodged with the Procurement Unit, the Council is able to demonstrate best value. The increase in costs for additional works and increased project management are applicable to the project as a whole and would have been borne by any of the tenderers that bid for the contract.

3.0 RELEVANT RISKS

- 3.1 Failure to approve the increase to the fee uplift would have led to increased risk of non- completion and non-approval of the Coast Strategy by the EA and expose the Council to the return of grant in aid claimed to date of £162,757.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 None.

5.0 CONSULTATION

- 5.1 No consultation is required regarding the fee uplift.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are no specific implications arising directly from this report

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

7.1 The fee uplift increases the original contract sum of £89,314 and subsequently varied to £122,592 to £130,596. The preparation of the Strategy, and this Technical Variation, is fully funded by EA grant-in-aid to a value of £208,000, and as such there is no impact on the Capital Programme as a result of this Technical Variation.

8.0 LEGAL IMPLICATIONS

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

9.0 EQUALITIES IMPLICATIONS

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

9.2 No, because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

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

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

12.0 RECOMMENDATION/S

12.1 That Cabinet note the Technical Variation to the contract in accordance with Contract Procedure Rule 16.2.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 The Technical Variation is necessary for the successful delivery of the Wirral Coastal Strategy. The costs associated with the lengthening of the programme were outside the control of the consultant. Reporting of Technical Variations is a requirement of Contract Procedure Rule 16.2.

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Principal Assistant Engineer

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REFERENCE MATERIAL

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet – Wirral Coastal Strategy and Acceptance of Environment Agency Grant (Minute 208)	4th November 2010
Sustainable Communities Overview And Scrutiny Committee – Decisions Taken Under Delegated Authority	7TH June 2011
Cabinet – Wirral Coastal Strategy Additional Works (Minute 292)	2nd February 2012

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WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT:	SCRAP METAL DEALERS ACT 2013
WARD AFFECTED:	ALL WARDS
REPORT OF:	STRATEGIC DIRECTOR OF REGENERATION & ENVIRONMENT
CABINET PORTFOLIO HOLDER	COUNCILLOR BRIAN KENNY
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report advises Cabinet of The Scrap Metal Dealers Act 2013 (The 2013 Act) and it seeks Cabinet approval for a proposed schedule of fees for the administration and processing of applications under this legislation and the delegation of duties and responsibilities to the Cabinet Member for Environment and Sustainability and Strategic Director for Regeneration and Environment..

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The 2013 Act replaces the previous registration system for Scrap Metal Dealers created by the Scrap Metal Dealers Act 1964 which was a non-executive function. In its place it establishes a new licensing regime.
- 2.2 Under the new legislation the definition of Scrap Metal Dealers is extended so it now includes Motor Salvage Operators, and the provisions in the Vehicles (Crime) Act 2001 under which they operate will also end once the new Act comes into effect.
- 2.3 Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 provision is made for the Scrap Metal Dealers Act 1964 to be a Non – Executive function. However there is no specific reference in the 2013 Act for this Function to continue as a Non–Executive one. Whilst it is confirmed in its introduction that the 2013 Act “is an Act to amend the law relating to Scrap Metal Dealers and for connected purposes”, Section 19 of the Act confirms that the 1964 Act is expressly repealed as are relevant parts in the Vehicle (Crime) Act 2001. Advice from the Local Government Association confirms that the 2013 Act “completely replaces the previous registration scheme Local Authorities operated for scrap metal dealers”. Given the wording of Section 19 and the advice given referred to above it would not be appropriate to interpret the 2013 Act as an amendment to the 1964 Act and therefore allow the functions under the new legislation to continue to be Non Executive. The Head of Legal and Member Services has therefore advised that subject to further guidance or a change in the legislation the duties and responsibilities under the 2013 Act be deemed an Executive function .
- 2.4 The new regime commenced on 1 October 2013 with a transitional period for those businesses that are currently registered under the existing legislation.
- 2.5 Consequently every Scrap Metal Dealer will be required to have a licence that will be valid for a period of three years. Operating without a licence will be a criminal offence. If an offence is committed the person convicted will be currently liable for a fine up to a maximum of £5,000.00.

2.6 There are two types of licence specified in the 2013 Act:

- **Site Licence**

All the sites where a licensee carries on a business as a Scrap Metal Dealer must be identified, and a site manager has to be named for each site. This licence allows the licensee to transport scrap metal to and from those sites from any local authority area.

- **Collector's Licence**

This allows the licensee to operate as a collector in the area of the issuing Local Authority. It does not allow the collector to operate in any other Local Authority area, so a separate licence has to be obtained from each council the collector wishes to operate in. The licence does not authorise the licensee to operate a site.

A dealer can only hold one type of licence in any one Local Authority area. They will have to decide whether they are going to have a site or a collector's licence in any one area but they will not be able to hold both from the same council.

3.0 DUTIES AND RESPONSIBILITIES

3.1 There are a number of duties and responsibilities under the 2013 Act. These are listed in appendix 1 which sets out the proposed delegation of these duties to the Cabinet Member for Environment and Sustainability and the Strategic Director Regeneration and Environment.

4.0 TRANSITIONAL ARRANGEMENTS

4.1 Whilst the 2013 Act was enacted on 28 February 2013, The Scrap Metal Dealers Act 2013 (Commencement and Transitional Provisions) Order 2013 which sets out the transitional arrangements was not made until 6 August 2013 and further regulations and guidance were not published until September 2013.

4.2 The 2013 Act allows Councils to set a licence fee for applications from 1 September 2013. It also specifies that the remaining sections in the Act commence on 1 October 2013, apart from the majority of criminal offences and enforcement-related provisions, which will come into force on 1 December 2013. The exception to this is the ban on using cash to pay for scrap metal which will also come into force in respect of this legislation on 1 October 2013.

4.3 Any dealer currently registered under the Scrap Metal Dealers Act 1964, or a Motor Salvage Operator already registered under the Vehicles (Crime) Act 2001, will be deemed to have a licence under the 2013 Act until the council grants a licence or sends the dealer notice of its decision to refuse the licence, provided they submit an application on or before the 15 October 2013. If they do not submit an application their deemed licence will lapse on 16 October 2013. If they wish to trade in the future they would then need to submit an application, but would not be able to legally trade until a licence has been granted.

4.4 There are 11, long established, scrap metal dealer businesses in Wirral and they operate across 13 sites with one business operating three sites. A list of these businesses and their locations is given in appendix 2 of this report. These businesses were advised at the beginning of September 2013 of the change in legislation which was

coming into force on October 1. It is from this date that they can apply for a licence under the 2013 Act so Council Officers have contacted all of these businesses again to ensure that they have the application forms and that they know that they need to submit their application by 15 October 2013.

- 4.5 Scrap Metal Dealers, not previously registered, will be able to apply for a licence from 1 October 2013 but will have to wait until a licence is granted before they can legally trade.

5.0 COSTS OF ADMINISTERING THE NEW ACT

- 5.1 There is a cost implication to the Council in undertaking the provisions of the 2013 Act and this is recognised in the legislation which gives provision for the Council to recover the costs of administering the scheme and ensuring compliance.
- 5.2 An exercise has been undertaken to determine the licence fees which should be charged for licence applications and ensuring compliance. Members are therefore requested to approve the licence fees set out at appendix 3.

6.0 RELEVANT RISKS

- 6.1 The Council has to ensure that it can meet its requirements under the Scrap Metal Dealers Act 2013.

7.0 OTHER OPTIONS CONSIDERED

- 7.1 This legislation is an Act of Parliament and there is no provision for other options to be considered.

8.0 CONSULTATION

- 8.1 There is no legal obligation to consult on the implementation of this legislation.

9.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

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

- 10.1 There are cost implications to the Council in undertaking this legal duty and this is recognised in the legislation which gives provision for the Council to recover the costs of administering the scheme and to ensure compliance.

11.0 LEGAL IMPLICATIONS

- 11.1 Decisions made under the Scrap Metal Dealers Act 2013 may be subject to legal challenge.

12.0 EQUALITIES IMPLICATIONS

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

No because there is no relevance to equality.

13.0 CARBON REDUCTION IMPLICATIONS

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

14.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

14.1 There are no implications arising out of this report.

15.0 RECOMMENDATIONS

15.1 That Cabinet agrees:

- a. the arrangements for discharging the duties and responsibilities arising under the Scrap Metal Dealers Act 2013 as set out in Appendix 1 of this report; and
- b. the charging of fees for Scrap Metal Licences in accordance with Appendix 3 of this report.
- c. that the Strategic Director of Regeneration and Environment (or his nominee) be authorised to implement all necessary administrative arrangements to give effect to (a) and (b) above.

13.0 REASON FOR RECOMMENDATIONS

13.1 The Council has a legal obligation to implement the Scrap Metal Dealers Act 2013.

REPORT AUTHOR: ***Margaret O'Donnell***
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**DUTIES AND RESPONSIBILITIES UNDER
THE SCRAP METAL DEALERS ACT 2013**

	Cabinet Member for Environment and Sustainability (supported by Officers)	Strategic Director Regeneration and Environment
Matters to be dealt with		
Application for Scrap Metal Licence	Applicant wishes to make oral representation on a proposed refusal	No representation Written representation
Application to Renew a Scrap Metal Licence	Applicant wishes to make oral representation on a proposed refusal	No representation Written representation
Application to Vary a Scrap Metal Licence	Applicant wishes to make oral representation on a proposed refusal	No representation Written representation
Application to revoke a Scrap Metal Licence	Applicant wishes to make oral representation on a proposed refusal	No representation Written representation
Issue of a Closure Notice		All cases
Cancellation of a Closure Notice		All cases
Compliance and Enforcement including entering and inspecting premises and any required enforcement action.		All cases

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Butlers Skip Hire, Yard 3 Old Gorsey Lane, Poulton, Wirral, Merseyside, CH44 4HD.
Neptune Car Spares, 302 Cleveland Street, Birkenhead, Wirral, Merseyside, CH41 4JN.
Murphys Scrap Metal Merchants, 125A Corporation Road, Birkenhead, Wirral, Merseyside, CH41 3QB.
Green Lane Car Spares, Railway Sidings, Green Lane, Tranmere, Wirral, Merseyside, CH41 9AG.
Borough Salvage Services, 226 Cleveland Street, Birkenhead, Wirral, Merseyside, CH41 3QJ.
Borough Salvage Services, 291 Cleveland Street, Birkenhead, Wirral, Merseyside, CH41 3QF.
Wirral Metals Limited, 2-4 Carlton Road, Oxton, Wirral, Merseyside, CH42 9NQ.
McCoy Scrap Dealers, 5 Ebenezer Street, Rock Ferry, Wirral, Merseyside, CH42 1NH.
Wirral Spares, 406-408 Borough Road, Oxton, Wirral, Merseyside, CH42 9LY.
Waste Transfer Site, Bromborough Road, Bebington, Wirral, Merseyside, CH63 7RH.
Wirral Car Breakers Limited, 280 - 290, Cleveland Street, Birkenhead, Wirral, Merseyside, CH41 4JN.

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Scrap Metal Licence Fees

Grant and Renewal	
Site Licence – one site	£340.00
Site Licence – multiple sites	£340.00 plus £115 per additional site
Collector's Licence	£190.00
Variation of Licence	
Collector's Licence to a Site Licence	£175.00
Site Licence to a Collector's Licence	£60.00
Additional site	£175.00
Site Manager	£225.00
Licensee's details	£60.00
Miscellaneous	
Copy of Licence	£10.50

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WIRRAL COUNCIL

CABINET

10TH OCTOBER 2013

SUBJECT:	REVISED LOCAL TRANSPORT CAPITAL PROGRAMME - INTEGRATED TRANSPORT BLOCK (ITB) 2013/14
WARD/S AFFECTED:	ALL
REPORT OF:	KEVIN ADDERLEY, STRATEGIC DIRECTOR REGENERATION & ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR HARRY SMITH, STREETSCENE & TRANSPORT
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report informs Cabinet and seeks approval for proposed revisions to elements of the approved Local Transport Capital Programme - Integrated Transport Block 2013/14 to enable funding to be allocated to the Dock Bridges Replacement Major Scheme Business Case.
- 1.2 This report also informs Cabinet of recent successful funding bids to Sustrans and 'Living Streets' and requests Cabinet approval to accept this additional funding and commit it to the identified projects.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 On 24th January 2013, the Interim Director of Technical Services presented Cabinet with a report seeking approval for a series of projects and schemes totalling £1,136,000 forming the proposed Local Transport Capital - Integrated Transport Block (ITB) programme for 2013/14.
- 2.2 Cabinet subsequently resolved that approval be given to the proposed allocation of the Local Transport Plan Capital Programme 2013/2014 Integrated Transport Block between the four identified headings of 'Improving Road Safety', 'Promoting Active Travel & Health', 'Reducing Congestion & Carbon Emissions' and 'Transportation - General' with a delegated programme of schemes and projects under each of the four identified headings. Delegated authority was also given to the Interim Director of Technical Services, in conjunction with the Cabinet Member for Streetscene and Transport Services and Party Spokespersons, to make necessary adjustments to the priorities within the programme should the need arise due to financial conditions or other factors.
- 2.3 'Appendix A' attached reminds Cabinet of the Local Transport Capital Programme 2013/14 - Integrated Transport Block (ITB) approved at its meeting of 24th January 2013. 'Appendix B' attached, details the proposed re-allocation of the Local Transport Capital Programme 2013/14 - Integrated Transport Block (ITB) in line with the proposed changes to schemes and projects outlined in this report and includes adjustments already approved by Cabinet Member for Streetscene and Transport Services and Party Spokespersons since Cabinet's meeting of 24th January 2013.

3.0 DOCK BRIDGES REPLACEMENT – MAJOR SCHEME BUSINESS CASE (£150,000)

- 3.1 As part of the process of devolving major scheme funding to local areas and developing an Assurance Framework, there was a requirement for the Local Transport Body to submit a prioritised list of major schemes that can be delivered between 2015-2019 (and beyond) to the DfT by the end of July 2013. This list was submitted as per the deadline. Thirty-six schemes were submitted, of which Wirral submitted five schemes. Following several stages of a prioritisation exercise, twelve schemes have now been prioritised, of which Wirral's Docks Bridges scheme is ranked 8th.
- 3.2 The scheme is for the replacement of two bridges, and associated road improvement works including the provision of new pedestrian and cycle facilities on the A554 Tower Road, Birkenhead. The project will replace life expired highway structures and replace them with modern fit for purpose assets that will include segregated facilities for pedestrians and cyclists to encourage more sustainable, and safer cross docks movements. The project offers the most efficient whole life cost for asset management of the highway network.
- 3.3 The next stage of the Liverpool City Region Major Schemes process is that a full Transport Business Case will need to be developed before schemes are submitted to DfT by December 2014. A report will be taken to a future meeting of the Local Transport Body to consider how these major business cases may be funded and this could include, for example, the setting up of a development fund. Even so, it is most likely that individual scheme promoters will be asked to fully fund their business cases and as such Members are requested to re-allocate £150,000 of the approved 2013/14 Local Transport Capital Programme for this purpose. Officers will also enter into dialogue with key partner Peel to seek a contribution to this piece of work. A major scheme business case is a specialist piece of work and the Council will need to undertake a procurement exercise to secure the appropriate consultant expertise. Cabinet should also be aware that the allocation of major scheme funding is a competitive process and there is no guarantee that the submission of a major scheme business case will secure such funding.
- 3.4 It is proposed that £95,000 of the required funding be allocated from the approved 'Transportation General' block allocation which covers expenditure aimed at meeting the constantly evolving range of demands linked to LTP delivery. This budget allocation already allows for Forward Planning and Project Development work and is therefore considered wholly appropriate for such purpose.
- 3.5 It is proposed that the remaining £55,000 of the required funding be re-allocated from the 2013/14 Neighbourhood Forum £110,000 budget allocation from within the 'Promoting Active Health & Travel' sub-block allocation.
- 3.6 The 11 Neighbourhood Areas are being amalgamated into four Constituency Committees (or Area Committees) set up 'co-terminus' with the four Wirral Parliamentary boundaries. As the inaugural meeting of each of the four Constituency Committees will not take place until late October 2013 and due

to the impending conclusion of Wirral Council's current Highway Term Maintenance Contract and associated demobilisation of the workforce, it is highly unlikely that any schemes or projects could be developed and delivered within the current financial year.

- 3.7 It is therefore proposed that £55,000 of the original £110,000 Neighbourhood Forum allocation is re-allocated to complete the £150,000 budget for the Dock Bridges Transport Business Case Study. It is likely for the reasons stated that most of the remaining £55,000 of the Neighbourhood Forum allocation will slip into next year 2014/15.
- 3.8 To compensate for this removal of £55,000 from the original Neighbourhood Forum allocation it is proposed that Cabinet endorse the proposal to increase the allocation to Neighbourhoods by this amount when setting the 2014/15 Local Transport Capital Programme next spring.

4.0 ACCEPTANCE OF ADDITIONAL EXTERNAL FUNDING - Sustrans Grant (£125,000)

- 4.1 In June 2012 the Government announced that £15 million was to be made available to Local Authorities, outside of London, to tackle junctions that were deemed to be dangerous for cyclists. Local Authorities were invited to bid for a share of the Cycle Safety Fund, the administration of which was to be overseen by Sustrans.
- 4.2 A bid was submitted to the fund for improvements to aid cyclists at the Bolton Road Roundabout on the A41 at the southern end of the New Ferry Bypass. The bid was given approval by Sustrans and DfT in March 2013, and the Council was awarded £125,000 to be matched equally from other Council funding sources.
- 4.3 Members will be aware that a total of £225,000 was allocated across 'Improving Road Safety', 'Promoting Active Travel & Health' and 'Reducing Congestion & Carbon Emissions' headings of the 2013/14 approved Transport Capital Programme (ITB) for improvement works at this junction that will include the removal of the existing Zebra crossing facility at the southern end of the New Ferry By-pass and the provision of new signalised traffic control and facilities to assist both pedestrians and cyclists.
- 4.4 The scheme will also incorporate works to upgrade the existing staggered signalised crossing facility immediately south of Bolton Road to include new signalised crossing facilities to assist both pedestrians and cyclists across New Chester Road at the northbound exit from the circulatory carriageway.
- 4.5 It is proposed that the successful Sustran grant allocation will be used to incorporate new 2-way off-road segregated cycle-paths linking each of the new signalised crossing points. Cabinet are asked to approve acceptance of the Sustran grant allocation and commit it to this project.

5.0 ACCEPTANCE OF ADDITIONAL EXTERNAL FUNDING - LIVING STREETS GRANT (£30,000)

- 5.1 Living Streets, which started life in 1929 as the Pedestrians Association, is a national charity that promotes the creation of safe, attractive and enjoyable streets that will improve the pedestrian experience and encourage more people to walk.
- 5.2 It is proposed that £10,000 of the successful 'Living Streets' grant allocation will be used to help provide new pedestrian infrastructure linking directly to an approved 'Safer Routes to School' project to provide a new Zebra crossing facility at the Oval, Bebington. Through working closely with a number of schools, further barriers to walking will be identified and the remaining £20,000 Living Streets financial contribution will be spent on appropriate capital improvements to create safe, attractive enjoyable streets. Cabinet are asked to approve acceptance of the 'Living Streets' grant allocation and commit it to these projects.

6.0 RELEVANT RISKS

- 6.1 Without major capital investment in replacement of the bridges there will be more frequent occurrences of full or partial closure on this key route to enable maintenance to be undertaken. There is a risk the bridges may need to be closed for periods to all traffic, which will result in increases in journey times, congestion and carbon emissions due to vehicles having to be diverted. The project offers the most efficient whole life cost for asset management of the highway network. Failure to allocate the funding to undertake the development of the business case would result in the Council not meeting the requirements of the Local Transport Body's prioritisation process and therefore would result in the scheme not being taken forward for consideration for funding during 2015-2019.
- 6.2 Failure to accept the Sustrans & 'Living Streets' grant funding will result in the need to identify replacement resources within the current 2013/14 Local Transport Capital Programme.
- 6.3 Failure to undertake the identified programme of works could result in the Council not meeting its Statutory Duties as set out in the Highways Act 1980, Road Traffic Regulations Act 1984, Road Traffic Act 1988, Local Government Act 2000 and the Traffic Management Act 2004.
- 6.4 Failure to undertake the identified schemes and projects identified within this report would also result in a failure to address the Council's LTP3 Objectives and the Council's Corporate Goals and Objectives to make sure that Wirral's roads are safe and well maintained and to continue reducing the number of people killed or seriously injured in road traffic accidents.

7.0 OTHER OPTIONS CONSIDERED

- 7.1 None. The Dock Bridges Transport Business Case study is for the replacement of life expired structures (and associated highway improvement works).

8.0 CONSULTATION

- 8.1 The Dock Bridges Business Case study and other detailed scheme proposals and projects identified within this report, will be subject to further Public and Member consultation as appropriate and engagement with Partnership Groups and other interested bodies.

9.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 9.1 Wirral Council and are collaborating with local voluntary cycling and pedestrian groups, and national charity and voluntary groups - 'Sustrans' and 'Living Streets', in the delivery of improvements to aid cyclists at the Bolton Road Roundabout on the A41 at the southern end of the New Ferry Bypass and the provision of a new Zebra crossing facility at the Oval, Bebington as outlined in this report. There are no other specific implications under this heading arising from this report.

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

- 10.1 The Regeneration and Environment Capital Programme would be amended to include the following schemes and funding:

£150,000	Dock Bridges Business Case funded by £55,000 of monies originally allocated to the Neighbourhood Forum and £95,000 from monies allocated to Transportation schemes.
£125,000	Improvements to aid cyclists at the Bolton Road Roundabout on the A41 funded by SUSTANS GRANT
£30,000	Safer Routes to Schools funded by LIVING STREETS grant

The remaining £55,000 of Neighbourhood Forum funding in 2013-14 will be slipped into the 2014-15 capital programme. £55,000 of Transportation funding in 2014-15 will then also be allocated to Neighbourhood Forum funding to reimburse the monies used in 2013-14.

- 10.2 The major scheme business case is a specialist piece of work and the Council will need to undertake a procurement exercise to secure the appropriate consultant expertise.
- 10.3 Existing staff resources will be used for the detailed investigation, design and supervision of the other schemes. Future maintenance costs will be met from the Highways Maintenance revenue budget.

11.0 LEGAL IMPLICATIONS

- 11.1 As defined by the Highways Act 1980, Road Traffic Regulations Act 1984, Road Traffic Act 1988, Local Government Act 2000 and the Traffic Management Act 2004.

12.0 EQUALITIES IMPLICATIONS

- 12.1 As part of the development of LTP3, a comprehensive Integrated Assessment (IA) was carried out in accordance with Government LTP Guidance. The IA included a number of assessments, including an Equality Impact Assessment dated October 2010.

13.0 CARBON REDUCTION IMPLICATIONS

- 13.1 The schemes and projects identified within this report will help to improve the efficiency of travel on the road network and reduce CO₂ emissions.

14.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

15.0 RECOMMENDATION

- 15.1 That Cabinet:

- Approve the proposed re-allocation of the Local Transport Plan Capital Programme 2013/14 as detailed in this report, for the purpose of undertaking a full Transport Business Case study for the replacement of the life expired Docks Bridges structures and associated new highway improvement works.
- Approve the acceptance of the awarded Sustrans funding allocation of £125,000 and 'Living Streets' funding allocation of £30,000 for the purposes detailed in this report and approve for it to be committed to the projects identified within this report.
- Endorse the proposal to increase the allocation to Neighbourhoods by £55,000 when setting the 2014/15 Local Transport Capital Programme next spring.

16.0 REASON/S FOR RECOMMENDATION/S

- 16.1 The Dock Bridges Transport Business Case study for the replacement of life expired structures (and associated highway improvement works) is vital to ensure the continued efficiency and integrity of the local highway network and economic viability of the Borough.
- 16.2 Developing the business case will provide the Council with an opportunity to try and secure substantial external funding.
- 16.3 The remaining schemes and projects identified within this report reflect the Council's LTP3 Objectives and the Council's Corporate Goals and Objectives to make sure that Wirral's roads are safe and well maintained and to continue reducing the number of people killed or seriously injured in road traffic accidents.

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APPENDICES

Appendix 'A' Local Transport Capital Funding & The Integrated Transport Block (ITB) Programme 2013/14 - SUMMARY

Appendix 'B' REVISED Local Transport Capital Funding & The Integrated Transport Block (ITB) Programme 2013/14 - SUMMARY

REFERENCE MATERIAL: SUBJECT HISTORY (last 3 years)

Council Meeting	Date
CABINET (Local Transport Capital Funding & The Integrated Transport Block (ITB) Programme 2012/13)	24th January 2013
CABINET (Local Transport Capital Funding & The Integrated Transport Block (ITB) Programme 2012/13)	15th March 2012
COUNCIL	12th December 2011
CABINET (Capital Programme and Financing 2012-2015)	8th December 2011
CABINET Local Sustainable Transport Fund (LSTF) - Acceptance of 'Key Component' Funding	24th November 2011
CABINET (Local Transport Capital Funding & The Integrated Transport Block (ITB) Programme 2011/12)	17th March 2011
CABINET (Council Capital Programme 2011/12)	21st February 2011
CABINET (Provisional Local Government Finance Settlement)	13th January 2011

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LTP CAPITAL PROGRAMME - 2013 / 14

Appendix A:

	Scheme	£
IMPROVING ROAD SAFETY (£345,000)		
	LOCAL SAFETY SCHEMES	£315,000
	Local Safety Schemes	
	Black Horse Hill / Column Rd, West Kirby - minor junction improvements	£50,000
	Bolton Road Roundabout - signalised crossing improvements	£115,000
	<i>Joint funded with Walking Strategy & Cycling Strategy allocation</i>	
	Mount Road / Broadway, Bebington - Mini-roundabout	£90,000
	Upton By-pass / Saughall Massie Rd - signalised junction improvement	£60,000
	SAFER ROUTES TO SCHOOL / ETP	£30,000
	Safer Routes To School / ETP	
	SRTS scheme 1	£15,000
	SRTS scheme 2	£15,000
	IMPROVING ROAD SAFETY - TOTAL:	£345,000
	Scheme	£
PROMOTING ACTIVE TRAVEL & HEALTH (£380,000)		
	WALKING STRATEGY	£125,000
	Pedestrian Signals	£95,000
	Bolton Road Roundabout - signalised crossing improvements	£55,000
	<i>Joint funded with LSS & Cycling Strategy allocation</i>	
	ELV replacement programme	£20,000
	Improvements to existing asset / other technological advancements	£20,000
	Pedestrian Improvements	£20,000
	Pedestrian Dropped Crossings	£20,000
	Public Rights Of Way Improvement Plan	£10,000
	Public Rights Of Way Improvement Plan	£10,000
	CYCLING STRATEGY	£145,000
	Cycling Strategy	£145,000
	Bolton Road Roundabout - improvements to assist cyclists	£55,000
	<i>Joint funded with LSS & Walking Strategy allocation</i>	
	Bridge Road / Orrysdale Road, West Kirby - TOUCAN crossing	£60,000
	<i>Joint funded with Cycling Strategy</i>	
	Claremont Rd / Broadway, Wallasey	£15,000
	Kelvin Rd - Lucerne Road link	£10,000
	Wallasey Network signing	£5,000

	AREA FORUMS	£110,000
	Area Forums	
	Bebington & Clatterbridge	£10,000
	Bidston & Cloughton	£10,000
	Birkenhead, Tranmere & Rock Ferry	£10,000
	Bromborough & Eastham	£10,000
	Greasby, Frankby, Irby, Upton & Woodchurch	£10,000
	Heswall, Pensby & Thingwall	£10,000
	Leasowe, Moreton & Saughall Massie	£10,000
	Liscard & Seacombe	£10,000
	New Brighton & Wallasey	£10,000
	Oxton & Prenton	£10,000
	West Wirral	£10,000
	PROMOTING ACTIVE TRAVEL & HEATH – TOTAL:	£380,000
	Scheme	£
	REDUCING CONGESTION & CARBON EMISSIONS (£161,000)	
	TRAFFIC MANAGEMENT	£156,000
	Traffic Management Measures	£136,000
	Bayswater Road roundabout	£110,000
	Accidents To Zero signing initiative	£12,000
	Strategic signing initiative	£14,000
	UTC / Telematics / CCTV	£20,000
	UTC / Telematics / CCTV	£20,000
	TRAVEL PLANS & TRAVELWISE	£5,000
	Council's Travel Plan Measures	£5,000
	REDUCING CONGESTION & CARBON EMISSIONS - TOTAL:	£161,000
	TRANSPORTATION - GENERAL (£250,000)	
	ADVANCE DESIGN	£130,000
	Advance Design	£130,000
	RESEARCH & MONITORING	£120,000
	Transportation	£25,000
	Transportation Studies etc	
	Forward Planning	£95,000
	Forward Planning	
	TRANSPORTATION GENERAL - TOTAL:	£250,000

LTP CAPITAL PROGRAMME 2013 / 14 - TOTAL: £1,136,000

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REVISED - LTP CAPITAL PROGRAMME - 2013 / 14

Appendix B:

	Scheme	£
IMPROVING ROAD SAFETY (£375,000)		
	LOCAL SAFETY SCHEMES	£315,000
	Local Safety Schemes	
	Black Horse Hill / Column Rd, West Kirby - minor junction improvements	£50,000
	Bolton Road Roundabout - signalised crossing improvements	£115,000
>	<i>Joint funded - Walking Strategy, Cycling Strategy & additional £125k Sustrans grant allocation</i>	
>	Grove Road / Harrison Drive - Traffic Signal junction improvement	£85,000
>	Mount Road / Broadway, Bebington - signs and road markings	£5,000
	Upton By-pass / Saughall Massie Rd - signalised junction improvement	£60,000
	SAFER ROUTES TO SCHOOL / ETP	£40,000
	Safer Routes To School / ETP	
>	The Oval, Bebington	£25,000
>	<i>"Living Streets" grant allocation (contribution to 'The Oval' and additional works to create safe, attractive enjoyable streets)</i>	£30,000
>	Bedford Drive Primary School	£2,000
>	St Saviours School, Oxton	£1,000
>	Various - TRO's	£1,500
>	St Joseph's school, Upton	£500
	IMPROVING ROAD SAFETY - TOTAL:	£375,000
	Scheme	£
PROMOTING ACTIVE TRAVEL & HEALTH (£450,000)		
	WALKING STRATEGY	£250,000
	Pedestrian Signals	£220,000
	Bolton Road Roundabout - signalised crossing improvements	£55,000
>	<i>Joint funded - LSS & Cycling Strategy allocation & additional £125k Sustrans grant allocation</i>	£125,000
	ELV replacement programme	£20,000
	Improvements to existing asset / other technological advancements	£20,000
	Pedestrian Improvements	£20,000
	Pedestrian Dropped Crossings	£20,000
	Public Rights Of Way Improvement Plan	£10,000
	Public Rights Of Way Improvement Plan	£10,000
	CYCLING STRATEGY	£145,000
	Cycling Strategy	£145,000
	Bolton Road Roundabout - improvements to assist cyclists	£55,000
>	<i>Joint funded - LSS & Walking Strategy allocation & additional £125k Sustrans grant allocation</i>	
	Bridge Road / Orrysdale Road, West Kirby - TOUCAN crossing	£60,000
	<i>Joint funded with Cycling Strategy</i>	
	Claremont Rd / Broadway, Wallasey	£15,000
	Kelvin Rd - Lucerne Road link	£10,000
	Wallasey Network signing	£5,000
	AREA FORUMS	£55,000

	Area Forums	
>	Bebington & Clatterbridge	£5,000
>	Bidston & Cloughton	£5,000
>	Birkenhead, Tranmere & Rock Ferry	£5,000
>	Bromborough & Eastham	£5,000
>	Greasby, Frankby, Irby, Upton & Woodchurch	£5,000
>	Heswall, Pensby & Thingwall	£5,000
>	Leasowe, Moreton & Saughall Massie	£5,000
>	Liscard & Seacombe	£5,000
>	New Brighton & Wallasey	£5,000
>	Oxton & Prenton	£5,000
>	West Wirral	£5,000
>	PROMOTING ACTIVE TRAVEL & HEATH – TOTAL:	£450,000
	Scheme	£
	REDUCING CONGESTION & CARBON EMISSIONS (£161,000)	
	TRAFFIC MANAGEMENT	£156,000
	Traffic Management Measures	£136,000
	Bayswater Road roundabout	£110,000
	Accidents To Zero signing initiative	£12,000
	Strategic signing initiative	£14,000
	UTC / Telematics / CCTV	£20,000
	UTC / Telematics / CCTV	£20,000
	TRAVEL PLANS & TRAVELWISE	£5,000
	Council's Travel Plan Measures	£5,000
	REDUCING CONGESTION & CARBON EMISSIONS - TOTAL:	£161,000
	TRANSPORTATION - GENERAL (£305,000)	
	ADVANCE DESIGN	£130,000
	Advance Design	£130,000
	RESEARCH & MONITORING	£175,000
	Transportation	£25,000
	Transportation Studies etc	
>	Dock Bridges - Transport Business case study	£150,000
>	Business Case study	
>	TRANSPORTATION GENERAL - TOTAL:	£305,000

> **LTP CAPITAL PROGRAMME 2013 / 14 - TOTAL: £1,291,000**

> Indicates a change to the original (appendix A) approved LTP Capital Programme for 2013/14

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WIRRAL COUNCIL

Cabinet

Thursday 10th October 2013

SUBJECT:	<i>PUBLIC HEALTH OUTCOMES FUNDING</i>
WARD/S AFFECTED:	<i>ALL</i>
REPORT OF:	<i>DIRECTOR OF PUBLIC HEALTH/HEAD OF POLICY & PERFORMANCE</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR CHRIS MEADEN</i>
KEY DECISION?	<i>YES</i>

1.0 EXECUTIVE SUMMARY

- 1.1 In June 2013, a non-recurrent underspend was identified within the public health grant for 2013-15. This has arisen because of preparing for future scenarios in relation to the likely size of the public health grant for 2015 onwards, the sum of which is as yet unknown. With the support of the Portfolio Holder it was suggested that consideration be given to seeing how the underspend could be used to benefit the local population through investing in other areas across the Council, thereby enabling them to contribute further to the delivery of public health outcomes as defined by the national Public Health Outcomes Framework.
- 1.2 As a result, all strategic directorates were invited to submit proposals for non-recurrent spend which would then be assessed for their public health impact and prioritised for investment.
- 1.3 On 8th August 2013, all applications (49 in total) were considered by a panel comprising the Portfolio Holder, the Chief Executive and the Director of Public Health. All submissions stated how the activity would contribute towards achievement of indicators from Department of Health's Public Health Outcomes Framework. Twenty eight applications were assessed as meeting the criteria and twelve were deferred as further information was required. Following the receipt of the additional information and or revisions to the original proposals a high proportion of these were accepted as also meeting the criteria. Consequently, 38 proposals with a total value of £3,419,788 across 2013-14 and 2014-15 financial years have been assessed as relevant to public health outcomes.
- 1.4 This report states the names of those proposals that have been assessed, together with the relevant funding requested for the two financial years (Appendix 1). Cabinet are requested to authorise funding to support these projects.

2.0 BACKGROUND AND KEY ISSUES

2.1 The approved applications will utilise the Public Health grant funding. The Public Health department review their contracts regularly, and are working towards the expectation that from April 2015 the Public Health budget allocation for Wirral Council could be reduced by approximately £5 million. Nationally, the budget for all Council Public Health functions is currently funded via a ring-fenced grant from the Department of Health. It is audited on a quarterly basis and each Council is required to provide assurance that all spend is on Public Health-related activity. Consequently, each proposal had to meet at least one of the following two high level outcome measures from the Department of Health's Public Health Outcomes Framework 2013-2016:

- Increased healthy life expectancy
- Reduced differences in the life expectancy and healthy life expectancy between communities

These outcome measures are supported by a number of public health indicators grouped into four domains:

- Improving the wider determinants of health
- Health improvement
- Health protection
- Healthcare public health and preventing premature mortality

2.2 Each application stated how their proposed activity would link into relevant indicators from the Public Health Outcome Framework. The pro-forma that had to be completed is attached at Appendix 2.

3.0 RELEVANT RISKS

3.1 The main risk is that projects do not spend their allocation and the benefits identified in the proposals are therefore not realised. To mitigate this, both project activity and budget spend will be monitored. Once a project commences the costs will be charged against budgets held within Public Health. This will enable Public Health to closely monitor the budget spend and will support the Council's requirement to demonstrate to auditors how their ring-fenced grant is being spent in 2013-14 and 2014-15 financial years.

4.0 OTHER OPTIONS CONSIDERED

4.1 The Public Health ring-fenced grant does require spend to be on public health-related activity. Therefore, it does constrain the options available. This approach provides assurance that spend contributes to indicators from the Department of Health's Public Health Outcomes Framework 2013-16.

5.0 CONSULTATION

5.1 Each project will be able to engage appropriately with the relevant stakeholders.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

6.1 There are no previously approved actions.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 A number of projects will be delivered through working with voluntary, community and faith groups.

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

8.1 The financial projections for projects approved by the Public Health Outcomes Fund panel are shown in Appendix 1.

9.0 LEGAL IMPLICATIONS

9.1 As an overall initiative there are no legal implications though as mentioned before the Council are required to demonstrate spend from the Public Health ring-fenced grant is against public health-related activity. Any legal implications relating to specific proposals will be the responsibility of the project lead to respond appropriately.

10.0 EQUALITIES IMPLICATIONS

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

(a) Yes and impact review has been sent to the Equality and Diversity Co-ordinator.

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

11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

11.1 There are none arising directly from this report. Those that are linked directly to a proposal will be progressed appropriately by the project lead.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising directly from this report. Those that are linked directly to a proposal will be progressed appropriately by the project lead.

13.0 RECOMMENDATION/S

13.1 Cabinet are asked to:

- Approve the reinvestment of the public health grant funding as outlined in Appendix 1.
- Note that progress and spend will be monitored by Public Health on a regular basis
- Note that the proposals will be evaluated against their Public Health outcomes in May/June 2015

14.0 REASON/S FOR RECOMMENDATION/S

14.1 This approach enables the ring-fenced Public Health grant of 2013-15 to be utilised to support initiatives that contribute to achieving Public Health Outcome Framework indicators and improving health and wellbeing of the Wirral population.

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APPENDICES

Appendix 1: Overview of approved proposals and spending plan

Appendix 2: Public Health Outcomes Fund application form (inc. PHOF indicators)

BACKGROUND PAPERS/REFERENCE MATERIAL

Healthy Lives, Healthy People: Update on Public Health Funding (Dept of Health, 2012)

BRIEFING NOTES HISTORY

Briefing Note	Date

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

Summary of Public Health Outcomes Fund applications assessed by decision making panel as meeting criteria

							13/14	14/15
Ref	Initiative	Council Lead	Job Title	Council Dept	Council sponsor	Job Title	Yes £	Yes £
CYP1	To engage a consultancy to facilitate the design of a new home to school transport system for children with special educational needs	Julia Hassall	Director Children and Young People	Families and Wellbeing - CYPD	Julia Hassall	Director Children and Young People	100,000	
CYP2	Prevention of children and young people becoming sexually exploited through public and community awareness raising	David Robbins	Business Manager - Wirral Safeguarding Children Board	Families and Wellbeing - CYPD	Julia Hassall	Director Children and Young People	5,200	4,700
CYP3	G.I.R.L.S Project - A targeted services project for vulnerable and at risk young women	Lindsay Davidson	Senior Locality Manager	Families and Wellbeing - CYPD	Julia Hassall	Director Children and Young People	32,000	64,000
CYP5	Early Years Weight Management Project	Kath Lloyd	Senior Locality Manager	Families and Wellbeing - CYPD	Julia Hassall	Director Children and Young People	15,000	20,000
CYP6	Additional MST therapist for 2 years	Dr Tina Goodson & Patricia Jones	MST Supervisor MST Lead	Families and Wellbeing - CYPD	Julia Hassall	Director Children and Young People	38,613	38,613
CYP7	Connect for Wellbeing	Sarah Howarth	Principal Manager Lifelong Learning	Families and Wellbeing - CYPD	Julia Hassall	Director Children and Young People	26,200	39,200
CYP8	Children in Care (CiC) Council Project	Simon Garner	Acting Head of Service	Families and Wellbeing - CYPD	Julia Hassall	Director Children and Young People	24,920	54,340
Children & Young People's Department Total							241,933	220,853
DASS1	Provision of a mobile nights domiciliary care pilot service	Jayne Marshall	Snr Manager, Commissioning & Transformation	Families and Wellbeing - DASS	Graham Hodgkinson	Director of Adult Social Services	188,300	327,700
DASS2	Living Support Networks	Jayne Marshall	Snr Manager, Commissioning & Transformation	Families and Wellbeing - DASS	Graham Hodgkinson	Director of Adult Social Services	65,000	65,000
DASS3	The Breeze Long Term Conditions Programme	Boo Stone	Commissioning Lead, Early Intervention and Prewvention	Families and Wellbeing - DASS	Graham Hodgkinson	Director of Adult Social Services	55,000	44,000
DASS4	Physical Activity Long term Adherence Programme and Pathway	Boo Stone	Commissioning Lead, Early Intervention and Prewvention		Graham Hodgkinson	Director of Adult Social Services	26,750	6,250

							13/14	14/15
Ref	Initiative	Council Lead	Job Title	Council Dept	Council sponsor	Job Title	Yes £	Yes £
Department of Adult Social Services Total							335,050	442,950
S&R1	Cycle Wirral	Mike Withy	Sports Development Manager	Families and Wellbeing - DASS	Claire Fish	Strategic Director, Families and Wellbeing	13,323	13,323
S&R 2	Guinea Gap Baths & Recreation Centre - 2x 3G Football pitches	Damian Walsh	Head of Sports and Recreation	Families and Wellbeing - DASS	Claire Fish	Strategic Director, Families and Wellbeing	245,000	
S&R3	Enhance and up skill Fitness Suite Staff and Fitness Instructors	Damian Walsh	Head of Sports and Recreation	Families and Wellbeing - DASS	Claire Fish	Strategic Director, Families and Wellbeing	67,208	10,000
S&R4	Enhance the fitness Suite facility at West Kirby Concourse Leisure centre	Damian Walsh	Head of Sports and Recreation	Families and Wellbeing - DASS	Claire Fish	Strategic Director, Families and Wellbeing	111,999	0
Sports & Recreation Total							437,530	23,323
N&E1	Marketing and Communications Strategy - Improving Health and Wellbeing	Kevin MacCallum	Marketing and Engagement Manager	Neighbourhoods and Engagement	Emma Degg	Head of Neighbourhoods and Engagement	120,000	120,000
N&E2	Neighbourhoods Programme - Public Health initiatives	Jacqui Cross	Corporate Equality and Cohesion Manager	Neighbourhood and Engagement	Emma Degg	Head of Neighbourhoods and Engagement	100,000	
Neighbourhood & Engagement Total							220,000	120,000
R&E1	Healthy Homes - expanding delivery options - HH community worker and wider healthy communities project	Lisa Newman	Housing Strategy, Standards and Renewal Senior manager	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	72,126	120,679
R&E2	Controlled Drinking Environment x 2	Sheila Jacobs	Senior Manager - Supported Housing and Homelessness	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	107,440	
R&E3	Wirral Allotments Project	Bill Cooper	Policy, Projects and Performance Manager	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment		168,000
R&E4	Forest Schools - Outdoor learning for healthy lives	Nic Harding	Ranger	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	28,730	53,980
R&E5	Young Drivers - Young drivers and passengers aged 17-24yrs	Rhian Hughes	Road Safety Team leader	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	11,000	9,000
R&E6	Take a million calories out of Wirral	Colin Clayton	Environmental Health Senior Manager	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	5,500	54,500

							13/14	14/15
Ref	Initiative	Council Lead	Job Title	Council Dept	Council sponsor	Job Title	Yes £	Yes £
R&E7	Wirral Parks and Countryside volunteer, Health Walks and Fitness Buddy Scheme	Anne Litherland	Senior Ranger	Regeneration and Environment	Mark Hassall	Regeneration and Environment	10,307	14,661
R&E8	Start Active - Play Active - Stay Active	Jackie Smallwood	Senior Landscape Officer	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	10,000	220,000
R&E11	Proxy Purchasing Project	Nicola Sutton & Heidi Jones	Enforcement Officer & Senior Assistant Trading Standards Officer	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	8,500	4,000
R&E12	Child Car Seat Safety Project	Gill Vicary	Trading Standards Operations Manager	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	8,680	12,865
R&E13	Adult in-car safety (working alongside individuals transporting their own or other peoples children as a method of engagement)	Rhian Hughes	Road Safety Team leader	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment		
R&E14	Pilot Scheme to encourage behaviour Change within families; working with a primary school and children's centre to raise families awareness of healthy eating options	Nikki Pulford	Senior Environmental Health Officer	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	36,750	
R&E15	FoCAL (Forest Community and Adult Learning) Social Forestry Project	Nic Harding	Ranger	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	55,250	95,625
R&E16	Improving Access on rural public rights of way across the countryside of Wirral	Rob Clifford	Senior Manager (Highways Management)	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	25,000	
R&E18	Woodland Family Programme	Lynn Struve & Christine Smyth	Eco Schools Officer & Senior Parks Development Officer	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	8,500	8,500
R&E21	Taking Nuisance calls out of Wirral	Derek Payet	Trading Standards Senior Manager	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	40,000	
R&E23	Wirral Way widening and safety improvements scheme	Jo Hanik	Senior Ranger	Regeneration and Environment	Kevin Adderley	Strategic Director, Regeneration and Environment	117,651	13,055
Regeneration & Environment Department Total							545,434	774,865
UIS1	Flu Vaccination Programme	Mark Camborne	Senior Manager, Health, Safety and Resilience	Universal and Infrastructure Services	David Armstrong	Asst Chief Executive and Head of Universal and Integrated Services	17,000	17,000

							13/14	14/15
Ref	Initiative	Council Lead	Job Title	Council Dept	Council sponsor	Job Title	Yes £	Yes £
UIS2	The provision of automatic external defibrillators (AED) in council premises	Mark Camborne	Senior Manager, Health, Safety and Resilience	Universal and Infrastructure Services	David Armstrong	Asst Chief Executive and Head of Universal and Integrated Services	3,500	3,500
UIS3	Training to demystify mental health for managers and Wellness Recovery Action Plan training for the workforce	Mark Camborne	Senior Manager, Health, Safety and Resilience	Universal and Infrastructure Services	David Armstrong	Asst Chief Executive and Head of Universal and Integrated Services	4,000	4,000
UIS4	Fit 4 Wirral Activity Interventions for Staff Wellbeing	Mark Camborne	Senior Manager, Health, Safety and Resilience	Universal and Infrastructure Services	David Armstrong	Asst Chief Executive and Head of Universal and Integrated Services	4,425	4,425
Universal Infrastructure Services Total							28,925	28,925
Total Value of bids approved							1,808,872	1,610,916

PUBLIC HEALTH OUTCOMES FUND 2013-14 & 2014-15

The Public Health Outcomes Fund is designed to support initiatives that will make a positive impact on the health and wellbeing of the Wirral population. It should be linked to the achievement of outcomes within the Public Health Outcomes Framework 2013-2016 and will fund activity for the two financial years 2013-14 and 2014-15.

FUNDING CRITERIA

The proposal must enhance the health and well-being of the Wirral population by meeting at least one of the following two high level outcomes:

- Increased healthy life expectancy
- Reduced differences in the life expectancy and healthy life expectancy between communities

To support these outcomes there are a number of public health indicators grouped into four domains (more information can be found in Annex A):

- Improving the wider determinants of health
- Health improvement
- Health protection
- Healthcare public health and preventing premature mortality

Funding can be for a whole range of public health related initiatives, for example, goods or services that initiate sustainable benefits, support for relevant training interventions etc. Once the proposal has been agreed the costs will be charged against budgets held within Public Health and not transferred to other areas. This will enable Public Health to closely monitor the budget spend and will support Public Health's ability to demonstrate to auditors how their ring-fenced grant is being spent in 2013-14 and 2014-15 financial years.

WHO CAN APPLY

Applications will only be considered from individuals from Wirral Council whose applications are sponsored / supported by a Director from Wirral Council.

FUNDING CONDITIONS

There is a requirement that individuals understand that the funding is only for activity based in 2013-14 and 2014-2015 financial years and there is no obligation for funding to be provided for subsequent years i.e. activity should be non-recurrent.

Invoices relating to the funding need to be processed by 31st March 2014 and 31st March 2015 as per breakdown within the application, otherwise the invoices will not be reimbursed.

Appendix 2:

Applicants should ensure that any purchases of good or services are in line with Wirral Borough Council procurement policy.

HOW TO APPLY

If you have read this guide and believe you have a proposal that meets our funding criteria then you should liaise with a Director from Wirral Council. You will need to brief them on your proposal and if they are supportive they will be the nominated sponsor.

Complete the application form below clearly stating the outcomes of the proposal and the name of sponsoring director. Individuals are asked to provide clear and concise information, particularly for stating the proposed cost and spend items. Please attach any other relevant documentation with your completed application and send to Tricia Cavanagh via email on triciacavanagh@wirral.gov.uk

PERFORMANCE MANAGEMENT / BUSINESS INTELLIGENCE SUPPORT

The proposals should be evidence based and generate measurable Public Health outcome(s) that can be performance managed. Please contact Bev Murray [666 5198 and beverleymurray@wirral.gov.uk] for more support or advice around business intelligence and performance requirements.

TIMESCALES

Individuals are asked to complete the application by 5pm on Friday 12th July 2013. The applications will then be considered shortly after by a panel comprising of the following individuals:- Graham Burgess, Chief Executive, Wirral Council; Councillor Chris Meaden, Portfolio Holder for Health and Wellbeing, Fiona Johnstone, Director of Public Health / Head of Policy & Performance. Supporting the panel will be Chandra Dodgson, Senior Public Health Commissioning Accountant and Kevin Carbery, Business Manager from the Policy, Performance and Public Health directorate.

WHAT HAPPENS NEXT?

Tricia Cavanagh, Public Health Advisor will acknowledge receipt of your application and inform you when the decision panel will convene. Shortly after the decision making panel have met you will receive written correspondence stating whether your application has been successful or not. Individuals must not proceed with activity that will incur any costs until you have received written confirmation from within Public Health that your application has been successful.

APPLICATION FORM FOR PUBLIC HEALTH OUTCOMES FUND 2013-14 & 2014-15

The Public Health Outcomes Fund is designed to support initiatives that will make a positive impact on the health and wellbeing of the Wirral population. It should be linked to the achievement of Public Health outcomes and be one-off non-recurring activity that will be implemented within the financial years 2013-14 and 2014-2015.

1. Name of Proposal

2. Description of Proposal – outline all the key elements/ aspects/ evidence base

3. State the Public Health Outcome Framework indicators that this proposal contribute towards together with the rationale [Refer to Annex A of this paper and Part 2 of Technical Specification for more information via hyperlink]
<https://www.gov.uk/government/publications/healthy-lives-healthy-people-improving-outcomes-and-supporting-transparency>

PH Outcome Indicator	PH Outcome description	Rationale
e.g. 1.17	Fuel Poverty	Fuel poverty is linked to low home temperature. Children living in cold homes are twice as likely to suffer from chest problems, asthma and bronchitis. Number of excess deaths in Wirral is estimated to be 189 per annum.

[Please also state other targets, priorities that link to this proposal]

4a. What are the outcomes of this proposal?

4b. How will these outcomes be measured?

Appendix 2:

4c. How will you evaluate?

5. Overview of proposed budget spending plan e.g. resources, training, activity costs, etc.

[illegible]

6. Proposed Next Steps to deliver proposal – including the key tasks and timescales (with dates) for the development and implementation of this proposal. State who would lead on progressing this, highlighting any capacity issues.

I confirm that:

- I have read and understood the criteria for application and realise that the funding is non-recurring and needs to be spent by end of March 2015

NAME OF LEAD (from Wirral Council):			
POST:		TEL:	
EMAIL:		DATE	

Please provide the name of the Director from Wirral Council who you have liaised with prior to submitting your application and who supports your proposal.

NAME OF SPONSOR (Director from Wirral Council supporting the proposal)		POST	
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Please send completed application form by 5pm on Friday 12th July 2013 via email to: Tricia Cavanagh,
Public Health Advisor triciacavanagh@wirral.gov.uk [0151 666 5191 ext 5191]

Tricia will acknowledge receipt of your application.

IMPORTANT: Do not proceed with activity that will incur any costs until you have received written confirmation from within Public Health that your application has been successful.

Appendix 2:

Annex A – Public Health Outcomes Framework 2013-16 at a glance

VISION			
To improve and protect the nation's health and wellbeing and improve the health of the poorest fastest.			
Outcome measures			
Outcome 1) Increased healthy life expectancy, i.e. taking account of the health quality as well as the length of life			
Outcome 2) Reduced differences in life expectancy and health life expectancy between communities (through greater improvements in more disadvantaged communities)			
1. Improving the wider determinants of health	2. Health Improvement	3. Health Protection	4. Healthcare public health and preventing premature mortality
Objective	Objective	Objective	Objective
Improvements against wider factors which affect health and wellbeing and health inequalities	People are helped to live healthy lifestyles, make healthy choices and reduce health inequalities	The population's health is protected from major incidents and other threats, whilst reducing health inequalities	Reduced numbers of people living with preventable ill health and people dying prematurely, whilst reducing the gap between communities
Indicators	Indicators	Indicators	Indicators
1.1 Children in poverty 1.2 School readiness (placeholder) 1.3 Pupil absence 1.4 First time entrants to the youth justice system 1.5 16-18 year olds not in education, employment or training 1.6 Adults with a learning disability/in contact with secondary mental health services who live in stable and appropriate accommodation † (ASCOF 1G and 1H) 1.7 People in prison who have a mental illness or a significant mental illness (Placeholder) 1.8 Employment for those with long-term health conditions including adults with a learning disability or who are in contact with secondary mental health services *(i-NHSOF 2.2) †† (iii-ASCOF 1E) ** (iii-NHSOF 2.5) †† (iiii-ASCOF 1F) 1.9 Sickness absence rate 1.10 Killed and seriously injured casualties on England's roads 1.11 Domestic abuse (Placeholder) 1.12 Violent crime (including sexual violence) 1.13 Re-offending levels 1.14 The percentage of the population affected by noise 1.15 Statutory homelessness 1.16 Utilisation of outdoor space for exercise/health reasons 1.17 Fuel poverty (Placeholder) 1.18 Social Isolation (Placeholder) † (ASCOF 1I) 1.19 Older people's perception of community	2.1 Low birth weight of term babies 2.2 Breastfeeding 2.3 Smoking status at time of delivery 2.4 Under 18 conceptions 2.5 Child Development at 2-2½ years (Placeholder) 2.6 Excess weight in 4-5 and 10-11 year olds 2.7 Hospital admissions caused by unintentional and deliberate injuries in under 18s 2.8 Emotional wellbeing of looked after children 2.9 Smoking prevalence – 15 year olds (Placeholder) 2.10 Self-harm (Placeholder) 2.11 Diet 2.12 Excess weight in adults 2.13 Proportion of physically active and inactive adults 2.14 Smoking prevalence – adults (over 18s) 2.15 Successful completion of drug treatment 2.16 People entering prison with substance dependence issues who are previously not known to community treatment 2.17 Recorded diabetes 2.18 Alcohol-related admissions to hospital (placeholder) 2.19 Cancer diagnosed at Stage 1 and Stage 2 2.20 Cancer screening coverage	3.1 Fraction of mortality attributable to particulate air pollution. 3.2 Chlamydia diagnoses (15-24 year olds) 3.3 Population vaccination coverage 3.4 People presenting with HIV at a late stage of infection 3.5 Treatment completion for Tuberculosis (TB) 3.6 Public sector organisations with a board approved sustainable development management plan 3.7 Comprehensive, agreed inter-agency plans for responding to public health incidents and emergencies (Placeholder)	4.1 Infant mortality * (NHSOF 1.6i) 4.2 Tooth decay in children aged 5 4.3 Mortality rate from causes considered preventable ** (NHSOF 1a) 4.4 Under 75 mortality rate from all cardiovascular diseases (including heart diseases and stroke) * (NHSOF 1.1) 4.5 Under 75 mortality rate from cancer * (NHSOF 1.4i) 4.6 Under 75 mortality rate from liver disease * (NHSOF 1.3) 4.7 Under 75 mortality rate from respiratory diseases * (NHSOF 1.2) 4.8 Mortality rate from infectious and parasitic diseases 4.9 Excess under 75 mortality rate in adults with serious mental illness * (NHSOF 1.5) 4.10 Suicide rate 4.11 Emergency readmissions within 30 days of discharge from hospital * (NHSOF 3b) 4.12 Preventable sight loss 4.13 Health-related quality of life for older people (Placeholder) 4.14 Hip fractures in people aged 65 and over 4.15 Excess winter deaths 4.16 Estimated diagnosis rate for people with dementia * (NHSOF 2.6i)

Alignment across the Health and Care System

* Indicator shared with the NHS Outcomes Framework
 ** Complementary to indicators in the NHS Outcomes Framework
 † Indicator shared with Adult Social Care Outcomes Framework
 †† Complementary to indicators in the Adult Social Care Outcomes Framework
Indicators in italics are placeholders, pending development or identification

Appendix 2:

<i>safety (Placeholder)</i> †† (ASCOF 4A)	2.21 Access to non-cancer screening programmes 2.22 Take up of the NHS Health Check Programme – by those eligible 2.23 Self-reported wellbeing 2.24 Injuries due to falls in people aged 65 and over		
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Source: Improving Outcomes and Supporting Transparency: Part 1B: Public Health Outcomes Framework; Department of Health; Nov 2012; p4

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT:	DELIVERING THE HEALTHY CHILD PROGRAMME FOR 5-19 YEAR OLDS
WARD/S AFFECTED:	ALL
REPORT OF:	FIONA JOHNSTONE HEAD OF POLICY PERFORMANCE / DIRECTOR OF PUBLIC HEALTH
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR CHRIS MEADEN
KEY DECISION?	YES

1. EXECUTIVE SUMMARY

Giving every child the best start in life is important to reducing inequalities through the rest of their life course. This means supporting the child and family to have early positive health experiences but also in their journey through the educational system. Investing in early years is crucial to breaking the cycle of inequalities and reducing the gap between the least and most advantaged.

An effective healthy child programme is one way of ensuring that children and their families get the right support at the right time. The responsibility for the commissioning of the healthy child programme for 5-19 year olds now lies with the Council, following the transfer of the public health function.

The purpose of this report is to highlight current provision for the delivery of the Healthy Child programme for 5-19 year olds in Wirral and present a rationale to develop and commission an integrated service model.

The aim of the re-commissioned model would be to ensure that commissioned services are intervening as early as possible to prevent problems developing and escalating. There is also the opportunity to reflect the new approach developing in the Children and Young Peoples team in the service model to ensure services are fit for purpose and providing the best outcomes for local children and young people.

There is also the opportunity to undertake a joint procurement process with NHS England who are re-commissioning the Healthy Child Programme for 0-5 year olds to deliver economies of scale and integrated services.

The report provides an overview of proposed areas to be included in the new model, finer details of these will be specified following extensive consultation with key stakeholders, including young people and their families.

The report concludes with a recommendation that officers be authorised to commence a re-commissioning of the Healthy Child Programme for 5-19 year olds.

2. BACKGROUND AND KEY ISSUES

2.1 What does the Joint Strategic Needs Assessment tell us about the health of our children and young people?

- 2.1.1 We have nearly 55,000 children and young people living on Wirral (n=54,700, 2011 ONS estimate) and in 2011 we had 3,802 births. Overall, most of these children and young people will fulfil their aspirations and be healthy, safe and well educated; have easy access to

recreation, sport and leisure; be able to make a positive contribution to our society; and be well prepared for their working lives.

2.1.2 However, whilst overall Wirral is a positive place for children and young people to grow up, some do not fulfil their potential. There are great disparities in Wirral, not least in wealth. Some areas, mostly in the west of the peninsula, are very affluent; whilst on the east of the peninsula there are high levels of poverty and deprivation which has an impact upon children's lives and development. The challenge is to eliminate disparities in outcomes and ensure that all young people have the best possible start in life. We particularly need a focus on work to promote wellbeing in childhood and adolescence, reduce the high levels of obesity and tooth decay we see in our children and build on the good work that has seen a reduction in our teenage pregnancy rates.

2.1.3 Key statistics:

- The rate of child poverty in Wirral is significantly above the national average of 20.6% and stands at 24.4% or 17,155 children. There is significant variation across the borough with rates ranging from one in two children living in poverty in Bidston and St James to one in twenty in Heswall.
- Wirral has a higher rate of emergency admissions for unintentional and deliberate injuries in those aged 0-17, compared to the regional and national average
- Alcohol is a significant problem for children and young people in Wirral. This can cause a wide range of associated problems including injuries and accidents, risk taking behaviour, cognitive problems and long term risks to health.
- The number of children who are obese and overweight in Reception and Year 6 in Wirral is higher than the North West and England average (Data from 2011-12).
- Data shows that dental decay amongst Wirral five year olds is a considerable problem in some of the more deprived areas of Wirral.
- In Wirral, child behaviour, health issues, parenting and school behaviour were the predominant reasons for multi-agency early intervention using the Common Assessment Framework (CAF) during 2011-12.
- In 2012, Wirral had a higher proportion of children assessed as being in need (4%) than the national average (3.6%). Family dysfunction (38.4%) followed by abuse or neglect (34.4%) was the highest recorded category of need at initial assessment.
- Wirral's teenage conception rate in 2010 (47.3 per 1,000) was higher than both the North West average (40.7 per 1,000) and England (35.4 per 1,000). Rates for 2011 are currently only available for Wirral (England and the North-West not yet available) and show a marked decrease in Wirral, to 36.9 per 1,000

2.2 The Healthy Child Programme for 5 to 19 year olds

2.2.1 The National Healthy Child Programme for 5 to 19 year olds sets out the recommended framework of universal and progressive services for children and young people to promote optimal health and wellbeing – the diagram in an appendix one illustrates how the programme is designed to be delivered.

2.2.2 During 2011/12, The Childrens Trust undertook a review of the Healthy Child Programme. The purpose of the review was to ensure improved outcomes and a reduction in health inequalities for Wirral children and young people aged 5 -19 years. The review group was asked to consider the issues highlighted in the Joint Strategic Needs Assessment and review the performance of all services that contribute to the health of children within the universal and progressive framework of the Healthy Child Programme. Priority areas in the

programme include: emotional health and wellbeing; promoting healthy weight; teenage pregnancy, sexual health and drugs, alcohol and tobacco. Key providers were interviewed and young people were consulted as part of this process.

- 2.2.3 The review identified the need to develop a specification for the School Nursing Service and streamline the commissioning of services for children and young people to drive down transactional costs. The development of the specification for the school nursing service commenced in 2012/13 and takes into account the conclusions of the national review of school nursing, including the recommendation to offer a continuum of interventions along the same framework as that adopted for health visiting:
- Your Community – range of services for children, young people and families
 - Universal Services – to ensure healthy start for every child
 - Universal Plus – swift response from school nurse when specific expert help needed
 - Universal Partnership Plus – ongoing support from school nurse working with range of local services to deal with more complex issues
- 2.2.4 The Healthy Child Programme comprises more than the School Nursing Programme, table one below illustrates the range of services that currently contribute to the programme and which would be included in the redesigned service model.

3. CURRENT COMMISSIONED SERVICES AND EXPENDITURE

- 3.1 Table 1, below details commissioned services that contribute to the delivery of the Healthy Child Programme.

Table 1: description of services that contribute to the Healthy Child Programme

Service	Description and comment
School nurse service	The school nurse service has a long-standing relationship of trust in Wirral schools with both young people and professionals. They provide health information and advice, both on a one-to-one level and deliver lessons around specific health issues. They also deliver an immunisation programme.
Lifestyle and weight management programme	This service at present is predominantly focused on treating obese and overweight children and their families. It is intended to shift the focus to increase the emphasis to preventing children and young people developing weight problems.
Health Services in Schools	The Health Services in Schools programme is currently available in all secondary schools in Wirral with the exception of one and is undergoing evaluation. The aim of Health Services in Schools is to increase young people's knowledge and access to advice and support with regards to a wide-range of issues. It included the following components: sexual health, mental health, counselling and smoking cessation and there are a number of providers that currently deliver services, Health Services in Schools will increase young people's knowledge and access to advice and support with regards to a wide-range of issues

	The programme has been positively received by both the schools and the young people and is considered to have been a contributory factor in the recent reduction in teenage pregnancy rates.
National Child Measurement Programme (NCMP) This is a nationally mandated commissioned service	This is currently delivered by the School Nurse Service in addition to their main contract. The service weighs and measure children at 4-5 years (reception) and 10-11 years (Year 6) and provides an enhanced service to support families following identification of overweight/obesity.

The following table, details current expenditure on the Healthy Child Programme for 5 to 19 year olds for those services proposed to be included in the re-commissioning process.

Table two: Expenditure in 2013-14 on the Healthy Child Programme for 5 to 19 year olds

Service provided	Provider(s)	Funding allocated (£)
National Child Measurement Programme	Wirral University Hospital Foundation Trust	42,091
Wirral School Nursing Service	Wirral University Hospital Foundation Trust	1,311,597
Health Services in Schools	Wirral School nursing, service, Action for Children, Wirral Council	584,815
Healthy Settings	Wirral Community Trust	194,357
Lifestyle and Weight Management services (adults and children)	Wirral Community Trust	100,000
Weight management for young people	MEND	184,300
Total		£2,417,160

4. HEALTHY CHILD PROGRAMME FOR 0-5 YEAR OLDS

- 4.1 The responsibility for commissioning children's public health services for pregnancy to five years lies with the NHS England Cheshire, Warrington & Wirral Area Team. The commissioning responsibility for some of the services is planned to transfer to local authorities in 2015 when the implementation of the National Health Visiting Development Plan is complete. Exceptions to this are the Antenatal and New-born Screening Programme, immunisation programmes and Child Health Information Systems.
- 4.2 The Health Visiting and Family Nurse Partnership programmes lead the delivery of the Healthy Child Programme for this age group. Both are commissioned to a standard national specification, which includes the number of qualified health visitors required to deliver the services, and the model of service to be delivered.
- 4.3 Since the current contract for these services end on 31st March 2014, if Cabinet approves the re-procurement of services for children 5-19 years, there is significant potential to achieve service integration and efficiencies by NHS England and Wirral Council entering into a shared procurement arrangement for delivery of the Healthy Child Programme for pregnancy to 19 years (including immunisation services for the 5-19 age group).
- 4.4 With Cabinet approval, it is proposed to investigate a joint procurement process with NHS England for services to cover both the 0 to 5 and 5 to 19 Healthy Child Programmes. The rationale for working together is to ensure economies of scale and integration of services. There is however uncertainty over the resources to be transferred to the Council in April 2015

to fund the 0 to 5 Healthy Child Programme, work is required to establish baseline funding to be transferred. A joint procurement process will only take place once agreement on funding has been reached

5. RATIONALE FOR TENDER EXERCISE

- 5.1 The need to develop an integrated approach between health and childrens services and schools to ensure children get the best start in life has been made locally and nationally via policy and need assessments.
- 5.2 If agreement was reached that the programme be re-commissioned it would enable an integrated specification to be developed which would incorporate appropriate young peoples services within one specification. This could include the mandatory National Child Measurement Programme, School Nurse Service, Children's Lifestyle and Weight Management Services, the current work of the Healthy Settings Team around health promotion work in young people's settings, and the Health Services in Schools project. This would enable a more integrated and seamless service to be developed, preventing potential duplication and silo working and providing a seamless service for young people and their families. Economies of scale would be possible through having fewer contracted organisations and therefore reducing overheads and management costs.

6. PROPOSED TIMETABLES

- 6.1 It is proposed to commission the healthy child programme to be operationally live on the 1st of January 2015. To achieve this deadline the initial preparation, including comprehensive stakeholder consultation, needs assessment, and the scoping of new service specifications, needs to commence during October 2013.

7. RELEVANT RISKS

- 7.1 Failure to integrate these services will result in maintenance of the status quo. The Council is required to maximise the value for money it achieves for all services. Best practice guidance suggests a need to market test for best value every 3-4 years. There has been interest locally as to whether or not the services outlined in this paper are to be re-commissioned by a number of interested parties. This raises some concerns about failure to undertake a re-commissioning exercise and whether or not these parties would challenge this decision.
- 7.2 The transfer of funding from NHS England to the Council for the commissioning of the 0 to 5 year is still to be agreed. A joint procurement process will only take place if agreement on the funding to be transferred can be reached.

8. OTHER OPTIONS CONSIDERED

- 8.1 The option to continue with current provision was considered however, this would not support innovation and the potential to deliver a more cost effective service.

9. CONSULTATION

- 9.1 Consultation and engagement with young people and key stakeholders is required to inform the development of the service specification. A provisional consultation programme has been developed which will enable completion within the required deadline to inform specification development and the tender exercise. There has been initial consultation across the Public Health Team, Children and Young Peoples Directorate and with the Childrens Trust
- 9.2 Consultation on the development of the service specification will take place with Stakeholders via an online questionnaire, focus groups and a workshop. The online questionnaire will target the views of children and young people and is being coordinated via the Children and Young

Peoples Directorate. Views from parents and schools will also be sought via an on line tool. Feedback will be incorporated into the service specification.

9.3 Provider development days will be held for those providers interested in tendering for the service facilitated by the procurement team. Feedback from the days will be incorporated into the service specification.

9.4 The consultation process will run from 12 weeks upon Cabinet approval.

10. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

10.1 Organisations from the Voluntary, Community and Faith are currently involved with the delivery of elements of provision. The re-tender would present the opportunity for greater involvement.

11. RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

11.1 There is currently allocated funding for the services highlighted. The tender exercise would enable a more integrated and cost effective model to be developed. T.U.P.E. may be an issue that will need to be addressed.

12. LEGAL IMPLICATIONS

12.1 Required Standing Financial Instructions will be followed. T.U.P.E. may be an issue that will need to be addressed.

13. EQUALITIES IMPLICATIONS

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

(a) Yes and impact review can be accessed at

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

14. CARBON REDUCTION IMPLICATIONS

14.1 There are no carbon reduction implications based on the content of this report.

15. PLANNING AND COMMUNITY SAFETY IMPLICATIONS

15.1 There are no planning or community safety implications based on the content of this report.

16. RECOMMENDATION/S

16.1 The following recommendations are made:

- Cabinet authorises officers to commence the re-commissioning process to enable the development of an integrated healthy child programme for 5-19 year olds.
- Cabinet supports a joint procurement process with NHS England for the healthy child programme for 0-5 year olds.
- Cabinet to receive a report on the outcomes of the tendering exercise for final decision on the awarding of the contract(s) for the Healthy Child Programme for 5-19 year olds.

17. REASON/S FOR RECOMMENDATION/S

- 17.1 The main reason for the recommendation to commence a tender exercise is to enable an integrated service to be developed to deliver the Healthy Child Programme for 5-19 year olds. This is further supported by the need to comply with Standard Financial Instructions around procurement practice.

18. REPORT AUTHOR:

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19. APPENDICES

(List and, if not attached, specify location – e.g. website and/or Group rooms.)

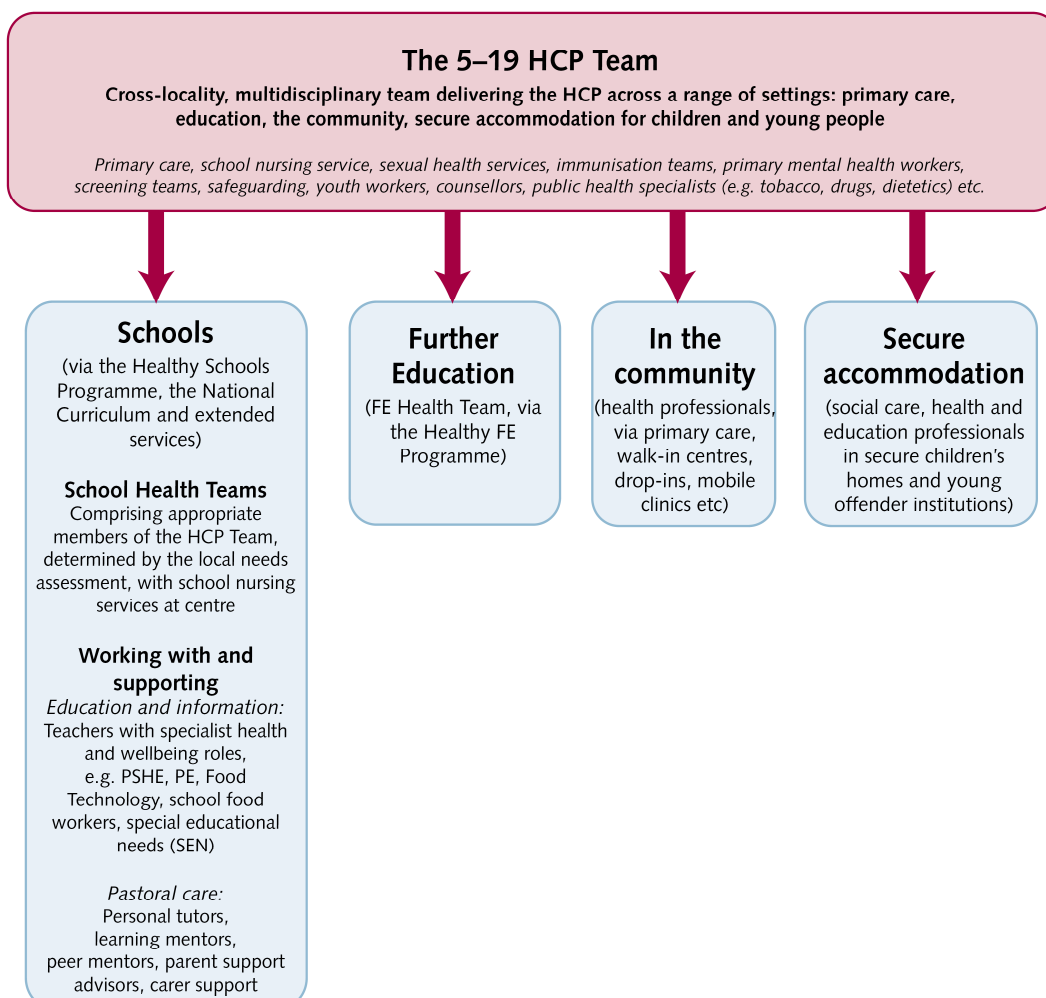
20. REFERENCE MATERIAL

(Include background information referred to or relied upon when drafting this report, together with details of where the information can be found. There is no need to refer to publicly available material: e.g. Acts of Parliament or Government guidance.)

21. SUBJECT HISTORY (last 3 years)

Council Meeting	Date

Diagram 1: Who will deliver the HCP?



WIRRAL COUNCIL

CABINET

10TH OCTOBER 2013

SUBJECT:	Proposal to re-commission treatment services for adults who misuse drugs and alcohol
WARD/S AFFECTED:	ALL
REPORT OF:	FIONA JOHNSTONE HEAD OF POLICY, PERFORMANCE AND DIRECTOR OF PUBLIC HEALTH
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR CHRIS MEADEN
KEY DECISION?	YES

1 EXECUTIVE SUMMARY

- 1.1 Drug and alcohol misuse is a complex issue. Whilst the number of people with a serious problem is relatively small, someone's substance misuse and dependency affects everyone around them.
- 1.2 Wirral has acquired a reputation for providing strong drug treatment services, accessible, realistic, non-punitive, and having a degree of flexibility that allowed drug users to move on with their lives.
- 1.3 The Coalition Government's 2010 Drug Strategy placed an increased emphasis on the individual's right to expect treatment to promote their journey towards recovery. This approach balances community benefit with individual aspiration, supported by continued investment and clinical guidance.
- 1.4 The purpose of this report is to seek approval from Cabinet to commence a process to re-commission an Integrated Drug and Alcohol Treatment and Recovery system for Wirral with the aims of:
 - Ensuring clients move through treatment services to recovery as quickly as possible to become a fully functioning member of the community
 - To ensure treatment services are clinically effective

2 BACKGROUND AND KEY ISSUES

2.1 What does the Joint Strategic Needs Assessment tell us?

2.1.1 Drug and alcohol addiction are complex but treatable conditions. Substance misuse goes hand in hand with poor health, homelessness, family breakdowns and offending.

2.1.2 Key statistics

- There are an estimated 306,000 heroin and crack users in England and national prevalence estimates would suggest that 1% of these live in Wirral (n=3059)
- Based on national figures, at least two thirds of those estimated to be using heroin and crack are in contact with treatment services, however local data and intelligence indicates that the proportion of the Wirral problematic drug using population in treatment is much higher than this.
- The majority of clients have been in treatment in Wirral 6 years plus, those in treatment have a long established drug using journey with 1 in every 2 drug user in treatment in Wirral having a 21yr + drug using career
- Those with a long drug using career have the lowest levels of completion rates. Those whose career length is less than 6 years are more likely to succeed.

- Recent work to change the drug treatment system has resulted in Wirral now being twice as effective as its peers in supporting new entrants into treatment onto a successful completion.
- There is no vaccine for hepatitis C or HIV, so early testing and identification is vital, In 2005/06, 38% of drug users were tested for both: by 2012, 72% have been tested for hepatitis C and for HIV
- In England it is estimated that 45% of injectors have Hepatitis C, which is comparatively low compared to other countries (Germany 75%, Sweden 60% and Russia 73%). However, the average for the Northwest is between 65 and 70%. In Wirral this prevalence is estimated to be much lower at between 27 and 30%.
- In 2012, the National Treatment Agency (now part of Public Health England) projected that for every £1 spent on drug treatment services in Wirral, saves £2.50 in costs to society.
- Alcohol was the most significant contributor to the rise in mortality from liver disease and other digestive disorders in 2008-10 and it is a significant contributor to the life expectancy gap locally
- Wirral was ranked 143rd out of 149 local authorities for the level of premature deaths due to liver disease in the recently produced Longer Lives report.
- Over a fifth of Wirral residents binge drink according to estimates using the 2012 Local Alcohol Profile Estimates synthetic estimates.
- In 2011/12, the rates of alcohol related hospital admissions were significantly higher in Wirral for males and females than both the regional and national values.
- During 2011/12, there were 9,241 hospital admissions that were wholly or partly attributable to alcohol consumption in Wirral, a figure which has more than doubled since 2002/03 (n=4276)
- During 2010/11, nearly a quarter of all re-admissions to Arrowe Park Hospital were attributable to alcohol (24.95%)
- In 2010/11, the rate of alcohol-related crime reported by the Local Alcohol Area Profiles for England in Wirral was 4.61 per 1,000 population, significantly lower than the North West (7.17) and England.

2.2 The development of drug treatment services for problematic drug users on Wirral

2.2.1 The harm reduction, treatment and recovery system developed to work with problematic drug users is well established on Wirral. It was born out of the heroin epidemic that gripped the peninsula in the 1980s. This resulted in Wirral Council providing the funding to establish Arch Initiatives (then Merseyside Drugs Council), and Wirral Drug Service being set up with funding from the NHS.

2.2.2 Wirral has acquired a reputation for providing strong drug treatment services, accessible, realistic, non-punitive, and having a degree of flexibility that allowed drug users to move on with their lives. This approach has meant that Wirral has consistently exceeded its annual target for successfully engaging drug users in treatment. An outcome of this approach has been that a high number of opiate users have been effectively engaged and sustained in treatment for a number of years (2,300 in the year, at its highest point, probably representing at the time between 75 and 80% of the opiate using population of Wirral). This has been a highly significant factor in successfully containing the spread of blood borne viruses e.g. H.I.V., Hepatitis B & C and played a major role in bringing about a considerable reduction in the levels of acquisitive crime, making Wirral a much safer and more secure place to live.

2.2.3 The 2010 National Drug Strategy has placed a much greater emphasis on services supporting drug users to come off of their prescribed medication and for the first time introduced key performance indicators focused on increasing the number of people successfully completing

treatment and sustaining their recovery. This has required a fundamental change in the culture and focus of the system and services. The National Treatment Agency ¹judged the local system to be a leader in delivering the new agenda and recent data identifies Wirral as one of the most effective North west areas in terms of moving opiate users successfully through and out of treatment and into a recovery programme.

2.2.4 The result of this investment and work has been that the Wirral system is seen as an area that has dealt with a difficult health, social and criminal justice issue in an effective way and has been highlighted nationally as an example of good practice. However, this has also left Wirral with a relatively very large population of very long term opiate users, a high percentage of whom have been in treatment for over 15 years and present with the problems and challenges that come from their associated lifestyle, including deteriorating physical and mental health and psychological issues of demoralisation, de-motivation and disenfranchisement.

2.3 The development of treatment services for those who misuse alcohol

2.3.1 The development of services to tackle the growing problem of alcohol misuse in society has not received a similar national focus. However, as recognition has grown that problematic alcohol consumption is having an increasingly detrimental effect on the long term health of a significant proportion of the population, and in addition to this is a key factor in a high proportion of violent offences and anti-social behaviour, then new funding has been directed at these issues. An Alcohol harm Reduction Strategy has been developed and implemented, locally the wider Alcohol Harm Reduction programme has been expanded, and services have been developed and improved.

2.3.2 The treatment and recovery elements of this programme have been developed alongside the existing framework for working with people who misuse drugs, utilising the work, learning and other resources that have already been put into the drug programme and consequently securing greater cost effectiveness from the drug investment by opening up many of the services established with drug funding to people seeking support to deal with their alcohol misuse.

2.3.3 Over the last 3 or 4 years much work has been done to look at, and bring about, the integration of Wirral's drug and alcohol treatment systems, with the intention of securing greater operational and cost effectiveness. This has started with the integration of Residential Detoxification and Rehabilitation services and Community Relapse Prevention and Recovery services. The potential for further integration of front line engagement and specialist treatment services is a reason for the proposed recommissioning of drug and alcohol treatment services.

3 CURRENT COMMISSIONED SERVICES AND EXPENDITURE

3.1 The following services are commissioned to treat and support the recovery of local people who misuse drugs:

- Harm reduction services (including needle and syringe exchange, Hepatitis screening and vaccination)
- Drug Related Information and Advice
- Community Based Specialist Treatment Services (including pharmacological and psycho-social interventions)
- Treatment Services supporting the Criminal Justice process
- Residential detox and rehabilitation services
- Relapse Prevention and Recovery services
- Service User Peer Support services and Support for Carers

¹ The National Treatment Agency was the national body tasked with overseeing the delivery of the Government's drug strategy. From the 1st April 2013, it has become part of Public Health England.

- 3.2 The following services are commissioned to treat and support the recovery of local people who misuse alcohol:
- Public Awareness and Social Marketing
 - Prevention (including Identification and Brief Advice)
 - Open access, Crises Management and Community Outreach
 - Specialist treatment and Shared Care (including pharmacological and psycho-social interventions)
 - Alcohol Interventions as part of the Criminal Justice process
 - Residential Detox and Rehab
 - Relapse Prevention and Aftercare
 - Service User Peer Support service and Support for Carers
- 3.3 When decisions were made to respond to the growing problems arising from increasing and problematic alcohol use the maturity and effectiveness of the existing drug treatment programme provided a strong structure against which the previously more limited alcohol services could be developed. As a consequence much of the alcohol programme consists of shared services with the drug programme, funding available for commissioning alcohol treatment services has built on and added capacity to services already in place to work with drug users, providers and projects pooling resources and successfully working with drug and alcohol users together. The elements of the services that continue to be distinct are some of the specialist treatment interventions.
- 3.4 The investment in the drug and alcohol programme for 2013-14 is shown in Table 1 and Table 2 follows:

Table 1: Investment in 2013-14 in the drug misuse programme

Source	Funding
Drug Prescribing	£ 630,000
Drug Misuse Programme	£6,049,800
Total	£6,679,800

Table two: Investment in 2013-14 in the alcohol treatment programme

Source	Funding
Alcohol treatment and harm reduction programme	£2,649,100
Total	£2,649,100

4 RATIONALE FOR RE-COMMISSIONING EXERCISE

- 4.1 The shift in national policy from a focus on maintenance to encouraging recovery and reintegration within society has been a major challenge for the treatment system. Whereas Wirral has had excellent service and performance from its main providers in the past, the national policy shift has required them to make fundamental changes to their service emphasis, approach and operational delivery. There is evidence that there has been some success in making these changes however current performance data shows that the drug system is not yet achieving the nationally set targets. At this time, the rethink of service structure and delivery that a re-commissioning process would involve is one way of achieving the step change that the system needs to take.
- 4.2 The proposed re-commissioning of services will provide an opportunity for commissioners to have a refreshed and clearer view of the funding model, and to discuss delivery of some elements of service on the basis of tariff or payment by results.
- 4.3 Re-commissioning at this time will release the potential for cost savings from a system that has been in receipt of funding uplifts over a number of years. It will offer an opportunity to refocus

the service and improve performance. Further integration of the drug and alcohol services should achieve cost efficiency savings in terms of co-location and a multi skilled workforce, and this should also be extended to apply to co-delivery of other Public Health programmes e.g. smoking cessation.

5 PROPOSED TIMETABLE

- 5.1 It is proposed to commission a new core service for drug and alcohol treatment to be operationally live on the 1st of January 2015. To achieve this deadline the initial preparation, including comprehensive stakeholder consultation, needs assessment, and the scoping of new service specifications, needs to commence by 31st October 2013.

6 RELEVANT RISKS

- 6.1 There is an ageing population of opiate users living on the Wirral, failure to support these individuals to move from a maintenance regime to a recovery system will not optimise the outcomes both for the individuals and local communities. The Council is required to maximise the value for money it achieves for all services.
- 6.2 Failure to support the above in a properly structured and realistic manner, taking into account the behavioural characteristics of long term dependence, could result in an increase in some of the negative impacts of problematic opiate use on the wider community e.g. users returning to acquisitive crime, unsafe injecting leading to an increase in the spread of HIV and Hepatitis, an increase in drug related deaths.

7 OTHER OPTIONS CONSIDERED

- 7.1 The option to continue with current provision was considered however, this would not support innovation and the potential to deliver a more cost effective service.

8 CONSULTATION

- 8.1 Consultation and engagement with key stakeholders is key to the development of a new model for drug and alcohol treatment services. A provisional consultation programme has been developed which will enable completion within the required deadline to inform specification development and the tender exercise.
- 8.2 Consultation on the development of the service specification will take place with Stakeholders via an online questionnaire and workshops. Feedback will be incorporated into the service specification.
- 8.3 As part of the ambition to include in the design of the new service(s) a full commitment to the idea of integrated wellness, invitations to participate in the consultation will include a wider range of service providers currently delivering the extended Health and Wellbeing agenda e.g. stop smoking service, housing benefit advice etc.
- 8.4 Provider development days will be held for those providers interested in tendering for the service facilitated by the procurement team. Feedback from the days will be incorporated into the service specification.
- 8.5 The consultation process will run from 12 weeks upon Cabinet approval.

9 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 9.1 Organisations from the Voluntary, Community and Faith are currently involved with the delivery of elements of provision. The re-tender will present the opportunity for greater involvement.

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

- 10.1 There is currently allocated funding for the services highlighted. The tender exercise would enable a more integrated and cost effective model to be developed. T.U.P.E. may be an issue that will need to be addressed.

11 LEGAL IMPLICATIONS

- 11.1 Required Standing Financial Instructions will be followed. T.U.P.E. may be an issue that will need to be addressed.

12 EQUALITIES IMPLICATIONS

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

- (a) Yes and impact review can be accessed at <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/public-health>

13 CARBON REDUCTION IMPLICATIONS

- 13.1 There are no carbon reduction implications based on the content of this report.

14 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 14.1 There are no planning implications based on the content of this report.

- 14.2 The commissioning of drug and alcohol services has taken place in collaboration with the Criminal Justice Service. There is a need to maintain and develop the drug and alcohol treatment services on Wirral to ensure that there are no adverse effects on acquisitive crime, anti social behaviour and domestic violence. All of the above have a link with the use of illicit drugs and alcohol abuse. Partners from the Criminal Justice System will be consulted during the re-commissioning process.

15 RECOMMENDATION/S

- 15.1 The following recommendations are made:

- Cabinet to authorise officers to commence the re-commissioning process to enable the development of an integrated drug and alcohol treatment service.
- Cabinet to receive a report on the outcomes of the re-commissioning exercise for final decision on the awarding of the contract(s) for an integrated drug and alcohol treatment service.

16 REASON/S FOR RECOMMENDATION/S

- 16.1 The main reason for the recommendation to is to enable the recovery model for drug and alcohol misuse to be further developed and integrated in the borough and to ensure value for money of commissioned services and the delivery of optimum outcomes for individuals and local communities.

17 REPORT AUTHOR:

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18 SUBJECT HISTORY (last 3 years)

Council Meeting	Date

WIRRAL COUNCIL

CABINET

10 OCTOBER 2013

SUBJECT:	<i>PROPOSALS FOR CHANGES TO THE LOCAL FUNDING FORMULA FOR PRIMARY, SECONDARY AND ACADEMY SCHOOLS</i>
WARD/S AFFECTED:	<i>ALL</i>
REPORT OF:	<i>DIRECTOR OF CHILDREN'S SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR TONY SMITH
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report recommends that a number of changes are made to the local funding formula for primary and secondary schools and academies from April 2014.
- 1.2 The proposals have been the subject of a 4 week consultation with schools (which was subsequently extended by a further week) and have been discussed with the Schools' Forum. Changes to Wirral's formula for funding mainstream schools must be submitted to the Education Funding Agency by 31 October 2013.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Schools Funding Formula is the means to allocate budgets to all maintained mainstream school and academies in Wirral. The formula uses a range of prescribed factors such as pupil numbers and deprivation elements to determine an individual budget for each school. The amount allocated in 2013-14 was £181.4m in total. School budgets are funded from the ring-fenced Dedicated Schools Grant.
- 2.2 As part of the current Schools Budget for 2013-14 Cabinet agreed a number of significant changes to the Schools Funding Formula. The DfE required all Local Authorities to remodel their local formula for schools, with the aim of moving towards a national funding system that is "fair, simple and more consistent". The DfE have now reviewed these changes across the country and have introduced further amendments to 2014-15. These will address a number of minor issues that have arisen. Alongside this some local amendments have been proposed.

- 2.3 Wirral's formula for is summarised in the table below.

Table 1 Wirral Schools Formula 2013/14

	PRIMARY £	SECONDARY £	TOTAL £	%
Pupil Entitlement	66,080,843	74,820,449	140,901,293	77.7
Deprivation	11,840,743	8,658,572	20,499,315	11.3
Lump Sum	9,000,000	2,100,000	11,100,000	6.1
Low Cost, High Incidence SEN (LHCI)	4,887,951	3,400,040	8,287,991	4.6
Rates	925,449	511,553	1,437,002	0.8
English As An Additional Language (EAL)	253,800	29,900	283,700	0.2
Looked After Children (LAC)	120,690	103,664	224,354	0.1
Rents	23,000	-	23,000	0.0
Split Site	21,224	-	21,224	0.0
Minimum Funding Guarantee / Cap	38,348	-42,942	-4,593	0.0
De-delegation	-1,133,200	-201,110	-1,334,310	-0.7
FINAL BUDGET ALLOCATION	92,058,849	89,380,127	181,438,976	100.0

2.4 Schools have been consulted on the following elements:

1. Pupil entitlement

This is the largest element within the formula and provides a level of funding for each pupil. Currently these per pupil amounts are Primary £2,729, Secondary Key Stage 3 £3892, Key Stage 4 £5,000. No changes are proposed in this area.

2. Deprivation

This is a mandatory element within the formula allocating funds to schools using both the numbers of free school meals and the Index of Income Deprivation Affecting Children (IDACI). No changes are proposed in this area.

3. Prior Attainment

This element is used as a proxy indicator for low cost, high incidence special education needs in schools. In 2014-15 the basis of this data will change:

- In primary schools the data will take account of children coming into Key Stage 1 who have not achieved the expected level of development in all 12 prime learning goals.
- In secondary schools the data will change to take account of children not achieving a Level 4 in English **or** Maths at Key Stage 2. Previously it was children who did not achieve Level 4 in English **and** Maths.

In both instances this significantly increases the number of children eligible for funding which widens the distribution of SEN funding across schools. There is no proposal to increase the resources in this area, since this would require additional funding or other areas in the formula to be reduced. As a result a number of schools will receive additional or less funding as illustrated in the appendix attached to this report.

4. English as an Additional Language (EAL)

The consultation proposes to use a wider group of children and young people in the formula – those EAL children who have been at school for up to 3 years. This change will better reflect the work of the Minority Ethnic Achievement Service, who support children in school for a number of years dependent on their needs

5. Mobility

This is not currently an element with Wirral's formula. A Mobility factor is a means of providing additional funding for schools that have high numbers of children who arrive during the school year and require additional support. Only those schools who have a mobility rate in excess of 10% may qualify for funding through this element. If introduced 16 out of 90 primary schools would qualify and no secondary schools would be included. However those schools who would be eligible are those currently receiving higher levels of deprivation funding.

The need for introducing another element within the formula has not been proven and is not recommended at this time.

6. Looked After Children

This is intended to reflect costs within schools for teachers attending multi-agency case review meetings. The formula currently allocates £576 for each Looked After Child. The total value within the formula is £225,000. Comparative data shows this is not as high as other local authorities either in the area or nationally. In response to this and the lower levels of attainment of Looked After Children in schools, the consultation paper has suggested increasing this rate, by allocating an additional £225,000, with funding to be top sliced from all other formula elements.

7. Lump sums

All Wirral Schools currently receive a lump sum of £100,000. The DfE will in future allow a maximum lump sum of £175,000 (reduced from £200,000) which can be differentiated between primary and secondary phases.

Changes to this element so soon after last year when all lump sums were equalised is not recommended.

8. Split Sites

This formula element allocates additional funding to schools when pupils are located on more than 1 site and where the distance between sites is greater than 0.3 miles. Only 2 schools currently qualify.

A change is proposed to include schools on 2 sites separated by a road where there are 2 separate administration/reception points. This would include 1 further school.

9. Delegation of Free School Milk

There is an amount of £148,000 delegated to schools in respect of free school milk. This is based on 60% FSM and 40% Pupil Entitlement. In future it is proposed to use FSM only. This change will better reflect costs in schools.

10. Transfer of Funding to High Needs

The consultation has sought views on the transfer of unallocated funding (£300,000) into the High Needs Budget. This amount was previously given to schools with resourced base provision. However following publication of Draft Funding Regulations for 2014 this will no longer be possible. This transfer would enable this funding to continue to be targeted to pupils with high needs.

3.0 CABINET PROPOSALS FOR MAINSTREAM FORUM CHANGES

3.1 The changes that are being proposed to the Funding Formula are:-

- To use revised prior attainment data sets in primary and secondary schools to allocate low cost high incidence SEN funding.
- To allocate funding for English as an Additional Language using data for EAL children who have been in the school system for up to 3 years.
- To increase the funding for Looked After Children.
- To change the split site criteria to include schools on 2 sites with 2 reception and administration areas.
- To delegate free school meals funding based on FSM only.
- To transfer £300,000 funding into the High Needs Budget.

4.0 RELEVANT RISKS

The changes described will assist with the allocation of resources in schools to meet expected needs and to comply with Draft School Finance Regulations

5.0 OTHER OPTIONS CONSIDERED

The options considered by schools and in this report were agreed by the Schools Forum and take account of guidelines from the DfE.

6.0 CONSULTATION

6.1 The DfE published their review of school funding and changes required for 2014-15 in June. Following discussion with the School Forum in July all schools and academies on Wirral have been consulted on the changes proposed in this report. The consultation

was for a 4 week period up to 30 September. At the time of writing this report the consultation has not closed. (The consultation was subsequently extended by a week after discussion with the Cabinet Member) A summary of school responses will be circulated separately.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 The report has implications for the distribution of funding to maintained schools and academies.

8.0 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

8.1 The Funding Formula distributes £181.4m to Wirral schools and academies. With a fixed amount of funding for schools, changes to the formula will result in some schools gaining additional resources, whilst others will have fewer. Transitional protection will be provided both in the form of a cap on overall gains and the continuation of Minimum Funding Guarantee. The impact of these changes had the new funding formula been in place in 2013-14 is shown in the appendix attached.

9.0 LEGAL IMPLICATIONS

9.1 The changes described in this report are consistent with those directed by the Department for Education and are included in the Draft School Finance Regulations 2014 and additional grants conditions for the Dedicated Schools Grant.

10.0 EQUALITIES IMPLICATIONS

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

(a) Yes and impact review can be found via the following link:

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010-0>

11.0 CARBON REDUCTION IMPLICATIONS

11.1 There are none arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising from this report.

13.0 RECOMMENDATION/S

13.1 Cabinet agree to proceed with the proposals described for the mainstream School Funding Formula in 2014-15 taking account of the views of schools.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 To make changes to the Local Funding Formula in accordance with DfE timescales.

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APPENDICES

Appendix 1 – Comparison of School Funding Formula

REFERENCE MATERIAL

DfE School Funding Return: Findings from the Review of 2013-14 Arrangements and Changes for 2014-15

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet Proposals for Changes to the Local Funding Formula for Schools	18 October, 2012
Schools Forum DfE and Local Funding Formula Proposals	3 July, 2013
Schools Funding Formula	10 April, 2013
Mainstream School Funding Consultation and Funding Pupils with High Needs	25 September, 2012
Consultation Papers – changes to the Local Funding Formula and Funding High Needs Pupils	3 July, 2012
Analysis from consultation on School Funding Return	28 March, 2012

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PRIMARY	£	253,800	£	120,690	£	4,887,951	£	168,700	£	253,802	£	123,909	-£	1,955	£	4,887,949	£	168,700
SECONDARY	£	29,900	£	103,664	£	3,400,040	£	30,000	£	29,900	£	100,447	£	715	£	3,400,026	£	30,000
ALL	£	283,700	£	224,354	£	8,287,991	£	198,700	£	283,702	£	224,355	-£	1,240	£	8,287,975	£	198,700
UNIT VALUE - PRI	£	1,348.25	£	575.53	£	944.10	£	4.71	£	521.23	£	532.62	£	1,065.24	£	944.10	£	31.60
UNIT VALUE - SEC	£	772.94	£	575.53	£	2,367.26	£	9.28	£	363.24	£	532.62	£	1,065.24	£	910.09	£	9.28

		Original 2013-14 Budget Allocation				Revised 2013-14 Allocation with changes					Difference in Budget Allocation					
DfE	School	£ EAL 1 year	£ LAC for at least 6 months	£ SEN Prior Attainment	£ Milk	£ EAL 3 years	£ LAC - any day in last 12 months	£ Double LAC less top slice (Net)	£ SEN Prior Attainment	£ Milk	£ EAL	£ LAC	£ Double LAC less top slice (Net)	£ SEN Prior Attainment	£ Milk	£ TOTAL
2000	Bedford Drive Primary	4,828	2,209	105,881	2,678	5,599	3,067	2,591	98,254	2,916	771	858	2,591	-7,627	237	-3,170
2001	Bidston Village CE Primary	1,488	3,410	92,943	3,016	1,150	3,155	5,119	78,441	3,936	-337	-254	5,119	-14,502	918	-9,056
2021	Woodlands Primary	30,150	4,823	120,199	3,233	29,446	4,464	1,261	103,826	4,060	-703	-360	1,261	-16,373	826	-15,350
2048	Devonshire Park Primary	6,143	5,033	76,142	2,166	5,343	4,658	5,185	65,359	2,012	-800	-375	5,185	-10,783	-155	-6,927
2100	New Brighton Primary	6,247	4,147	111,431	3,480	4,227	3,838	-1,789	116,938	3,524	-2,021	-309	-1,789	5,506	42	1,429
2101	Mount Primary	0	1,198	62,578	1,694	617	1,108	-130	51,347	1,268	617	-89	-130	-11,231	-428	-11,261
2102	Liscard Primary	4,742	7,041	103,004	4,503	3,666	6,516	4,223	102,968	4,597	-1,075	-525	4,223	-36	92	2,678
2104	St. George's Primary	6,359	1,169	146,063	3,606	5,532	1,082	632	155,001	2,434	-828	-87	632	8,938	-1,175	7,480
2107	Riverside Primary	3,040	527	47,460	2,744	2,938	2,928	1,497	40,732	3,709	-102	2,401	1,497	-6,729	965	-1,968
2108	Kingsway Primary	1,535	526	20,183	965	1,187	487	2,888	14,984	1,264	-348	-39	2,888	-5,199	299	-2,399
2110	Park Primary	4,742	3,165	101,113	2,977	3,055	2,929	4,765	91,616	3,224	-1,687	-236	4,765	-9,497	246	-6,409
2111	Somerville Primary	0	2,934	156,622	4,794	1,843	2,715	10,473	129,842	5,815	1,843	-219	10,473	-26,780	1,020	-13,662
2112	Eastway Primary	0	1,036	59,305	1,761	567	959	-3,405	52,892	2,182	567	-77	-3,405	-6,412	421	-8,908
2115	Castleway Primary	0	0	46,177	1,684	0	0	1,303	38,033	2,165	0	0	1,303	-8,144	481	-6,360
2116	Sandbrook Primary	1,625	0	45,185	1,225	628	0	-3,417	48,192	1,359	-996	0	-3,417	3,007	133	-1,273
2117	Greenleas Primary	3,144	1,737	26,662	1,507	1,823	1,608	2,992	32,395	1,011	-1,321	-130	2,992	5,733	-497	6,778
2118	Lingham Primary	6,781	0	83,264	2,079	2,622	0	-6,066	83,380	2,285	-4,160	0	-6,066	116	205	-9,905
2200	Stanton Road Primary	1,604	0	61,122	1,243	1,240	0	-1,094	54,621	790	-364	0	-1,094	-6,500	-454	-8,412
2201	Wadislee Primary	3,049	1,715	78,117	1,890	1,768	1,587	-8,005	73,692	1,785	-1,281	-128	-8,005	-4,425	-107	-13,945
2203	Manor Bebington Junior	0	0	24,403	1,365	521	0	-160	20,776	695	521	0	-160	-3,627	-671	-3,936
2204	Town Lane Infant	4,036	571	36,743	950	2,341	528	-795	46,916	478	-1,696	-43	-795	10,174	-473	7,167
2205	Edgemoor Street Primary	3,149	3,615	104,399	4,001	1,826	5,018	-6,629	102,614	5,215	-1,323	1,403	-6,629	-1,785	1,212	-7,122
2210	Brackenwood Junior	0	581	25,546	1,305	521	537	3,352	19,179	1,106	521	-43	3,352	-6,368	-199	-2,737
2212	Newton Hough Primary	0	0	21,130	579	617	0	-2,744	25,664	190	617	0	-2,744	4,533	-390	2,017
2214	Mendell Primary	0	640	35,498	1,586	620	593	-1,480	34,669	1,770	620	-48	-1,480	-829	183	-1,554
2215	Brookhurst Primary	0	0	14,044	728	0	0	-394	15,842	284	0	0	-394	1,797	-444	960
2217	Naseburn Primary	1,580	1,749	35,901	1,577	611	1,619	2,659	38,190	853	-969	-130	2,659	2,288	-725	3,123
2218	Brackenwood Infants	2,022	0	15,578	797	782	0	-938	27,763	506	-1,241	0	-938	12,186	-292	9,716
2220	Greasby Infants	0	572	5,697	610	1,573	530	-280	10,385	190	1,573	-43	-280	4,689	-421	5,518
2221	West Kirby Primary	3,134	573	46,809	1,288	3,029	531	-4,454	47,292	917	-1,05	-43	-4,454	483	-373	-4,492
2224	Irby Primary	1,593	0	11,749	999	1,232	0	-286	28,093	699	-361	0	-286	16,344	-301	15,395
2225	Greasby Junior	0	1,161	41,038	853	1,042	1,074	21,421	32,064	284	1,042	-87	21,421	-8,974	-570	12,833
2226	Black Horse Hill Infants	1,930	592	14,721	748	746	548	-229	18,202	569	-1,184	-44	-229	3,481	-180	1,845
2227	Brookdale Primary	0	0	18,546	1,014	603	0	-2,723	25,157	664	603	0	-2,723	6,611	-351	4,140
2229	Barnston Primary	0	1,821	17,645	964	2,511	1,685	-1,100	26,725	348	2,511	-136	-1,100	9,080	-617	9,738
2231	Poultton Lancelyn Primary	3,161	1,160	46,019	1,459	2,444	1,073	505	48,716	537	-717	-86	505	2,697	-923	1,475
2232	Black Horse Hill Junior	0	529	8,179	795	0	490	5,334	6,702	632	0	-39	5,334	-1,477	-163	3,655
2234	Great Meols Primary	1,581	578	77,686	1,422	2,444	535	-8,864	70,874	474	864	-43	-8,864	-6,812	-949	-15,804
2238	Gayton Primary	1,563	570	8,795	627	1,209	528	-1,025	17,992	32	-355	-43	-1,025	9,197	-596	7,179
2244	Egremont Primary	12,747	4,604	109,863	3,647	11,704	4,261	-3,586	109,935	4,629	-1,043	-343	-3,586	72	981	-3,920
2249	Portland Primary	9,540	1,845	27,479	2,384	6,762	1,708	2,829	27,521	3,179	-2,778	-138	2,829	41	794	748
2250	Heswall Primary	1,529	576	17,001	909	1,182	533	-3,027	21,837	572	-347	-43	-3,027	4,836	-338	1,081
2252	Fender Primary	0	520	86,048	2,138	0	481	-253	72,254	2,694	0	-39	-253	-13,794	556	-13,531
2254	Manor Primary	0	1,667	35,246	993	635	1,543	-3,805	36,144	1,264	635	-124	-3,805	898	271	-2,126
2255	Mersey Park Primary	3,203	600	160,658	3,789	3,715	555	1,692	131,986	4,583	512	-45	1,692	-28,672	792	-25,721
2256	Overchurch Infants	2,030	0	21,321	1,402	1,569	0	-1,532	45,670	1,079	-460	0	-1,532	24,349	-325	22,032
2258	Rock Ferry Primary	7,459	3,425	100,944	2,784	8,651	4,226	1,960	80,592	3,529	1,192	801	1,960	-20,352	745	-15,655
2260	Woodchurch Road Primary	3,156	2,278	91,719	3,924	1,220	2,108	5,415	91,997	4,371	-1,936	-170	5,415	278	445	4,032
2261	Cathcart Street Primary	1,656	3,042	74,102	2,494	640	3,378	-322	59,668	3,382	-1,016	336	-322	-14,434	887	-14,549
2263	Well Lane Primary	0	1,802	57,811	2,497	1,890	2,223	2,699	60,139	3,382	1,890	421	2,699	2,329	884	8,223
2264	Thingwall Primary	6,272	590	22,800	1,015	3,637	546	-466	31,162	730	-2,635	-44	-466	8,362	-285	4,932
2266	Church Drive Primary	3,189	0	43,355	2,048	3,082	0	592	55,848	2,149	-107	0	592	12,493	101	13,079
2268	Leasowe Primary	0	0	33,257	2,388	585	0	-2,588	38,357	3,255	585	0	-2,588	5,101	867	3,964

		Original 2013-14 Budget Allocation				Revised 2013-14 Allocation with changes					Difference in Budget Allocation					
DfE	School	£ EAL 1 year	£ LAC for at least 6 months	£ SEN Prior Attainment	£ Milk	£ EAL 3 years	£ LAC - any day in last 12 months	£ Double LAC less top slice (Net)	£ SEN Prior Attainment	£ Milk	£ EAL	£ LAC	£ Double LAC less top slice (Net)	£ SEN Prior Attainment	£ Milk	£ TOTAL
2270	Overchurch Junior	0	577	27,958	1,844	521	534	8,811	21,965	1,517	521	-43	8,811	-5,993	-328	2,969
2274	Heygarth Primary	0	0	75,353	1,324	0	0	-3,286	69,807	948	0	0	-3,286	-5,547	-377	-9,210
2275	Bidston Avenue Primary	0	3,462	70,246	3,294	1,221	3,204	-5,456	83,743	3,580	1,221	-258	-5,456	13,497	285	9,289
2278	Townfield Primary	4,630	0	56,275	2,175	1,790	0	5,123	59,394	1,679	-2,840	0	5,123	3,120	-498	4,905
2279	Hillside Primary	1,629	1,199	34,352	1,643	3,148	2,219	914	42,840	2,036	1,520	1,020	914	8,488	393	12,335
3009	St. Bridget's CE Primary	1,580	1,165	20,413	1,348	2,443	1,078	-1,975	38,398	348	863	-87	-1,975	17,985	-1,002	15,784
3010	Hoylake Holy Trinity CE Primary	0	0	44,133	1,351	0	0	-754	46,036	1,174	0	0	-754	1,902	-178	971
3011	Christ Church CE Primary (Birkenhead)	8,192	2,339	38,964	2,640	6,967	2,705	5,567	55,419	3,508	-1,225	367	5,567	16,455	867	22,032
3300	St. Saviour's CE Primary	0	1,137	8,211	954	0	1,052	-2,972	22,519	442	0	-85	-2,972	14,308	-512	10,739
3304	Woodchurch CE Aided Primary	0	0	71,304	1,747	611	0	-636	61,332	1,960	611	0	-636	-9,972	212	-9,786
3321	St. Joseph's Catholic Primary (Upton)	9,563	2,280	72,815	1,571	6,778	2,110	3,097	63,816	1,201	-2,785	-170	3,097	-8,999	-371	-9,227
3322	St. Peter's Catholic Primary (Birkenhead)	1,680	1,246	70,665	1,354	5,196	1,153	-5,965	69,486	1,527	3,516	-93	-5,965	-1,179	173	-3,549
3324	St. Paul's Catholic Primary	0	1,164	28,952	1,129	0	1,077	-49	24,388	1,454	0	-87	-49	-4,564	325	-4,375
3330	Ss. Peter and Paul Catholic Primary	1,601	588	19,569	1,610	619	1,088	-920	22,343	1,359	-982	500	-920	2,774	-252	1,121
3331	St. Alban's Catholic Primary	3,165	1,713	73,363	2,514	3,671	1,586	4	65,619	2,402	506	-128	4	-7,743	-114	-7,475
3333	St. Joseph's Catholic Primary (Wallasey)	4,897	3,548	56,394	2,872	4,418	4,378	4,237	55,407	3,746	-480	830	4,237	-987	873	4,474
3335	Sacred Heart Catholic Primary	0	1,203	53,215	2,188	4,411	1,113	1,881	59,621	2,034	4,411	-90	1,881	6,407	-154	12,455
3337	Christchurch CE Primary (Moreton)	0	0	94,929	1,962	0	0	-6,664	96,274	1,585	0	0	-6,664	1,346	-379	-5,698
3350	St. Andrew's CE Primary	6,341	0	36,137	958	3,064	545	-1,709	43,437	603	-3,277	545	-1,709	7,300	-356	2,504
3351	Dawpool CE Primary	0	0	13,582	729	606	0	-5,166	24,117	221	606	0	-5,166	10,534	-509	5,466
3352	St. Peter's CE Aided Primary (Heswall)	0	0	20,078	927	600	0	-4,181	20,795	63	600	0	-4,181	717	-865	-3,729
3360	St. John's Catholic Junior	0	0	61,064	1,309	3,127	0	-676	47,711	1,043	3,127	0	-676	-13,354	-266	-11,169
3361	Christ the King Catholic Primary	1,587	0	69,094	1,454	1,840	0	-2,775	60,929	537	254	0	-2,775	-8,164	-918	-11,604
3362	St. John's Catholic Infant	6,034	0	15,493	1,000	5,443	508	-493	20,883	822	-591	508	-493	5,391	-179	4,635
3363	Holy Spirit Catholic & CE Primary	0	2,302	63,941	1,610	2,485	2,130	-1,513	46,940	1,991	2,485	-172	-1,513	-17,001	381	-15,821
3364	Our Lady of Pity Catholic Primary	3,161	1,168	25,110	1,594	3,666	1,081	-4,596	40,649	697	505	-87	-4,596	15,539	-899	10,463
3365	St. Marymount Catholic Primary	1,560	1,090	28,059	1,152	1,810	1,009	-6,579	44,475	759	249	-81	-6,579	16,416	-394	9,611
3366	St. Mary's Priory Parish CE Primary	0	0	48,216	2,318	617	0	2,064	52,352	2,939	617	0	2,064	4,136	620	7,437
3367	Our Lady and St Edward's Catholic Primary	1,571	3,643	137,987	4,050	2,430	3,372	-6,823	117,294	5,148	859	-272	-6,823	-20,694	1,096	-25,833
3368	Holy Cross Catholic Primary	3,076	2,710	68,506	2,500	2,973	2,508	4,528	58,190	3,413	-103	-202	4,528	-10,316	913	-5,180
3369	St. Anne's Catholic Primary	1,598	1,256	37,689	1,995	3,089	1,162	-537	52,539	2,434	1,491	-94	-537	14,850	438	16,148
3371	St. Michael & All Angels Catholic Primary	6,335	4,879	83,089	2,166	6,123	5,080	-381	78,084	2,704	-212	201	-381	-5,005	537	-4,860
3372	St. Werburgh's Catholic Primary	12,887	0	28,125	1,726	17,438	0	8,191	32,412	2,023	4,550	0	8,191	4,287	296	17,324
3373	St. Joseph's Catholic Primary (B'head)	11,033	2,913	44,448	1,726	9,140	2,696	-2,809	59,149	948	-1,893	-217	-2,809	14,701	-779	9,002
3374	Prenton Primary	0	573	40,190	1,908	2,462	530	4,769	64,955	1,359	2,462	-43	4,769	24,765	-550	31,402
3375	Millfields CE Primary	1,671	0	59,627	1,506	1,292	0	4,231	51,411	1,814	-379	0	4,231	-8,216	307	-4,057
3376	Pensby Primary	0	2,204	55,222	1,229	605	2,040	-8,254	53,780	1,106	605	-164	-8,254	-1,442	-124	-9,380
4010	Prenton High School for Girls	1,546	4,040	184,525	1,383	2,179	3,739	-481	166,609	1,383	634	-301	-481	-17,916	0	-18,065
4012	Woodchurch High School	765	14,527	404,817	3,011	719	13,444	5,443	373,962	3,011	-46	-1,083	5,443	-30,855	0	-26,541
4018	Ridgeway High School	773	6,233	195,756	1,903	1,816	5,768	1,808	198,511	1,903	1,043	-465	1,808	2,755	0	5,142
4052	Wirral Grammar School for Girls	0	1,194	0	260	1,090	1,105	-3,168	0	260	1,090	-89	-3,168	0	0	-2,167
4056	West Kirby Grammar School for Girls	773	0	0	213	1,816	0	-4,288	1,029	213	1,043	0	-4,288	1,029	0	-2,215
4057	Pensby High School for Boys	773	0	68,593	353	1,453	0	-2,201	73,265	353	680	0	-2,201	4,671	0	3,151
4058	Pensby High School for Girls	773	2,777	63,858	640	1,453	2,570	-502	99,145	640	680	-207	-502	35,287	0	35,258
4060	Hilbre High School	761	5,529	182,467	932	1,073	5,629	786	218,900	932	312	99	786	36,434	0	37,631
4066	Mosslands School	0	6,179	126,516	1,374	0	6,195	1,828	164,959	1,374	0	16	1,828	38,442	0	40,286
4067	Oldershaw School	0	4,382	208,139	2,350	1,065	4,055	152	194,873	2,350	1,065	-327	152	-13,266	0	-12,375
4069	Weatherhead School	0	12,312	194,206	1,995	2,179	11,394	4,776	235,690	1,995	2,179	-918	4,776	41,484	0	47,522
4070	Bebington High School	748	5,187	261,488	2,129	703	4,800	229	246,634	2,129	-45	-387	229	-14,854	0	-15,056
4071	South Wirral High School	0	4,345	216,295	1,244	1,090	4,021	-1,277	223,302	1,244	1,090	-324	-1,277	7,007	0	6,496
4073	Wallasey School	740	2,467	246,583	1,910	1,043	2,283	-1,633	195,826	1,910	303	-184	-1,633	-50,756	0	-52,270
4605	St. John Plessington Catholic College	3,092	9,295	330,045	2,116	2,906	10,215	3,320	331,279	2,116	-186	920	3,320	1,234	0	5,288
4611	St. Mary's RC College	773	12,040	377,092	3,425	2,543	11,673	3,592	376,220	3,425	1,770	-367	3,592	-872	0	4,123
4798	University Academy of Birkenhead	4,471	11,430	336,814	3,659	3,502	11,958	6,522	295,629	3,659	-969	528	6,522	-41,185	0	-35,105
5400	Calday Grange Grammar School	1,546	575	0	195	2,906	532	-4,103	1,039	195	1,360	-43	-4,103	1,039	0	-1,746
5401	Wirral Grammar School for Boys	0	580	0	251	363	537	-3,454	964	251	363	-43	-3,454	964	0	-2,169
5900	St. Anselm's College	12,367	0	2,847	325	0	0	-3,465	2,189	325	-12,367	0	-3,465	-658	0	-16,490
5901	Upton Hall School	0	572	0	334	0	530	-3,169	0	334	0	-43	-3,169	0	0	-3,212

NOTES:

Double LAC (Net) shows the net gain or loss, if the LAC rate was doubled. To fund this extra allocation, each element would be top sliced to fund the extra £224,354, resulting in a reduction of allocation in other elements.

PRIMARY	£	93,154,881	£	35,323	-£	1,150,852	£	92,039,352
SECONDARY	£	89,621,662	-£	34,617	-£	205,057	£	89,381,988
ALL	£	182,776,543	£	706	-£	1,355,908	£	181,421,340

UNIT VALUE - PRI

UNIT VALUE - SEC

DfE	School	£ NEW FORMULA BUDGET ALLOCATION	£ MFG/Cap	De-Delegation	£ FINAL ALLOCATION	£ CHANGE IN FINAL ALLOCATION
2000	Bedford Drive Primary	1,345,805	13,885	-18,500	1,341,190	238
2001	Bidston Village CE Primary	1,131,267	0	-10,555	1,120,712	-8,873
2021	Woodlands Primary	1,352,073	-22,392	-40,893	1,288,788	260
2048	Devonshire Park Primary	1,281,038	0	-18,037	1,263,001	-6,265
2100	New Brighton Primary	1,812,525	-13,765	-22,632	1,776,128	-763
2101	Mount Primary	1,181,535	0	-12,706	1,168,829	-11,927
2102	Liscard Primary	2,269,912	0	-26,509	2,243,404	3,366
2104	St. George's Primary	2,572,118	-82,762	-33,930	2,455,426	-2,306
2107	Riverside Primary	924,172	2,880	-10,021	917,031	956
2108	Kingsway Primary	419,057	17,515	-4,020	432,551	299
2110	Park Primary	1,469,087	0	-17,275	1,451,812	-4,997
2111	Somerville Primary	1,959,383	-74,030	-20,084	1,865,270	170
2112	Eastway Primary	752,669	16,947	-6,906	762,710	421
2115	Castleway Primary	674,527	34,585	-5,386	703,726	481
2116	Sandbrook Primary	647,843	12,059	-6,355	653,547	134
2117	Greenleas Primary	1,098,707	-10,753	-13,228	1,074,726	-965
2118	Lingham Primary	1,048,134	0	-12,511	1,035,623	-5,973
2200	Stanton Road Primary	969,978	-18,957	-11,384	939,637	-857
2201	Woodslee Primary	1,109,092	-29,657	-12,748	1,066,687	-567
2203	St. Peter's Bevington Junior	1,117,550	-18,535	-12,261	1,086,754	-1,141
2204	St. John's Lane Infant	845,193	0	-11,067	834,126	8,568
2205	St. Peter's Street Primary	1,439,657	0	-14,089	1,425,568	-5,990
2210	Brackenwood Junior	833,552	0	-8,633	824,920	-3,311
2212	St. Martin's Hough Primary	599,181	0	-6,583	592,598	1,282
2214	St. Andrew's Primary	773,404	0	-7,543	765,861	-2,272
2215	Brookhurst Primary	690,202	-651	-6,952	682,599	220
2217	Leaburn Primary	1,254,920	-13,705	-14,067	1,227,148	-1,266
2218	Brackenwood Infants	655,205	9,676	-7,165	657,716	-291
2220	Greasby Infants	620,078	18,529	-7,688	630,920	-420
2221	West Kirby Primary	944,825	-16,855	-12,630	915,340	-761
2224	Irby Primary	750,596	0	-8,678	741,918	15,437
2225	Greasby Junior	856,100	-48,643	-10,101	797,356	-902
2226	Black Horse Hill Infants	563,119	0	-5,944	557,175	1,847
2227	Brookdale Primary	779,990	0	-8,394	771,596	3,390
2229	Barnston Primary	907,013	-11,334	-11,977	883,702	-991
2231	Poulton Lancelyn Primary	1,322,584	-54,655	-16,895	1,251,034	-1,473
2232	Black Horse Hill Junior	572,558	0	-5,206	567,352	3,558
2234	Great Meols Primary	1,326,350	-28,944	-17,108	1,280,297	-1,514
2238	Gayton Primary	725,515	0	-8,763	716,752	7,362
2244	Egremont Primary	1,417,098	17,960	-24,078	1,410,979	982
2249	Portland Primary	846,440	14,289	-13,137	847,591	795
2250	Heswall Primary	721,099	347	-8,298	713,148	-337
2252	Fender Primary	884,795	12,294	-7,580	889,508	-1,330
2254	Manor Primary	466,851	1,570	-4,021	464,400	-1,253
2255	Mersey Park Primary	1,615,535	0	-18,632	1,596,903	-26,401
2256	Overchurch Infants	973,018	6,940	-11,411	968,547	-324
2258	Rock Ferry Primary	1,116,086	15,018	-18,131	1,112,972	-1,848
2260	Woodchurch Road Primary	1,809,611	-37,824	-18,649	1,753,138	-349
2261	Cathcart Street Primary	872,072	62,984	-7,340	927,716	887
2263	Well Lane Primary	863,914	8,509	-8,700	863,723	884
2264	Thingwall Primary	755,435	-5,029	-11,090	739,317	2,320
2266	Church Drive Primary	1,085,254	-5,854	-13,225	1,066,175	6,937
2268	Leasowe Primary	809,743	2,683	-6,580	805,846	867

DfE	School	£ NEW FORMULA BUDGET ALLOCATION	£ MFG/Cap	De-Delegation	£ FINAL ALLOCATION	£ CHANGE IN FINAL ALLOCATION
2270	Overchurch Junior	1,166,104	-16,166	-12,302	1,137,636	-825
2274	Heygarth Primary	983,676	0	-10,198	973,478	-9,359
2275	Bidston Avenue Primary	1,581,185	0	-16,398	1,564,787	7,700
2278	Townfield Primary	1,437,645	-7,762	-16,945	1,412,938	-386
2279	Hillside Primary	715,855	41,474	-8,996	748,334	394
3009	St. Bridget's CE Primary	1,288,235	-15,895	-16,706	1,255,634	-1,320
3010	Hoylake Holy Trinity CE Primary	862,716	0	-8,562	854,154	774
3011	Christ Church CE Primary (Birkenhead)	947,180	6,929	-14,549	939,560	868
3300	St. Saviour's CE Primary	823,742	0	-8,582	815,161	10,524
3304	Woodchurch CE Aided Primary	865,251	-33,806	-8,571	822,875	-140
3321	St. Joseph's Catholic Primary (Upton)	1,097,681	-32,937	-18,101	1,046,643	-831
3322	St. Peter's Catholic Primary (Birkenhead)	711,673	72,229	-11,553	772,349	173
3324	St. Paul's Catholic Primary	485,270	89,927	-3,543	571,654	325
3330	Ss. Peter and Paul Catholic Primary	990,271	4,496	-10,557	984,210	-251
3331	St. Alban's Catholic Primary	1,388,640	-16,964	-17,728	1,353,948	-724
3333	St. Joseph's Catholic Primary (Wallasey)	1,046,380	8,600	-13,033	1,041,946	874
3335	Sacred Heart Catholic Primary	1,255,813	-34,541	-17,118	1,204,154	-692
3337	Christchurch CE Primary (Moreton)	1,288,744	-55,970	-13,689	1,219,085	-924
3350	St. Andrew's CE Primary	774,634	-6,034	-10,924	757,676	-483
3351	Dawpool CE Primary	716,341	0	-8,079	708,262	4,708
3352	St. Peter's CE Aided Primary (Heswall)	990,946	0	-11,533	979,413	-4,367
3360	St. John's Catholic Junior	895,997	0	-12,146	883,852	-11,807
3361	Christ the King Catholic Primary	1,309,876	-27,022	-16,388	1,266,466	-1,486
3362	St. John's Catholic Infant	684,858	5,344	-11,900	678,303	-179
3363	Holy Spirit Catholic & CE Primary	698,218	100,248	-8,292	790,174	381
3364	Our Lady of Pity Catholic Primary	1,342,400	-2,100	-18,379	1,321,921	7,576
3365	Lloydmount Catholic Primary	867,768	-10,413	-10,811	846,544	-758
3366	St. Mary's Priory Parish CE Primary	918,260	0	-8,334	909,926	6,526
3367	Our Lady and St Edward's Catholic Primary	1,539,453	21,679	-16,020	1,545,112	-5,041
3368	Holy Cross Catholic Primary	854,444	0	-9,578	844,866	-5,207
3369	St. Anne's Catholic Primary	853,471	36,711	-10,483	879,699	438
3371	St. Michael & All Angels Catholic Primary	909,748	64,690	-13,989	960,449	538
3372	St. Werburgh's Catholic Primary	824,165	44,618	-24,372	844,412	296
3373	St. Joseph's Catholic Primary (B'head)	1,384,089	-5,091	-23,940	1,355,058	5,462
3374	Prenton Primary	1,348,182	0	-16,773	1,331,410	21,431
3375	Millfields CE Primary	698,483	28,756	-7,323	719,916	307
3376	Pensby Primary	774,021	0	-8,164	765,856	-10,009
4010	Prenton High School for Girls	3,828,687	0	0	3,828,687	-18,065
4012	Woodchurch High School	7,239,782	-45,936	0	7,193,846	-4,168
4018	Ridgeway High School	3,624,481	44,045	-23,020	3,645,506	667
4052	Wirral Grammar School for Girls	3,801,866	0	0	3,801,866	-2,167
4056	West Kirby Grammar School for Girls	3,815,500	-38,578	0	3,776,922	-715
4057	Pensby High School for Boys	2,049,555	11,914	-12,705	2,048,764	451
4058	Pensby High School for Girls	2,847,435	-18,299	-18,112	2,811,024	15,848
4060	Hillbre High School	4,304,446	-80,064	0	4,224,382	-876
4066	Mosslands School	3,998,533	0	-24,594	3,973,940	39,004
4067	Oldershaw School	3,488,086	0	0	3,488,086	-12,375
4069	Weatherhead School	5,840,769	0	0	5,840,769	47,522
4070	Bebington High School	4,095,279	0	-26,572	4,068,707	-15,153
4071	South Wirral High School	4,565,668	-46,587	-30,542	4,488,539	-1,576
4073	Wallasey School	3,702,243	0	-22,650	3,679,593	-2,008
4605	St. John Plessington Catholic College	6,192,209	0	0	6,192,209	5,288
4611	St. Mary's RC College	7,203,985	-50,457	-46,860	7,106,668	-2,429
4798	University Academy of Birkenhead	4,932,193	0	0	4,932,193	-35,105
5400	Calday Grange Grammar School	4,123,021	58,792	0	4,181,813	1,383
5401	Wirral Grammar School for Boys	3,548,612	-5,562	0	3,543,049	-1,284
5900	St. Anselm's College	3,109,492	87,797	0	3,197,289	-12,382
5901	Upton Hall School	3,309,819	48,317	0	3,358,137	0

NOTES:
 Double LAC (Net) shows the net gain or loss, if the LAC ra

13/14 SCHOOLS FORMULA ALLOCATION WITH REVISED HIGH NEEDS FUNDING

PRIMARY	103	396,138	162	625,842	229,705
SECONDARY	122	691,118	135	765,333	74,216
TOTAL	225	1,087,255	297	1,391,176	303,920

DFE	NAME	2013/14 METHODOLOGY		2014/15 METHODOLOGY		DIFFERENCE £
		OCT 12 EIB PUPILS	EIB PUPIL £	OCT 12 PLACES	EIB PUPIL £	
2,001	Bidston Village CE Primary School	18	78,593	24	104,791	26,198
2,048	Devonshire Park Primary School	18	61,385	26	88,667	27,282
2,100	New Brighton Primary School	11	37,934	22	75,868	37,934
2,107	Riverside Primary School	1	4,369	8	34,956	30,586
2,112	Eastway Primary School	15	60,014	16	64,015	4,001
2,201	Woodslee Primary School	9	30,690	8	27,280	-3,410
2,252	Fender Primary School	17	71,547	16	67,339	-4,209
2,258	Rock Ferry Primary School	5	21,321	12	51,170	29,849
2,278	Townfield Primary School	7	21,929	12	37,592	15,664
3,366	The Priory Parish CE Primary School	0	0	10	40,745	40,745
3,371	St. Michael & All Angels Catholic Primary School	2	8,355	8	33,420	25,065
4,012	Woodchurch High School	15	79,098	15	79,098	0
4,060	Hilbre High School	13	63,207	15	72,931	9,724
4,067	Oldershaw School	13	76,964	20	118,406	41,442
4,070	Bebington High School	24	133,678	25	139,248	5,570
4,073	Wallasey School	28	157,486	30	168,735	11,249
4,798	University Academy of Birkenhead	29	180,684	30	186,915	6,230

NOTES

October 2012 EIB pupils includes only statemented pupils from October 2012 School Census

Unit value per pupil calculated from 2013/14 formula allocation, less rates and lump sum divided by the adjusted pupils on roll

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

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