



Cabinet

Date:	Thursday, 16 January 2014
Time:	6.15 pm
Venue:	Committee Room 1 - Wallasey Town Hall

Contact Officer: Andrew Mossop
Tel: 0151 691 8501
e-mail: andrewmossop@wirral.gov.uk
Website: <http://www.wirral.gov.uk>

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. FINANCIAL MONITORING 2013/14 (MONTH 8) (Pages 1 - 60)
4. COLLECTION FUND 2013/14 (Pages 61 - 66)
5. DEBT WRITE OFFS (ADULT SOCIAL SERVICES AND HOUSING BENEFITS) (Pages 67 - 78)
6. BUDGET COUNCIL PROCEDURE (Pages 79 - 88)

CENTRAL AND SUPPORT SERVICES

7. SYLVANDALE, SPITAL ROAD, BROMBOROUGH (Pages 89 - 94)

8. **SITE OF FORMER LINGHAM PRIMARY INFANTS BUILDING, TOWN MEADOW LANE, MORETON (Pages 95 - 100)**

HIGHWAYS AND TRANSPORTATION

9. **HIGHWAY MAINTENANCE FUNDING AND STRUCTURAL MAINTENANCE PROGRAMME 2014/15 (Pages 101 - 118)**

ADULT SOCIAL CARE

10. **EXTRA CARE HOUSING - STRATEGIC DELIVERY PARTNERS (Pages 119 - 124)**
11. **REVIEW OF MENTAL HEALTH SERVICES (Pages 125 - 132)**

CHILDREN AND FAMILY SERVICES

12. **PROPOSAL FOR CHANGES TO THE EARLY YEARS SINGLE FUNDING FORMULA (Pages 133 - 138)**
13. **PROPOSALS FOR CHANGES TO SCHOOL TOP UP PAYMENTS FOR STUDENTS WITH HIGH NEEDS (Pages 139 - 150)**
14. **REPORT SEEKING APPROVAL TO CONSULT ON THE CLOSURE OF THE LYNDAL SCHOOL (Pages 151 - 160)**
15. **ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)**

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

16. **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.

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

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

WIRRAL COUNCIL

CABINET

16 JANUARY 2014

SUBJECT	FINANCIAL MONITORING 2013/14 MONTH 8 (NOVEMBER 2013)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report details the Monitoring position for Month 8 (ending 30 November 2013). There are separate appendices for Revenue and Capital.

2 RECOMMENDATIONS

2.1 Revenue:

Cabinet is asked to note:-

- a) at Month 8 (November 2013), the full year forecast projects a General Fund under spend of £884,000. Cabinet previously agreed for the earmarking of the M7 £519,000 forecast underspend against future Council restructuring costs.

Cabinet is asked to agree:-

- a) the use of up to £250,000 of General Fund Balances to fund additional costs to the Council of the clean up and repairs to infrastructure from the recent exceptional weather events as outlined in paragraph 6.3 of Appendix A and the appropriate replenishment of General Fund Balances from any increased forecast underspend.

2.2 Capital

Cabinet is asked to note:-

- a) the spend to date at Month 8 of £16.1 million, with 66.6% of the financial year having elapsed.

Cabinet is asked to agree:

- a) the revised Capital Programme of £40.7 million (Table 1 at 4.1);
b) the re-profiling of a number of schemes into 2014/15, totalling £2.955 million,.

3 BACKGROUND AND KEY ISSUES

- 3.1 Throughout the financial year Cabinet will receive monthly updates in respect of Revenue and Capital Monitoring.

4 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 OTHER OPTIONS CONSIDERED

- 5.1 No other options were considered.

6 CONSULTATION

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

7 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 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 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 EQUALITIES IMPLICATIONS

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

11 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 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are no implications arising directly from this report.

13 REASONS FOR RECOMMENDATIONS

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

REPORT AUTHOR: Peter Molyneux
Senior Manager – Financial Services
Telephone: 0151 666 3389
Email: petemolyneux@wirral.gov.uk

APPENDICES

Appendix A Revenue Monitoring 2013/14 Month 8 (November 2013)

Appendix B Capital Monitoring 2013/14 Month 8 (November 2013)

SUBJECT HISTORY

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

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CABINET

16 JANUARY 2014

SUBJECT	REVENUE MONITORING 2013/14 MONTH 8 (NOVEMBER 2013)
WARD/S AFFECTED	ALL
REPORT OF	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 8 (November 2013) and actions to minimise risk.

2 RECOMMENDATIONS

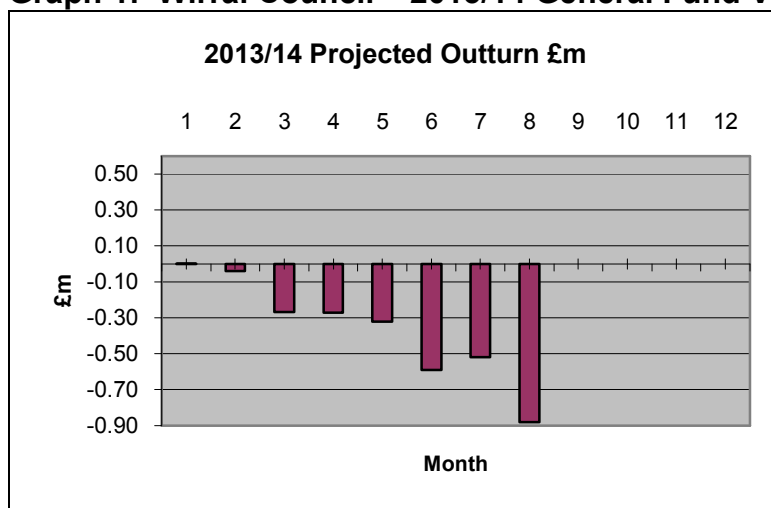
Cabinet is asked to note and /or agree:

- a) at Month 8 (November 2013), the full year forecast projects a General Fund under spend of £884,000. Cabinet previously agreed for the earmarking of the M7 £519,000 forecast underspend against future Council restructuring costs.
- b) the use of up to £250,000 of General Fund Balances to fund additional costs to the Council of the clean up and repairs to infrastructure from the recent exceptional weather events as outlined in paragraph 6.3 and the appropriate replenishment of General Fund Balances from any increased forecast underspend.

3 OVERALL POSITION AT MONTH 8 (NOVEMBER 2013)

- 3.1 Month 8 shows a projected General Fund underspend of £884,000 (compared to the month 7 position of a £519,000 under spend). A number of departmental underspends have been earmarked against ongoing or emerging financial issues. An allocation of £1.6 million against the £2 million savings profiling account (page 7 of the Budget Book and Forecasts 2013-16) is 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 8	Revised Net Budget
Chief Executive	8,240	-4,562	-254	3,424
People - Adult Social Services	82,951	-220	30	82,761
People – Children & YP, & Schools	91,738	-6,851	75	84,962
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	39	-	79,690
Places – Housing & Comm Safety	15,342	-551	-	14,791
Places – Regeneration	5,134	-18	-1,987	3,129
Places - Directorate Support	-	-	200	200
Places - Invest Strat & Bus Sup	-	-	1,936	1,936
Transformation & Resources	12,424	5,275	-	17,699
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 have since been refined.

4.3 From this month the budgets for Investment Strategy and Business Support (previously shown within the Regeneration Service Area) have been separated as have Directorate Management Support (previously reflected within the Chief Executive Department).

4.4 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	5.80%
Yellow Underspend	0	0	1	1	0	5.80%

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: Transformation and Resources Business Processes currently forecast at £700,000 overspend (net of any other compensatory saving measures) due to forecast unachieved savings of £1.3 million relating to court costs income. The £700,000 will be funded from savings within other staffing and Treasury Management budgets within Transformation and Resources. The second red rating is in regard to Specialist Services within People – Children & YP & Schools. This is due to an increase in residential placements forecasting a £541,000 net overspend. The overspend will be covered from other areas of the department.

There are, at the moment, two Business Areas forecast at Yellow.

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

The Places yellow rating relates to Environment & Regulation under spend of £371,000. This is for a number of reasons detailed in 4.6 Places.

4.5 The reporting process identifies over or underspends and classifies them into risk bands. The projection is for one area of underspend for 2013/14, as set out in the table below, which records one department as yellow:

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

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 8	RAGBY Classification	Change from prev mnth
Chief Executive	3,424	3,318	-106	G	4
People - Adult Social Services	82,761	82,761	0	G	-
People – Children & YP, & Schools	84,962	84,962	0	G	-
People – Asset Mgmt & Transport	5,534	5,534	0	G	-
People – Safeguarding	2,081	2,197	116	G	74
People – Sports and Recreation	8,862	8,652	-210	B	-8
Places - Environment & Regulation	79,690	79,320	-370	Y	-370
Places – Housing & Comm Safety	14,791	14,791	0	G	-
Places – Regeneration	3,129	3,064	-65	G	-65
Places - Directorate Support	200	200	0	G	-
Places - Invest Strat & Bus Sup	1,936	1,936	0	G	-
Transformation & Resources	17,699	17,450	-249	B	-
Corporate Growth & Savings	-3,252	-3,252	0	G	-
TOTAL	301,817	300,933	-884		-365

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

- **Chief Executive's:** Underspend of £106,000 is currently forecast (Month 7 was forecast at £110,000).
- **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, which supports the 2013/14 budget has occurred. These were originally scheduled to commence in 2014/15 and have enabled monies to be used:
 - Adults: There is significant progress on Learning Disabilities through realignment of community care budgets and an overall Directorate underspend is forecast. Management actions previously planned have delivered reductions in residential placements and increased NHS income. Accordingly £1.4m is currently projected as available 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 as detailed in Annexe 12 or against the 2013/14 loan repayment.
 - Childrens: A number of variances are assumed as covered by the corporate savings profiling account. £1.5 million is forecast to be available in the year to contribute towards bridging the 2013/14 loan in 2014/15.

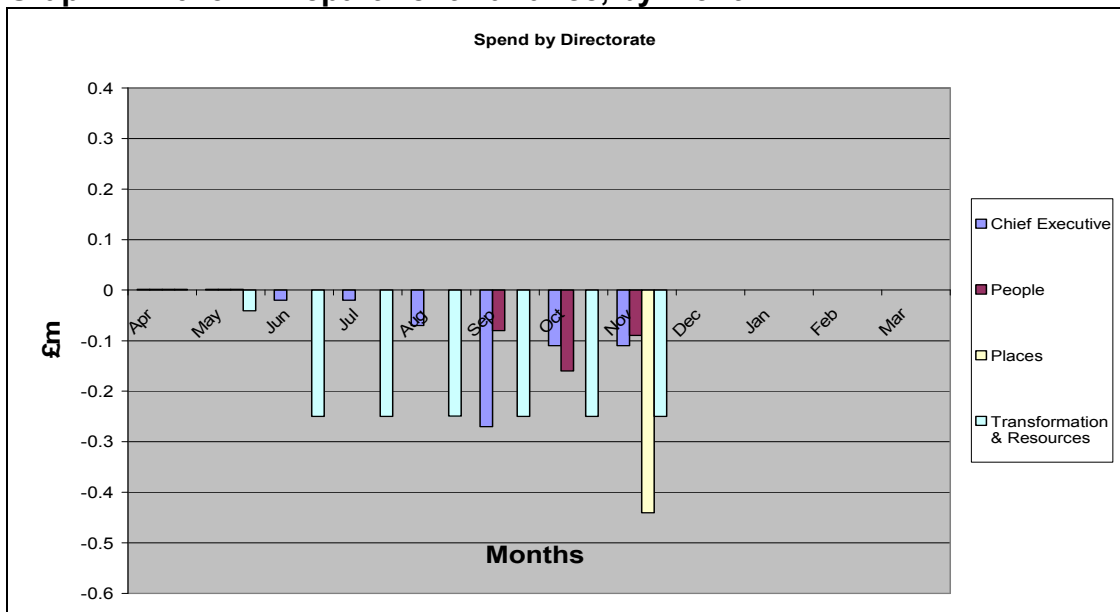
	Adults	Children	Total
Saving 2013/14	1.400	1.500	2.900
Use in 2013/14	-1.400	-0.000	-1.400
C/forward to 2014/15	0.000	1.500	1.500

- **Places:** The net saving forecast is £435,000 (month 7 nil). A significant saving has been achieved as a result of the early implementation of savings relating to Supporting People. £1.3 million has been earmarked to resolve a number of annex 12 issues, which cover all directorates.

Within Environment and Regulation there are savings forecast against Environmental Health, Parks & Countryside and Waste & Environment. The Environmental Health savings includes increased income from export certificates. The Waste and Environment savings are derived from increased income from the School waste and Garden waste collections combined with a lease rental saving from the wheelie bin lease buyout. The savings with Parks & Countryside are mainly around vacancy savings and the impact of the Council's spending freeze delaying much of the planned works.

- **Transformation & Resources:** A £249,000 underspend is currently forecast (unchanged from Month 7), mainly as a result of insurance fund contract and capital financing savings.

Graph 2: 2013/14 Department Variance, by month



4.7 To complete the analysis, the table below sets out the position by category of spend/income. The largest area of variance concerns customer and client receipts. This reflects the shortfall in Council Tax court costs income and an adjustment made to reflect that not all income raised will be received in year requiring a possible contribution to bad debt provision.

Table 4: Projected Departmental Variations by Spend and Income

	Revised Budget	Forecast Outturn	Variance	RAGBY	Change from Previous
	£0	£0	£0	£0	£0
Gross Expenditure					
Employees	137,923	137,116	-807	Y	-846
Premises	16,976	16,871	-105	G	-162
Transport	7,656	7,608	-48	G	-7
Supplies and Services	129,996	130,872	876	R	899
Third Party Payments	122,097	121,297	-800	Y	133
Transfer Payments	140,988	140,988	-	G	95
Support Services	72,859	72,859	-	G	-
Financing Costs	58,631	57,551	-1,080	Y	-100
Schools Expenditure	178,551	178,551	-	G	-
Total Expenditure	865,677	863,713	-1,964		12
Gross Income					
Schools Income	175,957	175,957	-	G	-
Government Grants	183,193	183,184	-9	G	50
Other Grants and Reimbursements	36,386	37,894	1,508	Y	143
Customer/Client Receipts	47,676	45,210	-2,466	R	202
Interest	870	640	-230	A	-
Recharge Other Rev A/c	119,778	119,896	118	G	-17
Total Income	563,860	562,781	-1,079		378
Net Expenditure	301,817	300,932	-885		-366

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

- 4.8 Schools expenditure is funded from the Dedicated Schools Grant, as this grant is ring fenced any over/under spend will not impact on the General Fund.
- 4.9 After agreeing the 2013/14 budget, a number of budgetary issues were identified as requiring further corrective action. A number of items have been dealt with in previous monitors. Details of the issues are contained within [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. Detail is at [Annex 5](#).

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

BRAG	Number of Options	Oct 2013	Change from prev mnth	Approved Budget Reduction	Amount Delivered at Nov	To be Delivered
B - delivered	39	39	0	20,943	20,905	38
G – on track	23	24	-1	17,827	10,176	7,651
A - concerns	5	5	0	6,696	4,085	2,611
R - failed	3	2	1	2,879	1,129	1,750
P – replacements for Red	1	1	0	0	866	434
Total at M8 Nov 13	71			48,345	37,161	12,484
<i>Total at M7 Oct 13</i>	<i>71</i>			<i>48,345</i>	<i>36,081</i>	<i>13,564</i>

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

- 5.2 There are currently three savings options identified as red rated. They relate to
- Review of Residential Care for Learning Disabilities
 - Council Tax Court Costs
 - Assistive Technology

- 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 and delivered, it is 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	1,394	0	6,758	1,690	9,842
Children's 4.9	7	1,500	1,500	1,500	1,800	4,800
Use of 2013/14		-1,394				-1394
Total 13.7	37	1,500	1,500	8,258	3,490	13,248

Note: Further proposals require identification. 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 three reasons:

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.
2. **Closedown.** The outturn for 2012/13 was not available to Cabinet until June 13th. There was a risk that the outturn could be worse than the M11 forecast of a £7.4m overspend. 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.

3. **Change.** The 2013/14 budget has built in 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.
- 5.5 Cabinet 10 October 2013 agreed that the spending freeze should be continued until further notice to aid good financial management.
- 5.6 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.
- 5.7 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 is being managed during the year. 2012/13 saw improvement in care costs and transport, which resulted in misaligned 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 in general expenditure controls. The remaining suppressed demand of £1.5million relates to Adults.
- 5.8 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 £1.6 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).
- 5.9 Due to the financial management processes outlined above, the budget position as reported in this and previous monitors remains stable.
- 5.10 Cabinet 19 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 £1million was estimated to cover costs such as redundancies, part funding of the saving prior to contractual change date and any other transition costs.

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 7 and 8, and is detailed at [Annex 8](#). The tables below reflect the assumptions at the time of setting the 2013/14 budget. These will be updated in the future to reflect any agreed changes and allocations when setting the 2014/15 budget.
- 6.2 As part of the preparation for the 2014/15 budget, directorates are providing confirmation and supporting evidence for their future year growth requirements.

Table 7: Growth £000's

Department	2013/14 Budget	2013/14 Release	2014/15 Budget	2015/16 Budget
CYP Total	1,230	1,230	-	-
DASS Total	3,717	3,717	2,202	1,805
LHRAM Total	-	-	-	573
RHP Total	-	-	-	1,000
Technical Total	12	12	72	72
Finance Total	237	237	-	-
	5,196	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	1,600	-	
Price inflation unallocated				1,000
Growth unallocated			726	-
	7,700	3,300	6,626	8,900

Notes: inflation incorporated into departmental budgets amounts to £2.464m. £1m pay inflation against T&Cs . £0.7m pay inflation relates to market supplements and other employee costs. Savings profiling may reduce where directorates can self fund.

- 6.3 The storm in early December resulted in additional cost to the Council. This included additional staffing and cleansing costs, plus repairs to infrastructure and street furniture such as shelters, bins and benches. Costs are being assessed but it is prudent given the exceptional circumstances to make allocation for these costs from General Fund Balances. General Fund Balances exist to help fund exceptional items. Once drawn down balances will need replenishing. It is recommended that part of the forecast revenue underspend at year end this is used for replenishment.

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:

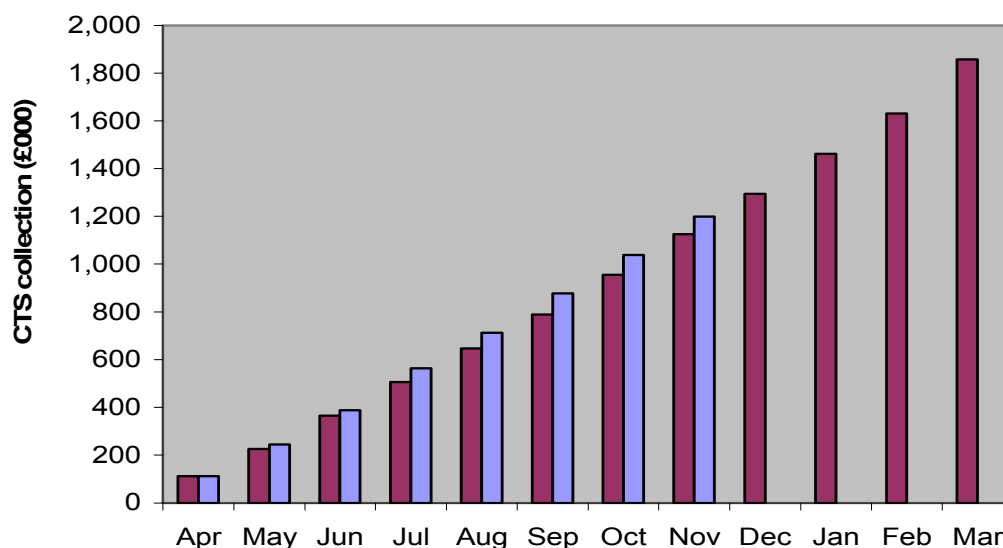
Table 10: Amount to be collected in 2013/14

	2013/14	2013/14	
	Collectable	Collected	%
	£000	£000	
Council Tax	135,526	99,252	75.1
Business Rates	70,007	54,218	77.5
Fees and charges – Adults	54,424	26,647	50.0
Fees and charges – all other services	43,667	35,585	81.5

- 7.2 There is a backlog of Accounts Receivable debt to be processed in the areas of fees and charges. 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 tracks 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. This involved 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 £2.25 million has been assumed. The forecast is that £1.98 million (66%) will be collected by 31 March with recovery actions post 31 March increasing the collection to the target figure. At 30 November collection was

39.1% which is ahead of target, and equates to £1,199,000.

- 7.5 Recovery from non Council Tax Support recipient debtors is continuing as normal. Action taken to recover from those of Working Age that previously received Council Tax Benefit is ongoing. Repayment plans offering weekly/fortnightly instalments were offered to those contacting the Council, 5,054 applications for Deduction of Benefits have been made since July, 82% higher than last year. Where possible attempts to collect by Attachment of Earnings and Benefits will be prioritised however inevitably in some cases this will not be possible and alternative methods including Bailiffs will need to be utilised.
- 7.6 Business Rates income collection was 77.5% during November. This is higher than the 76.4% collected at the equivalent period in 2012/13. Comparisons are difficult as large increases/decreases in Rateable Values are reflected in the collectable amount. The taxbase change has resulted in an extra £1 million to be collected in the first 8 months of this financial year. The timing and amounts of refunds may also affect the comparison. Recovery procedures have been tightened with debt being pursued earlier and the position is being closely monitored.
- 7.7 Issues regarding the collection of sundry debt were reported to Cabinet on 23 May 2013. The use of reserves has 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.

8 MANAGEMENT ACTIONS

- 8.1 The Departmental Directors and the Chief Executive's Strategy Group seek to identify actions to keep spend within the Budget allocated – these actions are detailed in Annex 10. Any spend freeze agreed decisions are reflected within the tables above.
- 8.2 Updated financial regulations have been agreed by audit and risk management committee. The regulations include the updating and clarification of a number of financial procedures including budget virements and the treatment of year end over and underspends.

9 CASHFLOW

- 9.1 Active cash flow management is a fundamental part of the Treasury Management Strategy. Borrowing for funding the 2013/14 capital programme, as in past years has been delayed via temporary use of internal reserves and cash balances. The consequence of this is that interest receivable will be below budget due to funds not being available for investment but this will be more than compensated for by reduced borrowing costs. Interest rates payable on investments have also declined during the year. A pilot study is in progress using monthly expenditure and income profiled budgets. This it is hoped, will aid proactive spending decisions and assist to get income to arrive

earlier to improve the Council's cashflow and earn additional interest income.

10 RELEVANT RISKS

10.1 The possible failure to deliver the Revenue Budget has been 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 fund any slippage not covered from central funds;

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 M8		+0.88
Less: Funding of energy increase 2013/14		-0.18
Less: Funding for Storm damage and cleansing		-0.25
Less: Restructuring reserve transfer		-0.52
Projected balance 31 March 2014 (Target per Cabinet 18/2/13 £17.739)		17.13

14.2 The current levels of Earmarked Reserves are shown in Table 11 with a full listing included at [Annex 11](#).

Table 11: Earmarked Reserves 2013/14

	Balance at 1 April 2013 £000	Movement in year £000	Current Balance 30 Nov 2013 £000
Housing Benefit Reserve	10,155	-	10,155
Insurance Fund	7,821	(5)	7,816
Efficiency Investment Rolling Fund	2,000	(1,000)	1,000
Grant Reserves	1,308	-	1,308
Management of other risks	29,228	(708)	28,520
School Balances and Schools Related	<u>14,264</u>	<u>(2)</u>	<u>14,262</u>
Total Reserves	64,776	(1,715)	63,061

Note: Some reserves will only be applied at year end.

- 14.3 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.

15 LEGAL IMPLICATIONS

- 15.1 The entire report concerns the duty of the Council to avoid a budget shortfall as outlined at paragraph 5.6. 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: Peter Molyneux
 Senior Manager
 Telephone (0151) 666 3389
 Email petemolyneux@wirral.gov.uk

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 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 10
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	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 Rates 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 2013/14 BUDGET 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 8	Revised Net Budget
Chief Executive	8,240	-4,562	-254	3,424
People - Adult Social Services	82,951	-220	30	82,761
People – Children & YP, & Schools	91,738	-6,851	75	84,962
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	39	-	79,690
Places – Housing & Comm Safety	15,342	-551	-	14,791
Places – Regeneration	5,134	-18	-1987	3,129
Places - Directorate Support	-	-	200	200
Places - Invest Strat & Bus Sup	-	-	1936	1,936
Transformation & Resources	12,424	5,275	-	17,699
Corporate Growth & Savings	-3,252	-	-	-3,252
Net Cost of Services	301,817	0	0	301,817

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 restructure.	0.044
n/a	Transfer of Caretaker posts from Adult Social Services to CYP	0.082

n/a	Transfer from Chief Exec Dep of one year's improvement plan funding to Transformation and Resources for Committee Services Officer.	0.040
n/a	Strategic Director post moved to Transformation and Resources from Chief Exec Dep.	0.150
n/a	Transfer of Allotments budget from Asset Management (CYP) to Parks and Countryside (R&E).	0.090
n/a	Strategic Directors costs moved to People and Places from Chief Exec Dep	0.298
n/a	Performance officer transferred from DASS to Chief Exec Dep	0.045
	OVERALL IMPACT OF THESE DECISIONS	0.0

Annex 4 - RAGBY FULL DETAILS

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Chief Executive's	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	0	1	0
Environment & Regulation	4	0	0	3	0	1
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	29	2	0	22	3	2

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	5.8%
Value £000s/ % Overall Net Budget		541		700		2.5%

A shortfall on the court costs savings option has resulted in a red rating (Transformation and Resources).

An increase in residential placements has resulted in a red rating (People CYPD)

Business Area Yellows

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Yellow underspend	0	0	1	1	0	5.8%
Value £000s/ % Overall Net Budget			370	849		1.5%

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

A combination of factors are contributing to a yellow rating within Places – Environment & Regulation.

Subjective Area Reds

Expenditure

Customer/Client Receipts: The forecast of £2.47 million below budget is largely due to the £2m income adjustment referred to in paragraph 4.5 in the main report and the shortfall in Council Tax Court Costs income.

Supplies and Services: The forecast of £876k above budget in this area is due to a forecasted overspend in DASS community care.

Subjective Area Yellows

Expenditure

Third Party Payments: The forecast £0.8 million under spend 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.

Financing Costs: The forecast of £1 million underspend is due to capital programme slippage and savings against the Minimum Revenue Provision budget.

Employees: The forecast of £800k under spend is due the revised savings option within Transformation and Resources.

Annex 5 SAVINGS TRACKER

1 Summary

BRAG	Number of Options	Oct 2013	Change from prev mnth	Approved Budget Reduction	Amount Delivered at Nov	To be Delivered
B - delivered	39	39	0	20,943	20,905	38
G – on track	23	24	-1	17,827	10,176	7,651
A - concerns	5	5	0	6,696	4,085	2,611
R - failed	3	2	1	2,879	1,129	1,750
P – replacements for Red	1	1	0	0	866	434
Total at M8 Nov 13	71			48,345	37,161	12,484
<i>Total at M7 Oct 13</i>	<i>71</i>			<i>48,345</i>	<i>36,081</i>	<i>13,564</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 M8 Nov 13 £000	To be delivered £000
Review of VCF Sector Grants	705	Savings achieved	B	705	0
Community Meals	169	Savings achieved	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	Service changes implemented	G	750	0
Charging for Non Residential Services	880	New charges implemented	G	590	290
Transport Policies	250	Additional grant funding CYP	G	250	0
Targeted Support through NHS Contracts	1,828	- All clients no longer requiring double handling identified contract performance to be monitored (£83k). - Use of Social Fund Grant Allocation. (£800k).	G B	1000	828

		- New contract starts 1.1.2014 (£84k).	G		
		- Targets implemented for residential placement numbers plus scheme of delegation. (£454k)	G		
		- Continuing Health Care – correct application of law and policy. (£377k).	G		
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.	G	304	125
Residential and Respite Care	160	Director implementing action plan to reduce Supported Living costs	G	100	60
Review of Equipment Service	100	Revised S75 in place for 2013/14 with Community Trust. Discussions commenced with NHS re revised hosting arrangements	G	0	100
Extra Care Housing/External Respite and Short-term Provision	300	- Extra Care Housing Provider Negotiations continue.	G	200	100
		- Revised Respite Policy to be produced and review the feasibility for block contracts for respite	G		
Review of Residential Care for Learning Disabilities	300	LD packages currently overspending	R	0	300
Assistive Technology	150	Charges now proposed from 1st January 2014, income target remains achievable.	R ↓	0	150

Families and Well Being – Childrens

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M8 Nov 13 £000	To be delivered £000
Education Psychology Service	80	Savings achieved	B	80	0
Schools Budget	250	Savings achieved	B	250	0

Careers, Education and Advice	700	Savings achieved	B	700	0
Schools Music Service	21	Savings achieved	B	21	0
Oaklands Outdoor Education Centre	23	Savings achieved	B	23	0
Foundation Learning	121	Savings achieved	B	121	0
Commissioning of Parenting Services	700	Savings achieved	B	700	0
Youth Challenge	200	Savings achieved	B	200	0
Short Breaks for Children with Disabilities	150	Savings achieved	B	150	0
Area Teams for Family Support	200	Savings achieved	B	162	38
School Improvement and Income from Schools	160	The school improvement programme has been reduced. However there is a shortfall in the buy back from Academies in respect of PFI of £45k.	G	115	45
Youth and Play Services	687	Restructure complete, but slippage of £83k is anticipated in relation to late vacation of premises and employees not leaving 1st April.	G	604	83
Child and Adolescent Mental Health Service	250	Confirmation that staff have left with slippage of £45k.	G	205	45
Children's Centres and Sure Start	1,576	There is slippage in relation to the Management restructure of £57k and slippage in the transfer of day care, £453k, for which only 2 tenders were received. There are discussions with Primary Schools in relation to the remaining 4 sites. Options are continuing to progress however the revised timescale of 1 January 2014 is unlikely to be met with resources being identified to offset any costs till the end of the year.	A	1066	510

Regeneration and Environment

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M8 Nov 13 £000	To be delivered £000
Invest Wirral	352	Savings achieved	B	352	0
Home Insulation	926	Savings achieved	B	926	0
Apprentice Programme	420	Savings achieved	B	420	0
Pre-Planning Advice	10	Savings achieved	B	10	0
Pest Control	30	Savings achieved	B	30	0
Dog Fouling Enforcement	97	Savings achieved	B	97	0
Household Waste Collection	80	Savings achieved	B	80	0
Handyperson Scheme	209	Savings achieved	B	209	0
Trading Standards	71	Savings achieved	B	71	0
Highway Maintenance	588	Savings achieved	B	588	0
Street Cleansing	1,000	Savings achieved	B	1000	0
School Waste	180	Savings achieved	B	180	0
Street Lighting	265	Savings achieved	B	265	0
Highway Drainage	106	Savings achieved	B	106	0
Reduction in Parks Maintenance	450	Savings achieved	B	450	0
Housing Support for BME Communities	111	Savings achieved	B	111	0
Car Parking	281	Savings achieved	B	281	0

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
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Transformation and Resources

Saving	Target £000	Comments / progress on implementation	BGAR	Amount delivered at M8 Nov 13 £000	To be delivered £000
Efficiency Investment Fund	4,400	Savings achieved	B	4,400	0
Treasury Management	1,700	Savings achieved	B	1,700	0
Revenues and Benefits	550	Savings achieved	B	550	0
Information Technology Service	210	Savings achieved	B	210	0
Marketing and Public Relations	167	Savings achieved	B	167	0
Tranmere Rovers Sponsorship	135	Savings achieved	B	135	0
Power Supplies - Contract Saving	11	Savings achieved	B	11	0
Area Forum Funding	391	Savings achieved	B	391	0
Council Tax Increase	2,600	Savings achieved	B	2,600	0
Council Tax: Discounts and Exemptions	2,284	Savings 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	Savings profile weighted towards increased delivery in 2nd half of year reflecting date of leavers Vacant posts are being pro rata'd over the year.	G	2,672	2,328
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	-270	0
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	Broken down as: £50k Asset Mgmt – delayed restructure but the full £100k should be achieved during 2013-15 £292k HR delayed restructure but it is envisaged that the full saving of £584k will be achieved over the course of 2013-15. £263k related to RHP	G G G	333	572

		£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.	A		
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.	G	100	0
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 £71k up to September 2013. However, there are plans to bring a significant number of current contracts to an end later in year. Challenge is around how savings are allocated across departments.	A	71	429
Procurement	320	This saving has not progressed as anticipated, but compensatory savings are expected to be made during the year.	A	312	8
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. Challenge is around how savings are allocated across departments.	A	2,467	1,333

Council Tax: Court Costs	2,429	Current projections show full saving will not be delivered. 1.3M Compensatory savings will be made from staffing budgets (0.8M) and Treasury Management Budgets (0.5M) within Transformation and Resources.	R	1,129	1,300
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Annex 6 ADULTS/CHILDREN'S REPLACING ONE-OFF 2013/14 FUNDING

ADULTS

Details	Proposed 2013/14 (£000)	Delivered 2013/14 (£000)	Proposed 2014/15 (£000)	Proposed 2015/16 (£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: 2013/14 monies may be allocated first to annexe 12 issues in 2013/14

CHILDRENS

Details	Proposed 2013/14 (£000)	Delivered 2013/14 (£000)	Proposed 2014/15 (£000)	Proposed 2015/16 (£000)	Comments / progress on implementation
Commissioning (saving achieved in advance)	250	250			Saving achieved in advance of 2014/15 requirement
Connexions/CEI AG (saving achieved in advance)	300	300	200		Saving achieved in advance of 2014/15 requirement
Transfer Pension costs to Schools Budget	100	100			Costs to be transferred as in 2012/13
Uncommitted Adoption Grant	200	200			As per Cabinet report June 2013
Further reduction in Schools PPM programme	200				Reduction taken into account in the available programme
Springboard / School Readiness add'l budget	400	400			Budget not committed
YOS bring forward service review	50	50			To be met from vacancies and spend controls
Children's Centres			500	1500	
Efficiencies			400		
Family Parenting			200	300	
Partnership Working			200		
Total	1,500	1,300	1500	1800	

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

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

Risk £000's

Corporate Growth (Budget Book page 7)	2013/14 Budget	2013/14 Release
Pay Inflation	1,700	1,700
Change Management Implementation Fund	4,000	
Savings Profiling	2,000	1,600
Price inflation unallocated		
Growth unallocated		
	7,700	3,300

Inflation £000's

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 30 November 2013 with the amount collected in the same period in 2012/13:

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	135,525,770	125,771,529
Cash Collected	99,252,118	94,509,367
% Collected	73.2%	75.1%

Council Tax benefits has been abolished and replaced by Council Tax support and the numbers and awards as at 30 November 2013 are as follows:

Number of Council Tax Support recipients	38,089
Total Council Tax Support expenditure	£27,842,000
Number of pensioners	16,274
Number of vulnerable	7,213
Number of working age	21,815

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 increased charges in respect of reduced discounts and exemptions. Overall there is an extra £10 million to be collected for 2013/14. Council Tax Support claimants of Working Age total 21,818, this includes 6,668 who receive maximum support leaving 15,150 paying at least 22%. This Council Tax Support debt is £3,065,591.

A Council Tax Discretionary Relief policy was agreed by Cabinet in October and funded to a maximum of £50,000. An application form has been placed on the web. No awards have been made to date. I will report, next month, in a similar way to the Discretionary Housing Payment report shown later.

Business Rates

The following statement compares the amount collected for **National Non-Domestic Rates** in the period 1 April 2013 to 30 November 2013 with the amount collected in the same period in 2012/13:

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	70,006,814	68,207,306
Cash Collected	54,218,007	52,136,990
% Collected	77.5%	76.4%

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 at 30.11.13
Chief Executive	£63,466	£46,746	£3,238	£576,305	£689,755
Neighbourhood	£10,401	£2,617	£462	£23,997	£37,477
Transformation	£435,269	£3,139,183	£27,082	£461,924	£4,063,458
Families	£4,231,430	£927,548	£774,028	£19,525,332	£25,458,338
Regeneration & Environment	£634,661	£118,393	£129,614	£2,514,382	£3,397,050
Policy and Performance	£0	£0	£0	£159,632	£159,632
Totals	£5,375,227	£4,234,487	£934,424	£23,101,940	£33,805,710

The above figures are for invoices in respect of the period up to the end of November 2013. Payments as well as amendments such as write-offs and debts cancellations continue to be made after this date on all these accounts. There is a further deduction of £561,234 to be made for unallocated payments leaving a balance of **£33,244,476**.

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 Support up to 30 November 2013:

	2013/14	2012/13
Number of Private Tenant recipients	31,700	31,616
Total rent allowance expenditure	£93,957,542	
Number under the Local Housing Allowance Scheme (<i>included in the above</i>)	12,243	11,975
	£37,676,273	
Number of Council Tax Support recipients	38,112	
Total Council Tax Support expenditure	£28,094,943	
Total expenditure on benefit to date	£122,052,486	

The following statement provides information concerning the breakdown according to client type as at 30 November 2013 and gives the early year numbers to show the shift in sector by benefit claimants during the year.

	30.11.13	1.05.13
Private Tenants		
Claimants in the Private Rented Sector	14,730	14,451
Claimants in the Social Rented Sector	16,970	16,765

Owner Occupiers	10,410	10,738
Total claimants by age group		
- under 25 years old	2,582	2,728
- 25 – 60 years old	22,055	21,741
- over 60 years old	17,473	17,623

There are **42,110** benefit recipients in Wirral as at 30 November 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 2,892 households affected;
- Two or more spare bedrooms incurs a 25% reduction – the Wirral average is currently £21 weekly and there are 687 affected;
- Out of a total social sector HB caseload of 16,970 - 3,579 are currently affected by this. Numbers have reduced slightly as the reduction has, in some cases, been overridden due to the claimant's circumstances.

Housing Benefit Fraud and Enquiries – 01 April 2013 to 30 November 2013

New Cases referred to Fraud team in period	923
Cases where fraud found and action taken	41
Cases investigated, no fraud found and recovery of overpayment may be sought	345
Cases under current investigation	261
Surveillance Operations Undertaken	0
Cases where fraud found and action taken:	
Administration penalty	2
Caution issued and accepted	8
Successful prosecution	30
Summons issued for prosecution purposes	35

Discretionary Housing Payments

The tables below profile the position of Discretionary Housing Payment (DHP) administration and associated spend. DHP is not a payment of Housing Benefit and is funded separately from the main scheme. Whilst traditionally it was seen as a short term measure to financially assist those who had difficulty in meeting a rental shortfall, increasingly the nature of awards is changing as the impacts of Welfare Reform roll-out. The Department for Work and Pensions see such awards, for which the Government contribution has increased, in many cases as supporting people through

the transition of reform, allowing them time to rebudget, increase their income or to secure a DHP award to help with moving costs.

The Government contribution for 2013/14 is £917,214 with an overall limit of £2,293,035 which the Authority must not exceed. In direct recognition of the impacts of the Reforms, the DWP also made a further £10 million Transitional Funding available for 2013/14, of which Wirral's share is £64,000. Spend is closely monitored, with year end spend forecasted on a monthly basis. Whilst the percentage spend to date, at 54%, is lower than this time 2012/13, the escalating impacts of reforms such as Social Sector Size Criteria and wider increase in people struggling to manage financially as a result of a myriad of change, means that it is expected that Wirral will use up the full government contribution by year end. £35,000 has been allocated to Housing Options to meet rent deposits to enable people to move into sustainable tenancies and they have allocated £11,690 of this to date.

Data @ 31/10/2013										
Month	Claims Considered			DHP Awards in Payment	Current Awards	Committed awards up to 31/03/2014	% spent (committed) of Govt cont	Forecasted Y.E. spend	Annual Total Cont.	Cont remaining
	Total consid	Awarded	Refused							
April	62	26	36	65	£11,674	£16,883	2%	£198,794	£917,214	£888,655
May	228	103	125	136	£27,093	£41,845	5%	£242,440	£917,214	£875,368
June	296	122	174	230	£51,067	£79,329	9%	£314,732	£917,214	£837,884
July	358	143	215	355	£80,470	£122,073	13%	£371,305	£917,214	£795,140
August	387	210	177	680	£188,198	£257,560	28%	£598,786	£917,214	£659,653
September	158	86	72	785	£241,429	£306,388	33%	£611,101	£917,214	£610,825
October	114	78	36	880	£289,841	£351,393	38%	£611,101	£917,214	£565,821
November	371	269	102	1192	£392,925	£492,303	54%	£733,431	£917,214	£424,911
Totals	1,974	1,037	937					Additional	£64,000	£64,000
									£971,214	£488,911

In recognition of the relatively slow rate of expenditure, we are currently looking at those claims which have been refused, to determine whether or not a full or partial award may now be considered appropriate.

DHP Payment Type	02/05/13	24/05/13	03/06/13	02/07/13	30/07/13	21/08/13	05/09/13	01/10/13	30/10/13	02/12/13
Baby Due	3	5	5	5	5	9	9	9	10	13
Benefit Cap	1	1	1	1	1	5	6	6	11	13
Change of Address	1	3	3	4	4	4	4	4	4	4
Combination of reforms									1	5
Disability	5	8	8	10	11	16	16	16	11	15
Income Tapers	4	6	6	7	9	14	14	15	15	21
Increase in work related expenses									1	1
Legislation change	4	5	5	7	8	9	11	17	17	28

LHA reforms	22	36	36	44	46	59	60	61	68	84
NDD	2	2	2	3	3	4	4	4	4	4
Reduced HB ent	6	14	14	16	17	20	21	21	23	32
Removal Costs						1	2	2	2	2
Rent deposit	4	8	10	13	16	21	21	24	27	29
Rent restrictions	33	56	61	84	126	152	156	186	209	298
Social Size criteria	2	21	24	87	138	248	263	303	347	457

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 to see how implementation has gone and for possible scheme alterations. The number of applications is rising on a week by week basis.

LWA details for period from 02 April 2013 to 30 November 2013:

Number of awards granted for food	2,296	value	£101,914
Number of awards granted for fuel	1,760	value	£34,338
Number of awards granted for goods	642	value	£156,183

Total number of households receiving an award	2,765	value	£292,434
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Number of claims not qualifying for assistance	2,172
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We have made arrangements for additional publicity to raise awareness of the scheme, particularly to help people experiencing crisis or financial difficulty over the winter months.

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
People	Management Actions to address learning disabilities budget pressures	

Annex 11 EARMARKED RESERVES - GENERAL FUND £000's

	Balance at 1 April 2013 £000	Movement	Balance at 30 Nov 2013 £000
Schools Balances	11,936	-	11,936
Housing Benefit	10,155	-	10,155
Insurance Fund	7,821	(5)	7,816
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	10	482
Planned Preventative Maintenance	463	(60)	403
ERDF Match Funding	444	-	444
Schools Automatic Meter Readers	415	-	415
Schools Contingency	370	(2)	368
Strategic Asset Review	366	(149)	217
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	(509)	5,939
Total Reserves	64,776	(1,715)	63,061

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 Adults	Foster Care placements - with improved work routines, amenable to reduction. Learning Disabilities additional supported living packages	100 2,700	50 0	0 0	0 0	Funding from M7 increased grants Management actions resolving shortfall including additional NHS support, increased income and budget realignment. Future year impact being assessed
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 2014/15+ from grant adjustment
	Willowtree	Shortfall in accommodation budget; resolution depends on service and asset disposal	33	33	33	33	Agreed can be met from permanent budget reduction
	Car Parking	Income shortfall from changing market	350	350	350	350	Compensatory savings identified for 2013/14, potential growth request 2014/15+ if modelling indicates permanent change
Transformation							
	Market Supplements	Using Market supplements when appropriate to ensure the appointment, and retention, of key, statutory employees.	490	450	450	0	Reduced from £1m M1 Monitor based on latest estimates. From pay growth budget M7
	2012/13 T&C's	Non-achievement; count as part of 2014/15 target	300	0	0	0	2013/14 from forecast savings
	2012/13 Trans Bus S	Non-achievement; count as part of 2014/15 target	300	150	0	0	2013/14 from forecast savings
	2013/14 T&Cs	Shortfall in achievement; count as part of 2014/15 target	472	0	0	0	2013/14 from forecast savings
	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
	Council Tax Court Costs	Shortfall on 2013/14 savings option (Red Rated)	1,300	1,300	1,300	1,300	Compensatory savings from T&R in 2013/14, options being evaluated 2014/15 including growth request
Totals			8,516	4,554	4,354	3,904	

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	-2,000	-2,000	-2,000	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	part funding from central budget for pay growth (page 7) Budget Book
		Foster Care placements	-100	-50	0	0	Funding from increased grants per Directorate M7
		Homeless Grant	-221	-221	-221	-221	2013/14 from funding identified in monitor, 2014/15+ from grant adjustment
		Council Tax Court Costs	-1,300	-1,300	-1,300	-1,300	2013/14 compensatory savings from T&R staffing and Treasury Management, growth request/budget adjustment 2014/15 +
		Car Parking	-350	-350	-350	-350	2013/14 compensatory savings within R&E parks & countryside, Environmental Health and Waste. 2014/15+ potential growth/budget adjustment request if modeling indicates permanent change
		Learning Disabilities additional supported living packages	-2,700	0	0	0	Management actions resolving shortfall including additional NHS support, increased income and budget realignment. Future year impact being assessed
		Remaining issues relating to 2013/14	-872	-150	0	0	Funded from funding identified in monitor
Current additional resource required from savings			0	0	0	0	

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CABINET

16 JANUARY 2014

SUBJECT	CAPITAL MONITORING 2013/14 MONTH 8 (NOVEMBER 2013)
WARD/S AFFECTED	ALL
REPORT OF	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 Month 8 (November 2013) and actions to minimise risk.

2 RECOMMENDATIONS

- 2.1 That Cabinet is asked to note:

- a) the spend to date at Month 8 of £16.1 million, with 66.6% of the financial year having elapsed.

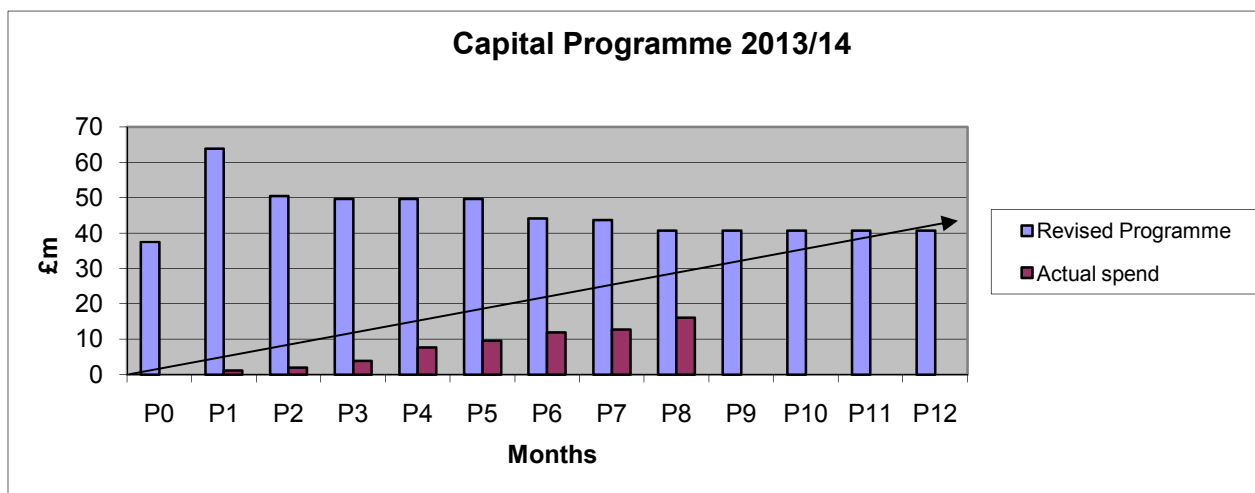
- 2.2 That Cabinet is asked to agree:

- a) the revised Capital Programme of £40.7 million (Table 1 at 4.1);
- b) the re-profiling of a number of schemes into 2014/15, totalling £2.955 million,

3 OVERALL POSITION AT PERIOD 8 (NOVEMBER 2013)

- 3.1 The projected capital forecast for the year, at Month 8 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 Programme for 2013/14 is subject to change. Period 8 reflects the Programme agreed by this Cabinet on 10 December amended for the additional re-profiling.

Table 1: Capital Programme 2013/14 at Period 8 (November) £000's

	Capital strategy	Changes approved by Cabinet	Re-profiling to be approved	Other changes to be noted or approved	Revised Capital Programme
Invest to save	1,400	-400	0	-600	400
Bids to release assets	1,053	1,404	0	0	2,457
People – Adults	11,025	-9,125	-400	600	2,100
People – CYP	10,286	1,233	0	0	11,519
Places – Regeneration	5,979	5,162	-2,555	0	8,586
Places – Environment	7,196	6,084	0	0	13,280
Trans & Res – Finance	210	0	0	0	210
Trans & Res - Asset Mgt	315	1,844	0	0	2,159
Total expenditure	37,464	6,202	-2,955	0	40,711

4.2 A summary of the significant variations to be approved or noted by Cabinet for Period 8 is set out in Table 2. The £0.6 million “Other Changes” represents the decision to combine the two Integrated IT systems (Children and Adults) into one scheme

Table 2: Requests to vary the 2013/14 programme £000's

	Changes to be approved or noted	Explanation (A) Policy (B) Items previously deferred (C) Additional funding (D) Re-profiling (E) Reduced requirement
People – Regeneration	-1,200 -580 -775	Residual Clearance Programme - Now anticipated that this will continue until 2016/17 partly due to difficulty in predicting accurately when the rights to purchase can be obtained. (D) New Brighton – Original tenders resulted in scheme estimates approximately 50% greater than the programme approval. Scheme has been redesigned with tenders anticipated in January and scheme completion May 2014.(D) Maritime Business Park - The Council has agreed to purchase a site for the supplier park. In conveyancing with completion expected early January. The site will then be cleared early next year ready for redevelopment to commence once a preferred developer has been appointed. (D)
People - Adults	-400	Projections for the Integrated IT scheme indicates further re-profiling is necessary with contractor payments now commencing in December (D)
Significant variations	-2,955	

4.3 There has been no change to the Government's capitalisation directions. The qualifying criteria to 'capitalise' statutory redundancy costs prevent the Council from applying in 2013/14.

5 PHASING OF THE PLAN – THE USE OF GATES

5.1 Officers are implementing a system (Concerto) that will show how schemes in the Capital Programme are progressing. Instead of only having two scheme measures, being 'start' and 'completed', this will enable information on the progress of a scheme. Table 3 gives 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 principle by Asset Group
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) and progress can be tracked. Furthermore, all the schemes can be 'collated 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 better plan the funding of the Programme. 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. The actual capital expenditure at Period 8 is £16.1 million with 66.6% of the financial year having elapsed.

Table 4: Spend to date November (8/12 = 66.6%)

	Spend to date		Comments on variation RAG
	£000	%	
Invest to save	0	0	Green -acceptable
Bids to release assets	251	10	Green -acceptable
People - Adults	0	0	Green -acceptable
People - Children & Yg People	5,650	49	Green -acceptable
Places - Regeneration	2,600	30	Green -acceptable
Places - Environment	6,350	48	Green -acceptable
Trans & Res - Finance	55	26	Green -acceptable
Trans & Res - Asset Mgt	1,145	53	Green -acceptable
Total expenditure	16,051	40	

6.2 People – Adults

With regard to the Learning Disabilities Extra Care Housing scheme (£0.4 million), procurement has now been completed and the successful providers agreed.

6.3 Places – Regeneration

The expenditure on Disabled Facilities Grants is currently £1.3 million below the Programme budget. Additional staffing resources are now in place to ensure that the remaining budget is committed by the end of the financial year.

Cabinet on 7 November 2013 approved 2 grants from the Regional Growth Fund totalling £0.710 million. As based upon delivery of the schemes by the grant recipients this expenditure has yet to be incurred.

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

	Revised Budget	Projected Outturn	Variation
Invest to save	400	400	0
Bids to release assets	2,457	2,457	0
People - Adults	2,100	2,100	0
People - Children & Yg People	11,519	11,519	0
Places - Regeneration	8,586	8,586	0
Places - Environment	13,280	13,280	0
Trans & Res -Finance	210	210	0
Trans & Res - Asst Mgt	2,159	2,159	0
Total Expenditure	40,711	40,711	0

7 FINANCING OF THE CAPITAL PROGRAMME

7.1 Table 6 summarises the financing sources and changes made to Period 8. 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	7,503	-1,445	13,978
Capital Receipts	3,121	858	-315	3,664
Revenue and Reserves	888	743	0	1,631
Grant – Education	8,786	1,768	0	10,554
Grant – Integrated Transport	1,136	-79	0	1,057
Grant – Local Sus Transport	695	631	0	1,326
Grant – Local Transport Plan	2,864	522	0	3,386
Grants – Other	12,054	-5,744	-1,195	5,115
Total Financing	37,464	6,202	-2,955	40,711

8 PROJECTED LONGER TERM CAPITAL PROGRAMME

8.1 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	13,978	8,355	1,300	23,633
Capital Receipts	3,664	4,086	1,000	8,750
Reserve Reserves	1,631	290	0	1,921
Grant – Education	10,554	8,957	357	19,868
Grant – Integrated Transport	1,057	1,294	0	2,351
Grant – Local Sus Transport	1,326	676	0	2,002
Grant – Local Transport Plan	3,386	3,235	0	6,621
Grants – Other	5,115	12,287	0	17,402
Total Financing	40,711	39,180	2,657	82,548

8.2 Two amendments have been made to the 2014/15 Programme. The school remodelling programme has been reduced by £0.607 million to reflect the proposed new bid in the 2014/17 Capital Programme. Devolved Formula Capital grant of £0.678 million has been issued in 2013/14, however it is planned to incur the associated expenditure into 2014/15.

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

- 9.1 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 8 there is a sum of £23.6 million of new unsupported borrowing included over the next three years, which will result in approximately £2.3 million 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	13,978	8,355	1,300	-	
Cumulative		22,333	23,633	23,633	23,633
Cumulative Annual Revenue repayment costs		1,542	2,233	2,363	

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	5,057	820	300	6,177
Other borrowing	8,921	7,535	1,000	17,456

10 CAPITAL RECEIPTS POSITION

- 10.1 The Council has worked with the Local Government Association (LGA) to review the Council's Assets - a report was presented to Cabinet on November 7. This highlighted the Council could realise £20 million from asset disposals including Acre lane, former Rock Ferry High School and Manor Drive, Upton some of which has already been accounted for in Table 10. These projections are being reviewed during December / January to inform the future Capital Programme.
- 10.2 The Capital Programme is reliant on the Council generating capital receipts to finance future schemes. The Capital Receipts Reserve at 1 April 2013 contained £8.1 million 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	6,236	9,600
In - Receipts Assumption	1,800	7,450	N/A
Out - Funding assumption	-3,664	-4,086	-1,000
Closing Balance	6,236	9,600	8,600

10.3 At the end of November the Council had received £1.638 million of usable capital receipts which are detailed in Annex 4.

11 RELEVANT RISKS

11.1 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.

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

11.3 Capacity shortfalls are being addressed through the development of closer working with the Local Government Association (LGA) and Local Partnerships.

12 OTHER OPTIONS CONSIDERED

12.1 No other options have been considered.

13 CONSULTATION

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

14 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

15 RESOURCE IMPLICATIONS

15.1 The whole report is about significant resource implications. A previous Treasury Management report to Cabinet provides details of an estimated underspend of £0.8 million in respect of borrowing.

16 LEGAL IMPLICATIONS

16.1 There are no legal implications arising directly from this report.

17 EQUALITIES IMPLICATIONS

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

18 CARBON REDUCTION IMPLICATIONS

18.1 There are no carbon reduction implications arising directly from this monitoring report.

19 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

19.1 There are no planning and community safety implications arising directly from this monitoring report.

20 REASONS FOR RECOMMENDATIONS

20.1 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: Reg Huyton
Finance Manager
Telephone: 0151 666 3415
Email: reghuyton@wirral.gov.uk

SUBJECT HISTORY

Council Meeting	Date
Capital monitoring reports, from September 2012, are being submitted monthly. Capital programme submitted to Council	5 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 1 CAPITAL MONITORING & 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 20	Sept 5
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	Dec 2	Dec 18
8	November	Dec 6	Jan 19	Feb 4
9	December	Jan 8	Feb 1	Feb 17
10	January	Feb 7	Feb 25	Mar 13
11	February	Mar 7	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC

ANNEX 2 PROPOSED CAPITAL PROGRAMME AND FUNDING CABINET DECEMBER 2013

Department	Total Programme	Borrowing	Receipts	Revenue / Reserves	Grants	Total Funding
Invest to save or core efficiency						
Replace Integrated Childrens System	-	-				-
Energy schemes	400	400			-	400
Invest to save or core efficiency Total	400	400	-	-	-	400
Bids that release redundant council assets						
Demolish Stanley Special	275	275			-	275
Demolish Bebington Town Hall and Liscard Municipal	378	378			-	378
Demolish former Rock Ferry High	400	400			-	400
Strategic Asset Review	457	457			-	457
Fund to assist land assembly and re-sale	947		947		-	947
Bids that release redundant council assets Total	2,457	1,510	947	-	-	2,457
Transformation & Resources Finance						
West Kirby and Heswall OSSs	210			210	-	210
Transformation & Resources Finance Total	210	-		210	-	210
Transformation & Resources Asset Management						
The Priory	420	25			395	420
Rock Ferry Centre	456			456	-	456
Cultural Services Assets	-	-			-	-
Arrowe Park Changing Pavilion	300	300			-	300
West Kirby Concourse Roof	159	159			-	159
Wallasey Town Hall	810	810			-	810
Liscard Hall	14			14	-	14
Transformation & Resources Asset Management Total	2,159	1,294	-	470	395	2,159
People - Children & Young People						
Children's Centres	25				25	25
Aiming Higher for Disabled Children	390				390	390
Condition/Modernisation	3,997			21	3,976	3,997
Family Support Scheme	60	60			-	60
Formula Capital Grant	1,235			42	1,193	1,235
Schools- Access Initiative	165				165	165

Woodchurch One School Pathfinder	144	33		8	103	144
Birkenhead High Girls Academy	602			69	533	602
Private Finance Initiative	55			-	55	55
Pensby Primary School	2,515			85	2,430	2,515
School Meals Uptake	138				138	138
Co-Location Fund	89				89	89
SEN and Disabilities	-				-	-
Vehicle Procurement	18			18	-	18
Park Primary	180				180	180
Rosclare Childrens Hotel	1			1	-	1
Early Years access	78				78	78
Youth Capital	160	98			62	160
School remodelling and additional classrooms	586	300			286	586
Somerville primary school mobile replacement	450	200			250	450
Wirral Youth Zone	147	30	-		117	147
Funding for 2 year olds	484				484	484
People - Children & Young People Total	11,519	721	-	244	10,554	11,519
People – Adults						
Transformation of Day Service	500				500	500
Integrated IT	1,200	200			1,000	1,200
LD Extra Care Housing	400	400			-	400
People – Adults Total	2,100	600	-	-	1,500	2,100
Places – Environment						
Congestion	178	5		12	161	178
Road Safety	498	83			415	498
Air Quality	611	245			366	611
Local Sustainable Transport	1,287				1,287	1,287
Transportation	344	34			310	344
Street Lighting	429	229			200	429
Bridges	1,291	491			800	1,291
Highways Maintenance	3,222	836			2,386	3,222
Additional Highways Maintenance Funding	-				-	-
Asset Management	84				84	84
Coast Protection	220	186			34	220
Wheelie Bin Buyout	1,600	1,600			-	1,600

Parks Plant and Equipment	1,267		1,267		-	1,267
Parks vehicles replacement	440		440		-	440
Park depot rationalisation	-				-	-
Landican Cemetery	82	82			-	82
Birkenhead Park Restoration Fees	97	97			-	97
Hoylake Golf Course	30	30			-	30
Park Outdoor Gyms	167				167	167
Reeds Lane Play Area	61				61	61
Eastham Country Park	36				36	36
Royden Park	20				20	20
Floral Pavilion Stage & Orchestra Pit	37	37			-	37
Cemetery Improvements	-				-	-
Birkenhead Tennis Courts	-				-	-
West Kirby/Guinea Gap	1,230	1,000			230	1,230
Leisure Equipment	49			49	-	49
Places - Environment Total	13,280	4,955	1,707	61	6,557	13,280
Places – Regeneration						
Think Big Investment Fund	434	434			-	434
Clearance	999	365	245	47	342	999
Home improvement	1,122	573	390	159	-	1,122
Disabled Facilities - Adaptations	3,533	1,904			1,629	3,533
Improvement for sale grants	380			380	-	380
Cosy Homes Heating	369	119	250		-	369
Empty Property Interventions	334	121	125	60	28	334
New Brighton	582	582			-	582
Maritime Business Park	400	400			-	400
Other Regional Growth Fund Schemes	433				433	433
Places - Regeneration Total	8,586	4,498	1,010	646	2,432	8,586
Grand Total	40,711	13,978	3,664	1,631	21,438	40,711

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	0	3,330
Technical Services	2,405	2,119	0	4,524
Total	6,190	5,569	1,500	13,259

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	0	3,330

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	0	4,524

Less schemes now approved

	(3,045)	(207)		(3,252)
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Funding type:

Unsupported Borrowing	3,145	5,362	1,500	10,007
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*** Represents schemes now included in the Capital Programme.

Annex 4

USEABLE CAPITAL RECEIPTS AS AT 30 NOVEMBER 2013

	£000
6, The Grove, Wallasey	11
Land at the Carrs	12
Bridge Walks	15
Stringhey Road Car Park	19
Print Unit Equipment	30
Junction 1 Bidston Retail Park	32
Turntable Building	58
Bromborough Social Centre	75
Thurstaston Rangers Cottage	310
M53 Compensation	159
Rake Lane Depot	48
57 New Chester Road	45
Poulton Primary	35
501 Leasowe Road	11
Former Cole St. Primary School	179
Land at Meadow Lane / St. Pauls Road.	44
Land at Church St. /King St.	22
Land at St. Pauls Rd., Seacombe	49
Site of 9,13 and 15 Brighton Street.	11
	1,165
Right to buy proceeds (Magenta Living & BBCHA)	473
Total usable receipts	1,638

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WIRRAL COUNCIL

CABINET

16 JANUARY 2014

SUBJECT	COLLECTION FUND 2013/14
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1. EXECUTIVE SUMMARY

- 1.1 This report estimates the Collection Fund position for the year ending 31 March 2014.

2. BACKGROUND AND KEY ISSUES

- 2.1 The Council maintains a Collection Fund to record the Council Tax and Non-Domestic Rates collected and paid to the precepting authorities and to central Government.

2.2. Council Tax

- 2.2.1 Council Tax collected is paid to the precepting authorities based upon their initial precepts with any surplus / deficit after the end of each financial year paid to / recovered from the precepting authorities.

- 2.2.2 Council Tax income (including transfers from the General Fund) currently exceeds £111 million per annum. In January 2013 the forecast Collection Fund 2012/13 outturn was for a balanced position which resulted in no distribution or call to/on the precepting bodies.

- 2.2.3 The actual position on the Collection Fund as at 31 March 2013 was a surplus of £452,000 of which Wirral would be entitled to approximately 85% if distributed. The surplus was a result in the main of higher council tax receipts being received in 2012/13 and resultant lower than anticipated contributions to the bad debt provisions. The surplus represented approximately 0.3% of the 2012/13 collectable council tax.

- 2.2.4 Current Council Tax collection rates are approximately 2% less than at the equivalent period for last year. This reflects the anticipated reduction to collection rates arising from the introduction of the local Council Tax Support Scheme and changes to the Council Tax exemptions. A reassessment of the level of bad debt provision is also required to reflect the impact of changes made to discounts and exemptions as part of the 2013/14 budget options, the introduction of the local Council Tax Support Scheme and also the general ongoing economic climate.

2.2.5 The local Council Tax Support Scheme was introduced from 1 April 2013. It involved billing a large number of properties at up to 22% of the full Council Tax rate. These properties have not previously paid Council Tax directly having previously received benefit at 100% and tend to be low income households. The overall collection rate for the year has been reduced to reflect the increased risk of non-payment. Any shortfall against predicted income will impact upon the Collection Fund balance and subsequent surplus/deficit position.

2.2.6 Any surplus or deficit on the Fund must be shared pro-rata to the existing precepts on the Fund. Based upon the 2012/13 precepts and taking the above factors into account the Collection Fund balance for the year ending 31 March 2012 in respect of Council Tax is estimated to be nil. Any surplus or deficit position would be allocated to precepting bodies as follows:-

Precepting Authority	% share	£
Wirral Council	85.18	0
Police and Crime Commissioner for Merseyside	10.24	0
Merseyside Fire and Rescue Services	<u>4.58</u>	<u>0</u>
Total	<u>100.00</u>	<u>0</u>

2.3 National Non Domestic Rates ‘Business Rates

2.3.1 On 1 April 2013 a new Local Government Finance System was introduced. The previous NNDR ‘central pooling’ arrangement under which authorities received a guaranteed payment ceased. Under the new arrangements, billing authorities retain a proportion of locally raised business rates and either pay a tariff or as in Wirral’s case receiving a top-up to ensure a comparable starting position with the previous funding system.

2.3.2 A declaration of an estimated surplus or deficit for the 2013/14 financial year must be submitted to the DCLG by 31 January. Any surplus or deficit will be allocated in the following proportions

Central Government	50%
Wirral Council	49%
Merseyside Fire and Rescue	1%

2.3.3 NNDR is a particularly complex and volatile tax area that can fluctuate due to a number of reasons. These include:

- Appeals against rating decisions which are dealt with by the Valuation Office Agency and which can be large and backdated a number of years
- Changes in liability relating to changes in occupancy
- Changes in building use
- Alterations to buildings size and layout
- Demolitions and new builds
- Actions to avoid full liability including empty property and charitable reliefs
- Assessment of bad and doubtful debts

2.3.4 The authority is required at the same of forecasting its 2013/14 surplus/deficit position (31 January 2014) to provide a forecast of predicted business rates income for the 2014/15 year. The detailed guidance and instruction will be confirmed by Government on 17 January 2014

2.3.5 It is recommended that the NNDR surplus deficit forecast for 2013/14 and 2014/15 initial estimate be made via a delegated decision of the Council leader in conjunction with the Director of Resources. This is because of a number of factors. NNDR is a volatile tax area, there is a month's gap between writing this report and the required submission date, the above guidance is not yet available which could impact upon the 2013/14 estimate and Cabinet dates mean that there is no other meeting before the NNDR forecasts submission date of 31 January.

3. RELEVANT RISKS

3.1 In estimating the end of year position on the Collection Fund the actual position could be either a deficit position, requiring recovery from the precepting authorities in 2014/15, or a larger surplus requiring to be distributed during 2014/15. To mitigate the risks, the estimate takes account of past performance and current known collection levels.

3.2 The introduction of the new retained business rates system has passed increased risk to local authorities as outlined above in paragraph 2.3.3. Reductions in income including those arising from appeals relating to past years will now partially fall on the authority. There may also be opportunity to share in any increased income where collection is above forecast amounts.

4. OTHER OPTIONS CONSIDERED

4.1 There are no other options considered in this report.

5. CONSULTATION

5.1 The Merseyside Police and Crime Commissioner for Merseyside and Merseyside Fire and Rescue Service will be informed of their share of the declared surplus by 22 January 2014.

6. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are none arising directly out of this report.

7. RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 Wirral Council will neither receive any additional distribution or pay an additional contribution on the basis of the estimated 31 March 2014 position on the Collection Fund.

7.2 The 2014/15 Council Budget assumptions assume a nil balance at 31 March 2014. The estimate is therefore in line with this assumption.

7.3 There are no IT, staffing or asset implications arising directly from this report.

8. LEGAL IMPLICATIONS

8.1 Under the Local Authority (Funds) (England) Regulations 1992, the Authority must annually estimate the likely surplus or deficit on its Collection Fund for 2013/14 and notify the precepting Authorities of the Fund by 22 January 2014.

9. EQUALITIES IMPLICATIONS

9.1 There are none arising directly out of this report.

9.2 An Equality Impact Assessment (EIA) is not required.

10. CARBON REDUCTION IMPLICATIONS

10.1 There are none directly arising out of this report.

11. PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none directly arising out of this report.

12. RECOMMENDATION

12.1 That the declaration of an estimated nil balance position for the Collection Fund for the year ending 31 March 2014 which is in accordance with current budget assumptions be noted.

12.2 That the declaration of the 2013/14 NNDR surplus/deficit position and 2014/15 initial forecast be made under delegated powers by the Leader in conjunction with the Director of Resources on or before 31 January 2014.

13. REASON FOR RECOMMENDATION

13.1 In accordance with the Local Authority (Funds) (England) Regulations 1992, the Authority must annually estimate the likely surplus or deficit on its Collection Fund for the current financial year. For council tax the estimate should be made on, or as close to, the 15 January as possible but cover the period up to 31 March. The Authority must notify the precepting Authorities of the Fund within 7 days of the 15 January and the estimated surplus or deficit can then be taken into account by the precepting bodies in setting their Budget and likely precept requirements on the Collection Fund for the following year.

13.2 For national non-domestic rates the Non-Domestic rating (rates retention) Regulations 2013 require billing authorities to calculate the central share and each relevant precepting authority's share of its non-domestic rating income. This should be notified on or before 31 January and include a forecast surplus/deficit position for the current year and an initial forecast for the following financial year.

REPORT AUTHOR: Peter Molyneux
Senior Manager- Financial Services
Telephone: (0151) 666 3389
Email: petemolyneux@wirral.gov.uk

REFERENCE MATERIAL

Statement of Accounts 2012/13: Additional Financial Statements: Collection Fund

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Collection Fund 2010/11	13 January 2011
Cabinet - Collection Fund 2011/12	12 January 2012
Cabinet - Collection Fund 2012/13	24 January 2013

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IRRAL COUNCIL

CABINET

16 JANUARY 2014

SUBJECT	DEBT WRITE-OFFS (ADULT SOCIAL SERVICES AND HOUSING BENEFITS)
WARD/S AFFECTED	ALL
REPORT OF	STRATEGIC DIRECTOR OF TRANSFORMATION AND RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report recommends the writing off of £318,443.50 in outstanding Adult Social Services (DASS) client contributions, £66,460.57 in miscellaneous DASS debt (total £384,904.07) and £161,029.94 in outstanding overpayments of Housing Benefit.
- 1.2 This is part of the process of cleansing the long outstanding DASS debt identified in the Independent Report considered by 23 May 2013 Cabinet.

2.0 RECOMMENDATIONS

- 2.1 That the report be noted.
- 2.2 That the debts be written off as detailed in the report.

3.0 BACKGROUND AND KEY ISSUES

- 3.1 The total historical DASS debt processed by the Collection and Recovery Team within the Personal Finance Unit so far amounts to £2,883,778.87 and links to the overall work being undertaken with regard debts held on the authority's Accounts Receivable system.

Processed debt since 04.02.13	£
Submitted for write off	1,889,854.49
Paid In Full	457,748.03
Part Paid	387,699.41
Instalments arranged	70,871.69
Cancelled Debt	77,605.25
TOTAL	2,883,778.87

- 3.2 Progress on the historical DASS debt continues to be monitored in order to establish the optimum structure for a permanent recovery team and the most effective ways of both billing and collection to ensure maximised income of the client service area in the case Adult Social Services.

- 3.3 Write-off values are summarised below and a breakdown of cases over £5,000 and their reasons for write off is attached at Appendix A for Personal Finance Unit and Appendix B for other Adult Social Service Debts:

Personal Finance Unit

Under £1000

Write off description	Number of cases	Value (£'s)
Write off - irrecoverable	26	17,007.86
Write off statute barred	46	15,711.58
Write off - deceased	26	18,101.74
Total	98	50,821.18

Over £1000 but under £5000

Write off description	Number of cases	Value (£'s)
Write off - irrecoverable	14	31,536.71
Write off statute barred	16	32,978.33
Write off - deceased	7	16,264.19
	37	80,779.23

Outstanding client contribution debts over £5000

Write off description	Number of cases	Value (£'s)
Write off - irrecoverable	6	43,891.00
Write off statute barred	4	50,097.31
Write off - deceased	5	92,854.78
	15	186,843.09

Personal Finance unit (total)

Write off amounts	Number of cases	Value (£'s)
Over £5000.00	15	186,843.09
Over £1000.00	37	80,779.23
Under £1000.00	98	50,821.18
Total	150	318,443.50

Adult Social Services debts (non Personal Finance Unit)

Outstanding miscellaneous DASS Debts over £5000

Write off description	Number of cases	Value (£'s)
Write off statute barred	2	66,460.57
Total	2	66,460.57

- 3.4. The total outstanding Housing Benefit (HB) debt at the beginning of this financial year was £8,218,025. During the first quarter an additional £756,533 was raised in overpayments resulting from changes in claimants circumstances. Of this 66.71% was recovered and recovery continues on these debts. The debts requiring approval for write off are aged debts or debts with no prospect of recovery. The debts were identified as being appropriate for write off during the period 16 April 2012 to August 2013.

- 3.5. The HB write offs are in respect of individual debts in excess of £1,000. Where there is ongoing entitlement to HB, any overpayments are recovered from those weekly payments. Where there is no current entitlement an invoice is raised and the debt then goes through the recovery process, the final stage being referral to the debt collection agency.
- 3.6. HB write-off values are summarised below. A breakdown of cases and the reasons for write off is attached at Appendix C.

Under £2,000

Write off description	Number of cases	Value (£'s)
Write off - irrecoverable	27	38,495.76
Write off statute barred	19	27,404.56
Total	46	65,900.32

Over £2,000 but under £5,000

Write off description	Number of cases	Value (£'s)
Write off - irrecoverable	6	18,406.49
Write off statute barred	13	37,979.91
Total	19	56,386.40

Over £5,000

Write off description	Number of cases	Value (£'s)
Write off - irrecoverable	2	14,322.53
Write off statute barred	4	24,420.69
Total	6	38,743.22

4.0 RELEVANT RISKS

- 4.1 If debts are not written off they have the potential to inflate what might be thought collectable.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 The Collection and Recovery Team has already endeavoured to recover the detailed DASS debts without success.

6.0 CONSULTATION

- 6.1 Relevant officers of the Council have been consulted in preparing this report.

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 Following the report to Cabinet (23 May 2013 Minute 248) staffing resources within the Personal Finance Unit have been increased in order to improve income recovery for DASS debts.

8.2 Both DASS and HB debts written off as irrecoverable are charged against the Council provision for bad debts which is reviewed annually in accordance with the requirements of accounting practice. As detailed in the revenue out-turn report the provision at 31 March 2013 was £10.9 million which compares to the £7.6 million at 31 March 2012. Prior to submission to Members all write offs are agreed by the S151 Officer for the authority.

9.0 LEGAL IMPLICATIONS

9.1 Those debts recommended for write-off have been agreed by the Head of Legal and Member Services.

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.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising directly from this report.

13.0 REASON FOR RECOMMENDATIONS

13.1 Members are aware of the collection activity undertaken in these areas and that sums written off are approved either under delegation or by Cabinet.

REPORT AUTHOR: **Malcolm Flanagan**
Head of Business Processes
Transformation and Resources Department
Telephone: 0151 666 3260
Email: malcolmflanagan@wirral.gov.uk

APPENDICES

Three appendices of write off cases

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Collection Summary 2009/10	24 June 2010
Cabinet - Collection Summary 2010/11	24 June 2011
Cabinet - Collection Summary 2011/12	21 June 2012

APPENDIX A

ADULT SOCIAL SERVICES CLIENT CONTRIBUTIONS & MISCELLENEOUS DEBTS WRITE OFFS OVER £5,000

Debt Outstanding	Reason for Write Off	Case Number
£56,435.78	Deceased – no monies in estate	1
£21,540.57	Statute Barred	2
£14,898.33	Deceased – no monies in estate	3
£11,406.93	Statute Barred	4
£10,696.89	Statute Barred	5
£8,914.02	Irrecoverable	6
£8,867.76	Deceased – no monies in estate	7
£7,766.53	Irrecoverable	8
£7,718.98	Irrecoverable	9
£7,215.74	Deceased – no monies in estate	10
£7,204.74	Irrecoverable	11
£6,524.37	Irrecoverable	12
£6,452.92	Statute Barred	13
£5,762.36	Irrecoverable	14
£5,437.17	Deceased – no monies in estate	15

Case Number	Further Details
1	Property was sold in 2007 for £135,000.00. There was no mortgage outstanding and the LA was not informed property had been sold. It was not possible to place a charge on the property due 'Tenants in Common' arrangement. No evidence that client's son had Power of Attorney Legal Services advised not to pursue him. No monies left in estate.
2	This debt amounting to £21,540.57 was in respect of support at home and residential/ nursing care between 21.6.05 and 20.8.07. The debt is now Statute Barred.
3	Client has been deceased almost 6 years. Attempts to contact the exor, who has previously declared himself bankrupt, have failed. No prospect of recovery.
4	This debt amounting to £11,406.93, raised on 12.10.2005, was in respect of residential/ nursing care. The LA failed to secure a charge against the property/ failed to properly pursue the debt, resulting in the estate being dispersed without repayment of the debt, which is now Statute Barred.
5	This debt amounts to £10,696.89 and was in respect of residential/ nursing care. The LA was unable to secure a charge

against the property so were unable to pursue the debt, resulting in the estate being dispersed without repayment of the debt, which is now Statute Barred.

- 6 A number of administrative errors occurred in the handling of this case and a 3 year delay in issuing final account. Family refusing to pay – write off suggested.
- 7 The executor of the estate has left Wirral owing almost £5k in unpaid Council Tax – his whereabouts are unknown.
- 8 Probate search reveals no estate therefore nobody to pursue for debt.
- 9 Final account completed 2 years after service end date. Invoices and final account sent to incorrect address so client not properly billed for service.
- 10 No estate, passported benefits, there was a property but this was sold in 2010 and no evidence of what happened to the proceeds. No-one to pursue for debt.
- 11 LA now the appointee but with no funds available with which to reduce/clear the debt.
- 12 Deceased, no estate, no-one to pursue for debt.
- 13 This debt amounting to £6,452.92 was in respect of residential/ nursing care and accrued between 28.5.07 and 19.9.07. The LA failed to properly pursue the debt and when the client dies there was insufficient money in the estate to repay it. The debt is now Statute Barred.
- 14 Final account sent out 2.5 years after service ended, and 3 months after client died. No one to pursue for debt due to delay.
- 15 No probate, no-one to pursue for debt.

APPENDIX B

ADULT SOCIAL SERVICES MISCELLANEOUS DEBTS WRITE OFFS OVER £5,000

WRITE OFF DEBTS OVER £5000

Debt	Write Off reason	Case Number
Outstanding		
£56,090.69	Statute Barred	1
£10,369.88	Statute Barred	2

Case Number	Further Details
1	This debt amounting to £56,090.69 was raised on 28.2.2007 and was in respect of an overpayment made for a client to a care provider, from 8.4.2002 to 4.6.2006. The debt is Statute Barred and unlikely to be recovered in the opinion of legal advisors.
2	This debt amounting to £10,369.88 was raised on 2.3.2007 and was in respect of an incorrectly paid invoice. The invoice should have been paid to 'company A', but was incorrectly paid to 'company B'. The debt is Statute Barred and unlikely to be recovered in the opinion of legal advisors.

APPENDIX C

HOUSING BENEFITS OVERPAYMENT WRITE OFFS OVER £1,000

Case Number	Debt outstanding £	Further details
1	1,158.30	Period of overpayment :- 4/1/10 to 11/6/12 .Incorrect income used in error. Claimant could not reasonably be expected to know they were being overpaid.
2	1,873.56	Period of overpayment :- 6/4/98 to 18/3/01 .Income support ceased following husband's death. Claimant 84 and has Alzheimers.
3	1,051.56	Period of overpayment :- 22/12/08 to 14/11/10 .Claimant declared bankrupt.
4	1,328.24	Period of overpayment :- 6/4/98 to 23/4/06 . Overpayment due to a change in claimant's income. Unreasonable delay in instigating recovery process.
5	1,648.24	Period of overpayment :- 4/11/02 to 24/10/04 .Claimant was not living at the property but continued to receive housing benefit. Unable to trace – statute barred.
6	3,250.86	Period of overpayment :- 9/7/01 to 19/6/05 .Overpayment due to a change in claimant's income. £988 of original overpayment recovered –statute barred.
7	1,914.75	Period of overpayment :- 23/11/09 to 25/07/11 . Incorrect income used in error. Claimant could not reasonably be expected to know they were being overpaid.
8	1,045.35	Period of overpayment :- 4/8/08 to 30/4/12 .Incorrect premium used in error. Claimant could not reasonably be expected to know they were being overpaid.
9	8,174.28	Period of overpayment :- 6/2/06 to 24/03/12 .Claimant awarded council tax benefit when not liable. The liable person was the daughter who was resident. The claimant is deceased.
10	1,325.82	Period of overpayment :- 2/8/10 to 23/4/12 .Non dependant adult left the property and so local housing allowance rate decreased. Claimant could not reasonably be expected to know they were being overpaid.
11	1,425.72	Period of overpayment :- 6/3/00 to 4/3/01 . Claimed while working .Claimant now deceased.
12	1,334.23	Period of overpayment :- 29/11/10 to 16/4/12 .Claimant failed to advise his daughter had moved out .Claimant is vulnerable and previously lived in supported accommodation.
13	1,840.05	Period of overpayment :- 12/9/11 to 19/3/12 . Claimant (full time student) paid in error. Claimant could not reasonably be expected to know they were being overpaid.
14	1,521.00	Period of overpayment :- 24/12/07 to 30/6/08 . Income support ceased .Claimant granted Debt Relief Order.
15	1,585.60	Period of overpayment :- 14/9/09 to 13/6/10 . Overpayment due to changes in household. Claimant granted Debt Relief Order.
16	1,282.68	Period of overpayment :- 7/2/00 to 12/11/00 . Referred to Debt collection Agency –unsuccessful. Statute barred.
17	1,474.65	Period of overpayment :- 6/9/04 to 1/1/06 .Referred to Debt collection Agency – unsuccessful. Debtor absconded.
18	1,322.95	Period of overpayment :- 28/6/04 to 21/5/04 . Referred to Debt collection Agency – unsuccessful. Statute barred.
19	1,250.45	Period of overpayment :- 28/1/02 to 21/7/02 . Referred to Debt collection Agency – unsuccessful. Statute barred.

20	1,819.47	Period of overpayment :- 20/12/00 to 17/6/09 .Overpayment due to breaks in claim when working. Claimant was in a fire and subsequent coma and is now a patient in Bury with multiple health problems.
21	1,291.72	Period of overpayment :- 1/3/11 to 13/6/11 . Overpayment due to vacation .Used discretion to write off on appeal.
22	1,285.50	Period of overpayment :- 10/8/09 to 9/7/12 . Incorrect assessment of household. Claimant could not reasonably be expected to know they were being overpaid.
23	1,924.93	Period of overpayment :- not known - debt carried over from old system so raised prior to 2006 – statute barred.
24	2,888.71	Period of overpayment :- 15/03/99 to 30/07/00 .Unreasonable delay in recovery - statute barred.
25	1,266.84	Period of overpayment :- 4/4/05 to 4/5/07 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
26	1,237.45	Period of overpayment :- 6/8/98 to 7/2/99 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
27	8,339.26	Period of overpayment :- 8/2/99 to 25/3/07 . Overpayment due to income support ending – attempts to recover unsuccessful – statute barred.
28	2,586.12	Period of overpayment :- 14/4/03 to 21/12/03. Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
29	1,852.23	Period of overpayment :- not known - debt carried over from old system so raised prior to 2006 – statute barred.
30	1,920.26	Period of overpayment :- 27/1/03 to 20/7/03 .Overpayment due to changes in income –attempts to recover unsuccessful - statute barred.
31	1,359.75	Period of overpayment :- not known - debt carried over from old system so raised prior to 2006 – statute barred.
32	1,944.35	Period of overpayment :- 24/5/10 to 2/4/12 . Overpayment due to changes in state pensions. Claimant bankrupt.
33	3,843.96	Period of overpayment :- 11/6/12 to 25/2/13 . Children placed into foster care. Claimant could not reasonably be expected to know she was being overpaid.
34	1,355.40	Period of overpayment :- not known - debt carried over from old system so raised prior to 2006 – statute barred
35	1,031.56	Period of overpayment :- 8/5/06 to 8/7/07 . Overpayment due to changes in income – insufficient evidence to pursue via Legal Services.
36	1,126.97	Period of overpayment :- 25/7/11 to 16/7/12 . Failed to notify of change in household resulting in overpayment. Vulnerable family – discretion used not to recover.
37	5,004.58	Period of overpayment :- 11/12/95 to 19/3/00 . Debt carried over from old system – statute barred.
38	3,103.56	Period of overpayment :- 1/4/05 to 11/7/11 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
39	3,277.32	Period of overpayment :- 8/11/04 to 7/5/06 .Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
40	1,988.52	Period of overpayment :- 17/10/05 to 7/5/07 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
41	1,130.00	Period of overpayment :- 31/3/08 to 9/6/08 .Claimant imprisoned –long

		term sentence – no prospect of recovery.
42	2,033.60	Period of overpayment :- 2/5/05 to 15/1/06 . Claimant bankrupt.
43	2,097.53	Period of overpayment :- not known - debt carried over from old system so raised prior to 2006 – statute barred
44	1,471.18	Period of overpayment :- 9/7/12 to 5/11/12 . Overpayment due to temporary absence being exceeded. Claimant has mental health issues –discretion used not to recover.
45	1,448.92	Period of overpayment :- 30/4/12 to 1/10/12 . Claimant's stay in nursing home made permanent .Claimant has dementia – discretion used not to recover.
46	1,788.10	Period of overpayment :- not known - debt carried over from old system so raised prior to 2006 – statute barred
47	1,120.95	Period of overpayment :- 28/1/02 to 23/6/02 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
48	5,460.00	Period of overpayment :- 25/1/99 to 10/6/01 . Unreasonable delay in instigating recovery process – statute barred.
49	1,144.00	Period of overpayment :- 29/5/00 to 29/9/02 . Unreasonable delay in instigating recovery process – statute barred.
50	2,028.00	Period of overpayment :- 14/1/02 to 2/3/03 .Unreasonable delay in instigating recovery process – statute barred.
51	4,352.75	Period of overpayment :- 11/8/03 to 4/7/04 . Unreasonable delay in instigating recovery process – statute barred.
52	1,379.00	Period of overpayment :- 21/11/11 to 20/2/12 . Claimant deceased – no details of Executors.
53	2,960.75	Period of overpayment :- 24/5/99 to 1/4/01 .Change in non dependant's income - attempts to recover unsuccessful – statute barred.
54	3,928.23	Period of overpayment :- 26/9/11 to 3/9/12 .Claimant moved permanently into residential care - discretion used not to recover.
55	2,000.00	Period of overpayment :- 26/11/96 to 11/7/99 . £9,182 of original overpayment recovered – remainder statute barred.
56	1,010.20	Period of overpayment :- 26/3/12 to 1/10/02 .Incorrect income declared at start of claim – Claimant recently widowed and had not claimed before - discretion used not to recover.
57	1,218.42	Period of overpayment :- 23/7/07 to 5/11/07. Claimant moved permanently into residential care – since deceased- no estate.
58	2,691.13	Period of overpayment :- 16/1/07 to 20/8/07 . Claimant did not occupy. HB paid to landlord –landlord bankrupt.
59	2,903.19	Period of overpayment :- 8/1/07 to 24/10/11 . Overpayment due to change in circumstances - attempts to recover – unsuccessful.
60	1,827.12	Period of overpayment :- 1/10/07 to 26/1/09 . Overpayment due to change in circumstances –unreasonable delay in instigating recovery action.
61	1,598.62	Period of overpayment :- 7/7/08 to 10/11/08 . Overpayment due to change in circumstances –unreasonable delay in instigating recovery action.
62	3,006.38	Period of overpayment :- 7/5/07 to 11/7/11 . Overpayment due to change in circumstances – uneconomical to recover.
63	6,148.25	Period of overpayment :- 24/5/04 to 25/2/08 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
64	3,946.57	Period of overpayment :- not known - debt carried over from old system so raised prior to 2006 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.

65	1,080.00	Period of overpayment :- 14/4/08 to 7/7/08 . Overpayment due to change in circumstances –unreasonable delay in instigating recovery action.
66	1,035.60	Period of overpayment :- 28/3/05 to 23/10/05 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
67	1,460.07	Period of overpayment :- 3/8/09 to 30/11/09 .Unable to recover – insolvency order.
68	3,230.85	Period of overpayment :- 13/11/06 to 16/7/07 . HB paid to landlord – unable to trace.
69	1,400.00	Period of overpayment :- 4/4/05 to 4/12/05 . Overpayment due to change in circumstances – unreasonable delay in instigating recovery action –statute barred.
70	5,616.85	Period of overpayment :- 1/11/99 to 2/2/03 .Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.
71	2,256.90	Period of overpayment :- 31/7/06 to 23/4/07 . Overpayment due to changes in income – attempts to recover unsuccessful – statute barred.

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WIRRAL COUNCIL

CABINET

16 January 2014

SUBJECT:	Budget Council Procedure
WARD/S AFFECTED:	All
REPORT OF:	Strategic Director for Transformation & Resources
RESPONSIBLE PORTFOLIO HOLDER:	Leader of the Council
KEY DECISION?	No

1.0 EXECUTIVE SUMMARY

- 1.1 This report proposes a procedure for the Budget meeting of the Council to be held on 25 February 2014

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Standing Order 13 provides that the Head of Legal & Member Services:

“shall, prior to the Budget meeting of the Council, consult with the Leaders of each political group and submit to the Cabinet and Council a suggested procedure to be adopted at the budget meeting, but if no such procedure is adopted the normal procedures of the Council in relation to amendments to Cabinet recommendations will apply”.

- 2.2 The Budget meeting of the Council is scheduled to take place on 25 February 2014.

3.0 Proposed procedure

- 3.1 The procedure for the Budget meeting of Council is set at Appendix 1 to this report and has been prepared following consultation with all the three Political Group Leaders.

4.0 RELEVANT RISKS

- 4.1 The Council is under a legal obligation to set a lawful budget. The proposed Budget Council Procedure seeks to facilitate and assist the Council in this regard.

5.0 OTHER OPTIONS CONSIDERED

- 5.1 No other options were considered given that all three Political Group Leaders were consulted in relation to the proposed Council Budget Procedure.

6.0 CONSULTATION

6.1 All three Political Group Leaders were consulted in relation to the proposed Budget Council Procedure.

7.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

7.1 None.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 None.

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

9.1 There are no such implications arising directly from this report.

10.0 LEGAL IMPLICATIONS

10.1 The legal implications are set out in the main body of the report.

11.0 EQUALITIES IMPLICATIONS

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

No such implications arise.

12.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

12.1 None

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 None

14.0 RECOMMENDATION/S

14.1 That Cabinet:

- approves the Budget Council Procedure set out at Appendix 1 to this report.
- recommends to Council the adoption of the Budget Council Procedure set out at Appendix 1 to this report.

14.0 REASON/S FOR RECOMMENDATION/S

14.1 To give effect to paragraph 13 of the Council Procedure Rules – Standing Orders set out in the Council’s Constitution.

REPORT AUTHOR: Surjit Tour
Head of Legal & Member Services
telephone (0151) 691 8498
email surjittour@wirral.gov.uk

APPENDICES

Appendix 1 - Budget Council Procedure

BACKGROUND PAPERS/REFERENCE MATERIAL

None

BUDGET COUNCIL PROCEDURE

COUNCIL
25 February 2014

1. Mayor's Announcements

2. Declarations of Interest / Restrictions on voting

3. Petitions

Note: if a petition relates to the setting of the Budget, the member who presents it should be given the opportunity during the main debate to speak about it, in order that the Council can take account of it in that context.

4. Matters requiring approval by the Council

A. Recommendation from Cabinet at its meeting held on 16 January 2014 – Budget Council Procedure

(Cabinet Minute -)

Council is requested to approve the Council Budget Procedure.

B. Suspension of Standing Orders of the Council's Constitution

- (i) Standing Order 12(1) relates to 'Motions and Amendments' and provides that:

"A motion or amendment shall relate to a recommendation of a committee submitted in accordance with Standing Order 5.2(l), or to a matter referred to in Standing Orders 7 and 8. It shall not be discussed unless it has been proposed and seconded.

The terms of any amendment or notice of motion shall not be varied except with the agreement of the Council."

- (ii) Standing Order 12(9) relates to 'Amendments' and provides that:

"Subject to Standing Order 7(5) an amendment to a motion or recommendation of the Cabinet or of a Committee shall be relevant to the motion or recommendation under consideration and shall be either

- (a) to refer or refer back a subject of debate for consideration or reconsideration as the case may be;
- (b) to leave out words;
- (c) to leave out words and insert or add others;
- (d) to insert or add words.

as long as the effect of any amendment is not to negate the motion or recommendation.”

- (iii) Standing Order 12(10) relates to ‘Amendments to be dealt with in order’ and provides that:

“Only one amendment may be moved and discussed at a time”.

For the purposes of the Budget Debate, Council is requested to suspend:

- (a) Standing Orders 12(1) insofar as it relates to amendments;
- (b) Standing Order 12(9); and
- (c) Standing Order 12(10).

C. COUNCIL BUDGET

The Budget Debate will only consider:

- (i) the Cabinet’s Budget Minute, which shall include any additional paragraphs/ recommendations (e.g. those relating to precepts), together with any other minutes from the Cabinet meeting on 12 February 2014 that require approval by the Council; and
- (ii) any Alternative Budget Proposal(s)/Amendment to the Cabinet’s Budget Minute referred to above lodged with the Head of Legal & Member Services on or before **12.00noon on Friday, 21 February 2014.**

Budget Debate Process

1. Cabinet Minute

- a. The Cabinet's Budget Minute referred to at 4C(i) above is formally moved by the Leader of the Council.
- b. The Cabinet's Budget Minute is formally seconded.

2. Alternative Budget Proposal(s)/Amendments

- a. The Mayor will advise Council that Alternative Budget Proposal(s)/Amendments (submitted in accordance with 4C(ii) above) are to be proposed in relation to the Cabinet's Budget Minute by both the other two Political Group Leaders.

First Alternative Budget Proposal(s)/Amendment

- b. The Mayor will invite the Group Leader of the largest opposition political group to first propose his Alternative Budget Proposal(s)/Amendment.
- c. The Group Leader of the largest opposition political group formally moves his Alternative Budget Proposal(s)/Amendment.
- d. The Alternative Budget Proposal(s)/Amendment is formally seconded.

Second Alternative Budget Proposal(s)/Amendment

- e. The Mayor will invite the Group Leader of the other opposition political group to propose his Alternative Budget Proposal(s)/Amendment.
- f. The Group Leader of the other opposition political group formally moves his Alternative Budget Proposal(s)/Amendment.
- g. The Alternative Budget Proposal(s)/Amendment is formally seconded.

3. Debating and Voting

The Cabinet's Minute and Alternative Budget Proposal(s)/Amendments are debated together (in accordance with the Rules of Debate set out below) and a vote then taken on each of the Alternative Budget Proposal(s)/Amendment.

Order of Speakers

- a. The Leader of the Council will speak to the Cabinet Budget Minute.
- b. The Group Leader will speak to the First Alternative Budget Proposal(s)/Amendment.
- c. The Group Leader will speak to the Second Alternative Budget Proposal(s)/Amendment.
- d. Other members wishing to speak shall indicate to the Mayor who will call them to speak in the order determined by the Mayor.
- e. The budget debate shall end with the Seconders, **unless** they have spoken earlier, followed by Rights of Reply (see below).

Right of Reply

- f. The Proposer of the Second Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply.
- g. The Proposer of the First Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply.
- h. The Leader of the Council will be invited to exercise his right of reply.

Speakers

Speakers will be allocated the following time:

The Leader of the Council speaking to the Cabinet's Budget Minute	15 minutes
The Leader of the Council – right of reply	5 minutes
The Group Leaders of the opposition political groups speaking to their respective Alternative Budget Proposal(s)/Amendment	15 minutes
The Group Leaders of the opposition political groups – right of reply	5 minutes
The Portfolio Holder for Children's Services (by virtue of speaking on the Schools' Budget element)	7 minutes
The Secunder of the Cabinet's Budget proposal	7 minutes

Secunder of the Opposition Alternative Budget Proposal(s)/Amendment	7 minutes
Other speakers	3 minutes

(For the avoidance of any doubt the times mentioned in the table above shall not affect the Mayor's discretion to permit a speaker to speak beyond the allotted time).

4. Voting

The order of voting shall be as follows:

a. Second Alternative Budget Proposal(s)/Amendment

A vote will be taken on the Second Alternative Budget Proposal(s)/Amendment.

b. First Alternative Budget Proposal(s)/Amendment

A vote will be taken on the First Alternative Budget Proposal(s)/Amendment.

5. Budget Decision

a. **Decision (if all Alternative Budget Proposal(s)/Amendments fall)**

If the Alternative Budget Proposal(s)/Amendments to the Cabinet's Budget Minute fall, the Cabinet's Budget Minute will be **taken as approved, without the need for any further vote.**

b. **Decision (if an Alternative Budget Proposal(s)/Amendment is carried)**

If the Cabinet's Budget Minute is amended or an Alternative Budget Proposal(s) carried, whether whole or in part, that will be regarded as an in-principle decision, which will automatically come into effect five working days from the date of that decision, ***unless*** the Leader of the Council informs the Head of Legal & Member Services in writing within that time that he objects to the decision becoming effective and provides reasons why.

In such circumstances, the Head of Legal & Member Services will call another meeting of the Council within seven working days. The Council will then be required to reconsider its decision, and the Leader of the Council's written submission, at this further Council

meeting. (A reserve date of **Tuesday, 4 March 2014** has been set aside for considering any written submission by the Leader of the Council, should that be necessary).

At that this meeting the Council can:

- (i) accept the Cabinet Budget Minute (without amendment); or
- (ii) approve a different decision that does not accord with the Cabinet Budget Minute, by a simple majority of votes cast at the meeting.

D. Other Amendments

The Council will then debate, in the normal manner, any amendments to other minutes (if any) that are subject to Council approval.

6. Vacancies

7. Any other business

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WIRRAL COUNCIL

CABINET 16TH JANUARY 2014

SUBJECT:	<i>SYLVANDEALE, SPITAL ROAD, BROMBOROUGH</i>
WARD/S AFFECTED:	<i>BROMBOROUGH</i>
REPORT OF:	<i>HEAD OF UNIVERSAL & INFRASTRUCTURE SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR ADRIAN JONES</i>
KEY DECISION?	<i>NO</i>

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to declare Sylvandale, Spital Road, Bromborough a surplus asset and seek authority to dispose of the freehold interest at auction.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Sylvandale is located on Spital Road, Bromborough, with a site area of 1.6 acres shown edged on the attached plan. Constructed in 1986, Sylvandale is a former Department of Adult Social Services, 23 place, residential home for adults with learning disabilities. The building closed on 1st September 2013 and is not required by the Council and considered appropriate for sale.
- 2.2 Part of the site is open to public access and a proposed disposal will need to be advertised in the local press in accordance with the Local Government Act. Agreement to dispose on the terms proposed would be subject to the outcome of the public advertisement period.
- 2.3 It is proposed that the property be offered for sale at auction. Council officers will set a reserve prior to auction based on professional advice from the auctioneer.

3.0 RELEVANT RISKS

- 3.1 There is a risk that the property will not sell at auction, however, there will be no cost charged to the Council if the property does not sell.
- 3.2 The sale will remove the risk for any liability for any future repair and maintenance of the asset.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 As the property is not required by the Council, a sale by auction is considered to be the most appropriate method of disposal. Consequently no other options have been considered.

5.0 CONSULTATION

- 5.1 The Head of Universal & Infrastructure Services has consulted with other relevant Council departments and the Capital Working Group. In addition, the auctioneer will undertake a promotional exercise to advertise the availability of the property at its auction, which will include promotion through its website, auction catalogue and a for sale board.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 The property is not considered to be suitable for transfer or disposal to voluntary, community or faith groups, although such groups would be able to bid at the auction.

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

7.1 Should the property sell at auction, it will generate a receipt and will also remove any liability for the maintenance/security of the building, cost of services and business rates. The savings on running costs from the release of this former Adult Social Services building have been incorporated within the Council's revenue budget.

7.2 In addition the purchaser will pay to the Council 2% of the gavel fee, with a minimum of £1,000, towards the Council's fees which will be split equally between the Conveyancing and Asset Management sections. If the property does not sell, no costs will be charged to the Council and if sold the Auctioneer will only charge the buyer a maximum administration fee of £250 plus VAT.

8.0 LEGAL IMPLICATIONS

8.1 The disposal will require the preparation of appropriate legal documentation related to the disposal.

8.2 A sale by auction is considered to be the best way of demonstrating that the best price reasonably obtainable has been achieved, which satisfies s123 of the Local Government Act 1972.

9.0 EQUALITIES IMPLICATIONS

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

No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 The sale of the building will result in a carbon reduction for the Council of 168.193 tonnes.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 Sylvandale is mainly located within part of the Primarily Residential Area and the north western corner crosses a Site of Local Importance for Earth Science as shown in the Council's Unitary Development Plan (UDP).

11.2 The site and is not formally designated as Greenspace in the UDP and is within 400 metres of Brotherton Park (21.16 ha). However, it contains a significant number of established trees, which contribute to the wooded character of the area.

11.3 Any future planning application would need to demonstrate how the Site of Local Importance for Earth Science would be safeguarded under the terms of UDP Policy NC10. New housing development would be assessed for compliance with UDP Policy HS4. Policy GR5 'Landscaping & New Development' and Policy GR7 'Trees & New Development', sets criteria for considering the protection to be given to natural features such as established trees on development sites.

11.4 Development Management Policies in the emerging Core Strategy Local Plan will also start to carry weight in the decision making process as it progresses towards adoption.

12.0 RECOMMENDATION/S

12.1 That Sylvandale, Spital Road, Bromborough be declared surplus and authority be given to its disposal by auction on the terms described.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To make the best use of the council's property assets by declaring the property surplus and to seek authority to a disposal by auction.

REPORT AUTHOR: **David Dickenson**
Asset Management Surveyor
telephone: (0151 666 3879)
email: daviddickenson@wirral.gov.uk

APPENDIX

Location plan

REFERENCE MATERIAL

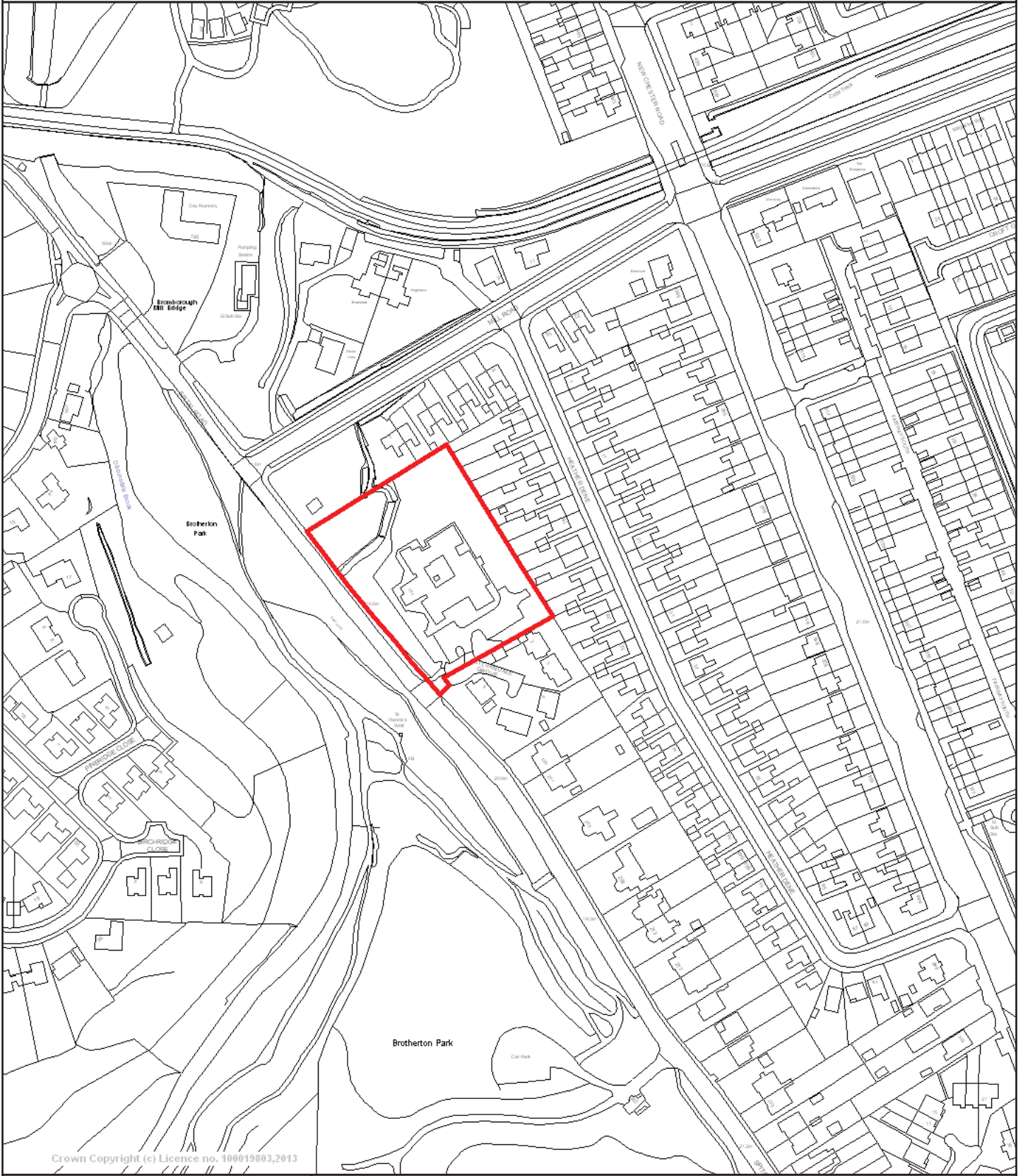
No reference material has been used in the preparation of this report.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Option-Residential Short Breaks	13th June 2013
Cabinet	18th February 2013

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Sylvandale, Spital Road, Bromborough.



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Asset Management Section, Dept. of Law, HR and Asset Management, Cheshire Lines Building, Canning Street, Birkenhead, CH41 1ND
Tel: 0151 666 3882, Fax: 0151 606 2090



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WIRRAL COUNCIL

CABINET 16TH JANUARY 2014

SUBJECT:	<i>SITE OF FORMER LINGHAM PRIMARY INFANTS BUILDING, TOWN MEADOW LANE, MORETON</i>
WARD/S AFFECTED:	<i>MORETON WEST AND SAUGHALL MASSIE</i>
REPORT OF:	<i>HEAD OF UNIVERSAL & INFRASTRUCTURE SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR ADRIAN JONES</i>
KEY DECISION?	<i>NO</i>

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to declare the site of the former Lingham Primary Infants building, Moreton a surplus asset and seek authority to dispose of the freehold interest at auction.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Lingham Primary school vacated the infants building and the building was then demolished in 2002 and the site cleared. The site extends to 5030sqm (1.24 acres), as shown edged on the attached plan. The site is not required by the Council and is considered appropriate for sale.
- 2.2 The site is open to public access and a proposed disposal will need to be advertised in the local press in accordance with the Local Government Act. Agreement to dispose on the terms proposed would be subject to the outcome of the public advertisement period.
- 2.3 As the school has not occupied the site in question for more than 10 years, under Section 77(1) of the School Standards and Framework Act 1998, there is no requirement to seek approval from the Secretary of State for the disposal of land.
- 2.4 It is proposed that the property be offered for sale at auction. Council officers will set a reserve prior to auction based on professional advice from the auctioneer.

3.0 RELEVANT RISKS

- 3.1 There is a risk that the site will not sell at auction, however, there will be no cost charged to the Council if the site does not sell.
- 3.2 The sale will remove the risk for any liability for any future maintenance of the site and unauthorised occupancy.

4.0 OTHER OPTIONS CONSIDERED

4.1 As the site is not required by the Council, a sale by auction is considered to be the most appropriate method of disposal. Consequently no other options have been considered.

5.0 CONSULTATION

5.1 The Head of Universal & Infrastructure Services has consulted with other relevant Council departments and the Capital Working Group. In addition, the auctioneer will

undertake a promotional exercise to advertise the availability of the site at its auction, which will include promotion through its website, auction catalogue and a for sale board.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 The site is not considered to be suitable for transfer or disposal to voluntary, community or faith groups, although such groups would be able to bid at the auction.

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

7.1 Should the site sell at auction, it will generate a receipt and will also remove any liability for the maintenance of the site.

7.2 In addition the purchaser will pay to the Council 2% of the gavel fee, with a minimum of £1,000, towards the Council's fees which will be split equally between the Conveyancing and Asset Management sections. If the site does not sell, no costs will be charged to the Council and if sold the Auctioneer will only charge the buyer a maximum administration fee of £250 plus VAT.

8.0 LEGAL IMPLICATIONS

8.1 As the school has not occupied the site in question for more than 10 years, under Section 77(1) of the School Standards and Framework Act 1998, there is no requirement to seek approval from the Secretary of State for the disposal of land.

8.2 A sale by auction is considered to be the best way of demonstrating that the best price reasonably obtainable has been achieved, which satisfies s123 of the Local Government Act 1972.

9.0 EQUALITIES IMPLICATIONS

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

No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 The site is designated as part of the Primarily Residential Area in the Unitary Development Plan, where residential development can be permitted under the terms of UDP Policy HS4 'New Housing Development'. New housing would also be acceptable in principle through Development Management Policies in the emerging Core Strategy.

12.0 RECOMMENDATION/S

12.1 That the site of the former Lingham Primary Infants building, Moreton be declared surplus and authority be given to its disposal by auction on the terms described.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To make the best use of the council's assets by declaring the site surplus and to seek authority to a disposal by auction.

REPORT AUTHOR: Sarah Duncan
Asset Management Surveyor
telephone: (0151 666 3889)
email: sarahduncan@wirral.gov.uk

APPENDIX

Location plan

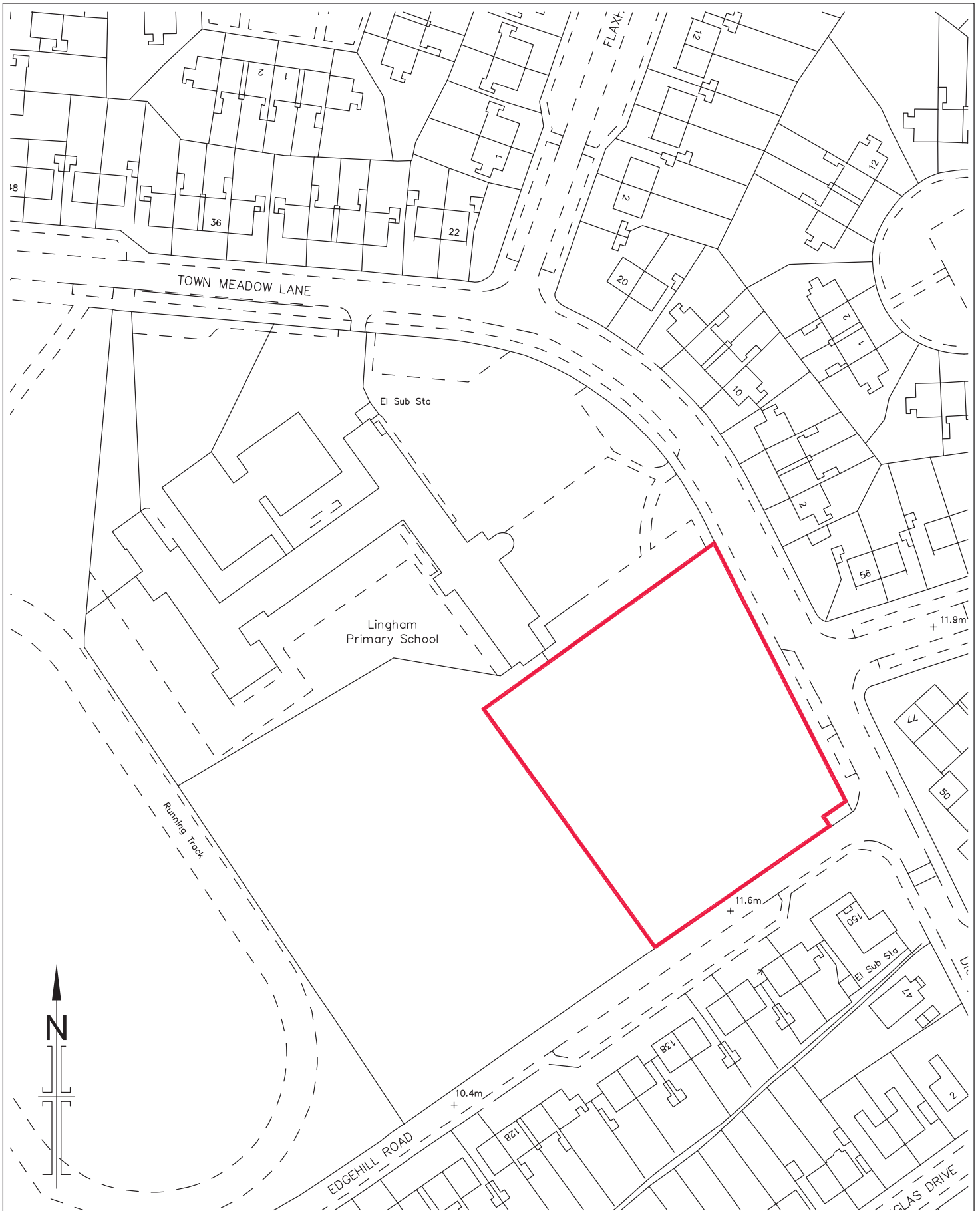
REFERENCE MATERIAL

No reference material has been used in the preparation of this report.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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WRITTEN DIMENSIONS TO BE PREFERRED TO SCALED.



DEPARTMENT of LAW, HR and ASSET MANAGEMENT

Cheshire Lines Building,
Canning Street,
Birkenhead,
Wirral. CH41 1ND.
Tel. 0151 - 606 2000
Fax. 0151 - 606 2188



PROJECT Lingham Primary School Site							DRAWING NO.	
DRAWING TITLE OS Location Plan							REV.	
DRAWN	REVIEWED	AUTHORISED	REV	INITIALS	REVIEWED	DATE	DRAWING NO.	
SCALE 1:1250							REV.	
DATE Dec 13							UPRN	

Page 99

Q.A. DOCUMENT REFERENCE: 249.8-A (01 JANUARY, 2010)

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WIRRAL COUNCIL

CABINET

16 JANUARY 2014

SUBJECT:	HIGHWAY MAINTENANCE FUNDING AND STRUCTURAL MAINTENANCE PROGRAMME 2014/15
WARD/S AFFECTED:	ALL
REPORT OF:	KEVIN ADDERLEY, STRATEGIC DIRECTOR REGENERATION AND ENVIRONMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR HARRY SMITH, HIGHWAYS AND TRANSPORTATION
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 On 13 January 2011, Cabinet endorsed the maintenance allocation within the Local Transport Plan (LTP) Capital Programme for 2011/15 [minute 285 refers.] The reported funding figures at that time were indicative but the Programme for 2014/15 for the Highway Maintenance Block amounts to the original reported figure of £2.699 million.
- 1.2 The Chancellor's Autumn Statement on the 5 December 2012 announced an additional, dedicated fund to provide for essential maintenance to renew, repair and extend the life of the highway network in England. Wirral has been allocated £0.279m from that fund in 2014/15.
- 1.3 This report presents both the proposed breakdown of that highway maintenance funding between the Bridges, Lighting and Roads/Footway elements of the network and the proposed Highway Structural Maintenance Programme 2014/15, for approval.
- 1.4 The maintenance of highways is a statutory duty for the Council under the Highways Act 1980 (as amended).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The highway network and other transport infrastructure assets together represent by far the largest capital asset the Council holds, and the value of replacing those assets is estimated to be £1.94 billion. The highway network for which Wirral Council is responsible comprises approximately 1,185 kilometres of road.
- 2.2 Local Transport Plan Capital Programme 2014/15
- 2.2.1 On 13 January 2011 Cabinet endorsed the indicative maintenance allocation within the LTP Capital Programme 2011/15, which included funding for the maintenance of highways totalling £ 2.699 million for 2014/15 [minute 285 refers.]
- 2.2.2 That £ 2.699 million LTP allocation is intended for all highway infrastructure maintenance with particular emphasis on the strategic network. An

assessment of the priority needs of the bridges, street lighting, roads and footways elements of the network has been undertaken and the need for maintenance improvements to lighting columns and a number of priority bridge maintenance and strengthening schemes are included within the overall programme.

- 2.2.3 Accordingly, Cabinet is now recommended to approve the following allocation of the maintenance block as Table 1 below.

Street Lighting	£ 200,000
Bridges	£ 850,000
Roads and Footways	£ 1,649,000
Total	£ 2,699,000

Table 1: Allocation of the LTP Capital Programme 2014/15 Maintenance Block

2.3 Additional Local Highways Maintenance Funding

- 2.3.1 The Chancellor's Autumn Statement on the 5 December 2012 announced an additional £333 million for a dedicated fund to provide for essential maintenance to renew, repair and extend the life of the highway network in England. Of the £333m, Wirral was allocated £0.522m for 2013/14 and £0.279m for 2014/15 for priorities such as road resurfacing, maintenance to bridges or repairing damage to highway infrastructure caused by severe weather events. A requirement of the funding is that authorities commit to publishing a short statement on its website (and send a copy to the DfT) at the end of each financial year setting out on what and where (in terms of location) the additional funding has been spent, and how it has complemented (rather than displaced) existing planned highway maintenance expenditure.

2.4 Overall summary of funding proposed for structural maintenance of Roads and Footways in 2014/2015

- 2.4.1 Table 2 below summarises the proposed allocations described in Sections 2.2 and 2.3.

Funding Source	£
Local Transport Plan Capital Programme 2014/2015 Maintenance block (As Table 1).	£ 1,649,000
Additional Local Highways Maintenance Funding. (A list of locations is included in Appendix 1.)	£ 279,000
TOTAL	£1,928,000

Table 2: Summary of proposed funding allocations for structural maintenance of roads and footways in 2014/15.

2.5 Network Condition and Assessment Criteria

2.5.1 In order to fulfil its duty to maintain the highway, it is necessary to consider how the Council will prioritise the maintenance schemes to be undertaken and what treatment the prioritised schemes should comprise in order to repair and prevent further deterioration of those lengths of road and footway. The following criteria are used in carrying out this analysis:

- (i) In accordance with national best practice the Council undertakes surveys of the highway network in order to determine the condition of the carriageways.
- (ii) Areas of constant repairs; mainly due to vehicle over-ride; are highlighted in the Highway Inspectors' safety inspections.
- (iii) Particular roads brought to the Council's attention, as warranting significant repair, by Constituency Committees, Elected Members, the public and Streetscene officers.
- (iv) Feedback from the Council's Term Maintenance Contractor regarding the suitability of different repair solutions depending on the existing road condition and use.

2.5.2 In relation to Constituency Committees, each area was given the opportunity to contribute to this year's programme and submit lists of roads they considered to be local priorities for significant repair, via their Constituency Manager. The programme of schemes **attached as Appendix 1** denotes those schemes with a "C". Schemes that are the subject of a petition are denoted as "P".

2.5.3 From the surveys undertaken, the existing condition of the highway network is reported through a small number of former National Indicators (NI). Choices relating to structural repairs to carriageway surfacing is dependent on a number of factors including cost, traffic flows and type and the condition of the underlying road and foundation. Certain routes require more expensive and durable surfacing whereas in other cases the priority, particularly on relatively lowly trafficked routes, is to prevent further deterioration of the road surface by sealing against ingress of water, whilst restoring skid resistance. Single Data List item 130-01, replacing former National Indicator 168, which measures the condition of Classified Principal (A) Roads has improved from 4.1% in 2009/10 to 2% in 2010/11 and to 1% in 2011/12 and remains at 1% in 2012/13.

2.5.4 Single Data List item 130-02 replacing former National Indicator 169 which measures the condition of Classified Non-Principal (B and C) Roads also improved from 4% in 2009/10 to 2% in 2010/11, remained the same at 2% in 2011/12 and has improved to 1% in 2012/13.

2.5.5 The Single Data Lists were introduced by the government in 2011/12 as part of the Data Set reporting requirements for local authorities as replacements to the former National Indicator Set.

2.5.6 The unclassified network (formerly BVPI 224b) had deteriorated from 5% in 2009/10 to 6% in 2010/11. However, an additional surfacing programme specifically undertaken on the unclassified highway network in 2012/13, funded

from the Council's Capital Maintenance Allocation, returned the condition indicator to 5% in 2011/12. This condition indicator has been able to remain at 5% in 2012/2013 with the additional £0.522m funding described in Section 2.3.1.

2.5.7 All the recorded measurements above indicate the percentage of the network that requires immediate maintenance for each classification of road.

2.6 Proposed Structural Maintenance Programme for 2014/15

2.6.1 The proposed Structural Maintenance Programme for 2014/15 for roads and footways is set out in the attached Appendix 1 and has been prepared taking into account the funding described in Section 2.4 above and the priorities assessed from the criteria described in Section 2.5 above; with all of the schemes in the programme being identified from the surveys as requiring maintenance intervention now.

2.6.2 Cabinet should note that the list of schemes shown in the priority listing is greater than the proposed funding. This is to allow certainty of priority yet flexibility to extend/alter the proposed schemes to be delivered in the event that, for example, there are clashes with major utility activities, severe winter damage to certain roads, some scheme requirements/extent/costs are reduced, or less costly treatment is selected when the schemes are prepared in detail.

3.0 **RELEVANT RISKS**

3.1 The duty to maintain the highway is achieved in part through structural maintenance of carriageways and footways, and withdrawal of funding would mean that that duty would not be met to the same degree.

3.2 As with most highway authorities, the network is deteriorating, and without a structural maintenance programme to address the highest priority routes, then the network will deteriorate further, the asset value will decrease and the cost of carrying much greater maintenance at a later date will be disproportionately higher.

3.3 Withdrawal of funding would lead to the deterioration of the network. This would have an adverse effect on the amount of claims received by the authority for Slips, Trips and Falls together with Road Traffic Accidents.

4.0 **OTHER OPTIONS CONSIDERED**

4.1 None. The programme is based on meeting the highest priority needs within the funding available against the condition and assessment criteria.

5.0 **CONSULTATION**

5.1 The Constituency Committees, as described in Section 2.5.

6.0 **IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

6.1 None identified through this report.

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

7.1 Financial: Schemes identified in the programme will be funded from a variety of sources as detailed in Table 2 above.

7.2 Staffing: Existing staff resources will be used for the detailed investigation, design and monitoring of these schemes.

7.3 Assets: Preventative maintenance to the highway assets will increase their residual life and asset value, and future spending will be targeted to maintain the carriageway condition indicators at their current level.

8.0 LEGAL IMPLICATIONS

8.1 Section 41 of the Highways Act 1980 imposes a duty on the Council, as Highway Authority, to maintain highways at the public expense.

9.0 EQUALITIES IMPLICATIONS

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

(a) Yes and impact review is attached

10.0 CARBON REDUCTION IMPLICATIONS

10.1 The environmental impact of the proposed construction methods and processes contained within the programme are evaluated on a site by site basis.

10.2 Wherever practicable the use of recycling processes is encouraged to reduce the tax burden through landfill and aggregate levies and to limit the use of non-renewable resources.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

12.0 RECOMMENDATION/S

12.1 That Cabinet is requested to approve:

- (i) The proposed allocation of Local Transport Plan Capital Programme 2014/15 Maintenance Block between Street Lighting, Bridges and Roads/Footways;
- (ii) The Highway Structural Maintenance Programme for 2014/15 (as detailed in section 2.6) and
- (iii) That the Strategic Director for Regeneration and Environment; in conjunction with the Cabinet Member for Highways and Transportation and Party Spokespersons; be able to make necessary adjustments to the priorities within the programme should the need arise due to financial, condition or other factors.
- (iv) That the additional highways maintenance funding referred to in section 2.3 be expended on those highway schemes specifically referred to in Appendix 1.

13.0 REASON/S FOR RECOMMENDATION/S

- 13.1 The investment in the maintenance of the highway network will enable the Council to comply with its statutory duty to maintain the highway. The establishment of a prioritised programme allows both transparency that the Council is addressing those highway elements in greatest need of maintenance and proper management of the allocated finances, and to permit co-ordination of roadworks with the utilities' programmes of work.
- 13.2 Winter salting and freeze/thaw action has a detrimental effect on the condition of highway surfaces, allowing further degradation due to the ingress of water.
- 13.3 The additional funding of £0.279 million mentioned in paragraph 1.2 is subject to terms and conditions attached as **Appendix 2**.

REPORT AUTHOR: Shaun Brady
Asset Manager (Highways Management)
(0151) 606 2098
email: shaunbrady@wirral.gov.uk

APPENDICES

Appendix 1 – Proposed Structural Maintenance Programme 2014/15.

Appendix 2 – Letter from Department for Transport dated 18 December 2012 detailing Additional Highway Maintenance Funding for 2013/14 and 2014/15.

REFERENCE MATERIAL HELD BY THE REPORT AUTHOR:

United Kingdom Pavement Management Systems (UKPMS) Survey Condition Data.

Single Data List Items (Former National Indicators N.I.168, N.I.169 and former BVPI 224b.)

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet – Highway Maintenance Funding and Structural Maintenance Programme 2013/14	24 January 2013
Cabinet – Highway Maintenance Funding and Structural Maintenance Programme 2012/13	12 January 2012
Cabinet – Local Transport Plan Capital Programme 2012/13	12 January 2011
Council - Capital Programme and Financing 2012/15	12 December 2011
Cabinet – Highway Maintenance Funding and Structural Maintenance Programme 2011/12	3 February 2011

STRUCTURAL MAINTENANCE PROGRAMME
2014/2015

Road Name	Limits	Ward	Other Priorities	Estimate £s	Funding	Works Description
CHESTER STREET	CANNING STREET TO IVY STREET	BIRKENHEAD & TRANMERE		160,471	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
CHESTER STREET	IVY STREET TO GREEN LANE (SOUTHBOUND)	BIRKENHEAD & TRANMERE		32,734	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
BELVIDERE ROAD	BRITANNIA ROAD TO BROADWAY AVENUE	WALLASEY		28,067	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
CHURCH ROAD	WELL LANE TO ELM ROAD	BIRKENHEAD & TRANMERE		86,450	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
CHURCH ROAD	ELM ROAD TO HAMPDEN ROAD	BIRKENHEAD & TRANMERE		45,525	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
OLD CHESTER ROAD	BEDFORD ROAD TO WELL LANE	ROCK FERRY		83,625	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
KELVIN ROAD	WHEATLAND LANE TO BIRKENHEAD ROAD	SEACOMBE		20,618	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
KINGS PARADE	SELECTED	WALLASEY		190,608	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
WOODCHURCH ROAD	PRENTON HALL ROAD TO HOLM LANE	PRENTON / OXTON		58,995	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
ROCK LANE WEST	OLD CHESTER ROAD TO NEW CHESTER ROAD	ROCK FERRY		50,830	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
RABY HALL ROAD	SELECTED	CLATTERBRIDGE		77,948	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR

STRUCTURAL MAINTENANCE PROGRAMME
2014/2015

Road Name	Limits	Ward	Other Priorities	Estimate £s	Funding	Works Description
RAKE LANE	LISCARD VILLAGE TO MORTUARY ROAD	LISCARD		29,874	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
POULTON BRIDGE ROAD	BRECK ROAD TO DOCK ROAD	SEACOMBE		66,500	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
NEW FERRY BYPASS	SOUTHBOUND ENTRANCE	BROMBOROUGH		45,000	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
SPITAL ROAD	BROMBOROUGH VILLAGE ROAD TO MILL LANE	BROMBOROUGH		28,375	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
HOYLAKES ROAD	PASTURE ROAD TO ROSSLYN DRIVE	MORETON WEST AND SAUGHALL MASSIE		92,550	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
PASTURE ROAD	SELECTED	MORETON WEST AND SAUGHALL MASSIE & MORETON EAST		98,443	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
FENDER WAY	FIRST AVENUE TO HEALTH CENTRE CAR PARK	BIDSTON & ST.JAMES	C	69,500	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
BIDSTON LINK ROAD	JUNCTION 3 M53 TO HOYLAKES ROAD	WALLASEY		56,849	LTP STRUCTURAL CARRIAGEWAY	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
MANOR DRIVE	SELECTED	UPTON	C	69,500	LTP STRUCTURAL CARRIAGEWAY	RESURFACE CARRIAGEWAY
NORMANSTON ROAD	ALL	OXTON	C	£5,005	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR

STRUCTURAL MAINTENANCE PROGRAMME
2014/2015

Road Name	Limits	Ward	Other Priorities	Estimate £s	Funding	Works Description
LOVE LANE	(south west end) WOODSTOCK ROAD TO ROSTHERNE AVENUE	LISCARD	C	£5,845	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
HOOLE ROAD	O/S 44 HOOLE ROAD TO ORRETS MEADOW ROAD	UPTON	C	£31,150	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
OXLEY AVENUE	ALL	LEASOWE & MORETON EAST	C	£6,398	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
WASTDALE DRIVE	ALL	MORETON WEST & SAUGHALL MASSIE		£32,340	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
MALLARD WAY	ALL	MORETON WEST & SAUGHALL MASSIE		£14,679	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
BERESFORD ROAD	SHREWSBURY ROAD TO ALTON ROAD	OXTON	C	£26,264	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
BARNARD ROAD	ALL	OXTON		£4,277	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
MARTINS LANE	ALL	LISCARD	C	£33,040	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR

STRUCTURAL MAINTENANCE PROGRAMME
2014/2015

Road Name	Limits	Ward	Other Priorities	Estimate £s	Funding	Works Description
BRIARDALE ROAD	ALL	BIRKENHEAD & TRANMERE		£12,299	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
GRANGE ROAD WEST	ALVANLEY PLACE TO SLATEY ROAD	CLAUGHTON		£19,306	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
LORNE ROAD	ALL	OXTON	C	£17,822	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
KELLET ROAD	ALL	LEASOWE & MORETON EAST	C	£4,704	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
BURNLEY ROAD	ALL	LEASOWE & MORETON EAST		£15,344	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
TERN WAY	ALL	MORETON WEST & SAUGHALL MASSIE		£28,266	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
HIGHPARK ROAD	ALL	PRENTON		£2,464	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
FOREST ROAD	ALL	HOYLAKE & MEOLS		£34,139	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR

STRUCTURAL MAINTENANCE PROGRAMME
2014/2015

Road Name	Limits	Ward	Other Priorities	Estimate £s	Funding	Works Description
ROSTERNE AVENUE	ALL	LISCARD		£11,991	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
MELVILLE ROAD	ALL	BEBINGTON		£6,244	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
LEVER AVENUE	ALL	SEACOMBE		£1,932	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
SILVERLEA AVENUE	ALL	LISCARD	C	£7,728	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
OULTON CLOSE	ENTRANCE FROM HOLM LANE	OXTON	C	£1,960	ADDITIONAL LOCAL HIGHWAYS MAINTENANCE FUNDING FROM GOVERNMENT	SURFACE TREATMENT TO BE DECIDED FOLLOWING CONSULTATION WITH TERM MAINTENANCE CONTRACTOR
RINGWOOD	REMAINING PART	OXTON	C	21,600	LTP STRUCTURAL FOOTWAY	L/R & P/L KERBS AS REQUIRED. L/R FLAGS AS REQUIRED. CONSTRUCT/RECONSTRUCT FLEXIBLE FOOTWAY.
DURLEY DRIVE	SELECTED	PRENTON	C	60,000	LTP STRUCTURAL FOOTWAY	L/R & P/L KERBS AS REQUIRED. L/R FLAGS AS REQUIRED. CONSTRUCT/RECONSTRUCT FLEXIBLE FOOTWAY.
HEYWOOD BOULEVARD	ALL	PENSBY & THINGWALL	C, P	55,920	LTP STRUCTURAL FOOTWAY	L/R & P/L KERBS AS REQUIRED. L/R FLAGS AS REQUIRED. CONSTRUCT/RECONSTRUCT FLEXIBLE FOOTWAY.

STRUCTURAL MAINTENANCE PROGRAMME
2014/2015

Road Name	Limits	Ward	Other Priorities	Estimate £s	Funding	Works Description
DICKENS AVENUE	SELECTED	PRENTON	C	60,000	LTP STRUCTURAL FOOTWAY	L/R & P/L KERBS AS REQUIRED. L/R FLAGS AS REQUIRED. CONSTRUCT/RECONSTRUCT FLEXIBLE FOOTWAY.
BROMBOROUGH VILLAGE SHOPS	SELECTED	BROMBOROUGH		32,130	LTP STRUCTURAL FOOTWAY	L/R & P/L KERBS AS REQUIRED. L/R FLAGS AS REQUIRED. CONSTRUCT/RECONSTRUCT FLEXIBLE FOOTWAY.
PRICE STREET	HAMILTON LANE TO LORD STREET	BIRKENHEAD & TRANMERE		25,000	LTP STRUCTURAL FOOTWAY	L/R & P/L KERBS AS REQUIRED. L/R FLAGS AS REQUIRED. CONSTRUCT/RECONSTRUCT FLEXIBLE FOOTWAY.
SEABANK ROAD	SELECTED	NEW BRIGHTON		60,000	LTP STRUCTURAL FOOTWAY	L/R & P/L KERBS AS REQUIRED. L/R FLAGS AS REQUIRED. CONSTRUCT/RECONSTRUCT FLEXIBLE FOOTWAY.



Department
for Transport

From the Secretary of State
The Rt. Hon. Patrick McLoughlin

Great Minster House
33 Horseferry Road
London SW1P 4DR

Tel: 020 7944 3011
Fax: 020 7944 4399
E-Mail: patrick.mcloughlin@dft.gsi.gov.uk

Web site: www.dft.gov.uk

**To: Leaders of English Local Highway
Authorities (outside of London)**

18 DEC 2012

Dear Colleagues,

Autumn Statement – Additional Local Highways Maintenance Funding

The Chancellor's Autumn Statement on the 5 December 2012 announced an additional £1.5 billion of Government investment to improve the highway network and reduce congestion.

The Government recognises one of the best ways to foster job creation, encourage economic growth and support local communities, including those that have encountered flooding in recent months, is to ensure we have well maintained transport infrastructure.

That is why we announced in the Autumn Statement an additional £333 million for a dedicated fund to provide for essential maintenance to renew, repair and extend life of the highway network in England. I have allocated £215 million of this Fund to local highway authorities split over the next two years (2013/14 and 2014/15). A list of indicative allocations by each individual authority is listed in Annex A to this letter.

Whilst it is for your authority to target the extra funds where it is most needed, to promote greater transparency we require your authority to commit to publishing a short statement on its website at the end of each financial year setting out on what and where (in terms of location) this additional funding has been spent, and how it has complemented (rather than displaced) your planned highway maintenance expenditure. My officials will shortly be seeking written confirmation from senior council officers on the agreement of this requirement before final allocations are confirmed. I believe this is a proportionate approach to transparency; one which was successfully implemented in the March 2011 payments for 'potholes' repairs.

It is for local highway authorities to plan and decide your own maintenance schedules. However, I think you will agree that it is important that any work undertaken gives due regard to minimising disruption both to business and other road users. This could include out of hours working, where appropriate and cost effective.

In regards to cost effectiveness I should also like to remind all local authorities of the importance of making the most of resources, to ensure we all achieve best value for money for the taxpayer. The Department for Transport-funded Highways Maintenance Efficiency Programme is leading the way in this regard.

The Programme is bringing together the public and private sectors to develop and disseminate good practice in areas such as asset management and collaboration to reduce costs on procurement and other areas. I would strongly encourage your authority to explore whether it can adopt the best practice tools that are becoming available to maximise the returns from your authority's spend. Further details on the Programme can be found via: www.dft.gov.uk/hmep

In the meantime I wish you all a Happy Christmas.

Yours sincerely,

A handwritten signature in black ink, reading "Patrick McLoughlin". The signature is written in a cursive style with a large initial 'P' and a long, sweeping underline.

THE RT. HON. PATRICK McLOUGHLIN

ANNEX A - ADDITIONAL HIGHWAYS MAINTENANCE FUNDING

Local Authority	Additional funding announced in the Autumn Statement 2013-14	Additional funding announced in the Autumn Statement 2014-15	TOTAL 2013-14 & 2014-15
	£m	£m	£m
England total pot	140	75	215
London	7.056	3.780	10.836
North East	7.649	4.179	11.828
Hartlepool	0.142	0.079	0.221
Middlesbrough	0.294	0.161	0.455
Redcar and Cleveland	0.283	0.152	0.435
Stockton-on-Tees	0.368	0.197	0.565
Darlington	0.289	0.145	0.434
County Durham	1.836	1.007	2.843
Northumberland	2.541	1.412	3.953
Gateshead	0.412	0.217	0.629
Newcastle upon Tyne	0.414	0.219	0.633
North Tyneside	0.326	0.176	0.502
South Tyneside	0.224	0.130	0.354
Sunderland	0.520	0.284	0.804
North West	18.466	9.752	28.218
Halton	0.355	0.187	0.542
Warrington	0.594	0.303	0.897
Blackburn with Darwen	0.334	0.171	0.505
Blackpool	0.273	0.143	0.416
Cheshire East	1.485	0.795	2.280
Cheshire West & Chester	1.125	0.596	1.721
Cumbria	3.890	2.082	5.972
Lancashire	3.632	1.904	5.536
Bolton	0.631	0.338	0.969
Bury	0.326	0.175	0.501
Manchester	0.583	0.315	0.898
Oldham	0.404	0.216	0.620
Rochdale	0.454	0.233	0.687
Salford	0.437	0.242	0.679
Stockport	0.579	0.248	0.827
Tameside	0.329	0.192	0.521
Trafford	0.392	0.213	0.605
Wigan	0.460	0.257	0.717
Knowsley	0.299	0.157	0.456
Liverpool	0.596	0.319	0.915
St. Helens	0.336	0.166	0.502
Sefton	0.426	0.219	0.645
Wirral	0.522	0.279	0.801

Local Authority	Additional funding announced in the Autumn Statement 2013-14	Additional funding announced in the Autumn Statement 2014-15	TOTAL 2013-14 & 2014-15
	£m	£m	£m
Yorkshire and The Humber	13.581	7.268	20.849
Kingston upon Hull, City of	0.326	0.179	0.505
East Riding of Yorkshire	1.656	0.921	2.577
North East Lincolnshire	0.297	0.165	0.462
North Lincolnshire	0.630	0.334	0.964
York	0.318	0.173	0.491
North Yorkshire	3.939	2.108	6.047
Barnsley	0.572	0.306	0.878
Doncaster	0.677	0.354	1.031
Rotherham	0.546	0.282	0.828
Sheffield	0.000	0.000	0.000
Bradford	1.040	0.540	1.580
Calderdale	0.643	0.347	0.990
Kirklees	1.019	0.548	1.567
Leeds	1.337	0.705	2.042
Wakefield	0.581	0.306	0.887
East Midlands	14.692	7.798	22.490
Derby	0.339	0.174	0.513
Leicester	0.399	0.200	0.599
Rutland	0.265	0.139	0.404
Nottingham	0.345	0.179	0.524
Derbyshire	2.625	1.405	4.030
Leicestershire	2.034	1.058	3.092
Lincolnshire	4.205	2.246	6.451
Northamptonshire	2.457	1.315	3.772
Nottinghamshire	2.022	1.082	3.104
West Midlands	14.397	7.674	22.071
Herefordshire, County of	1.584	0.857	2.441
Telford and Wrekin	0.481	0.257	0.738
Stoke-on-Trent	0.334	0.191	0.525
Shropshire	2.292	1.227	3.519
Staffordshire	2.936	1.573	4.509
Worcestershire	2.115	1.119	3.234
Warwickshire	1.825	0.977	2.802
Birmingham	0.000	0.000	0.000
Coventry	0.548	0.290	0.838
Dudley	0.473	0.253	0.726
Sandwell	0.620	0.321	0.941
Solihull	0.495	0.235	0.730
Walsall	0.352	0.188	0.540
Wolverhampton	0.343	0.184	0.527

Local Authority	Additional funding announced in the Autumn Statement 2013-14	Additional funding announced in the Autumn Statement 2014-15	TOTAL 2013-14 & 2014-15
	£m	£m	£m
East of England	17.926	9.616	27.542
Peterborough	0.532	0.303	0.835
Luton	0.183	0.106	0.289
Southend-on-Sea	0.277	0.157	0.434
Thurrock	0.312	0.167	0.479
Bedford	0.503	0.277	0.780
Central Bedfordshire	0.724	0.367	1.091
Cambridgeshire	1.949	1.040	2.989
Essex	3.446	1.854	5.300
Hertfordshire	3.220	1.720	4.940
Norfolk	3.701	1.977	5.678
Suffolk	3.079	1.648	4.727
South East	22.440	12.266	34.706
Medway	0.390	0.218	0.608
Bracknell Forest	0.259	0.143	0.402
West Berkshire	0.599	0.321	0.920
Reading	0.440	0.238	0.678
Slough	0.153	0.079	0.232
Windsor and Maidenhead	0.337	0.185	0.522
Wokingham	0.446	0.257	0.703
Milton Keynes	0.896	0.490	1.386
Brighton and Hove	0.594	0.325	0.919
Portsmouth	0.201	0.098	0.299
Southampton	0.310	0.169	0.479
Isle of Wight	0.000	0.000	0.000
Buckinghamshire	1.411	0.749	2.160
East Sussex	1.491	0.812	2.303
Hampshire	3.990	2.136	6.126
Kent	4.075	2.198	6.273
Oxfordshire	2.312	1.239	3.551
Surrey	2.616	1.574	4.190
West Sussex	1.920	1.033	2.953
South West	23.793	12.667	36.460
Bath and NE Somerset	0.663	0.353	1.016
Bristol, City of	0.573	0.307	0.880
North Somerset	0.615	0.329	0.944
South Gloucestershire	0.783	0.424	1.207
Plymouth	0.383	0.202	0.585
Torbay	0.211	0.113	0.324
Bournemouth	0.260	0.139	0.399
Poole	0.280	0.145	0.425
Swindon	0.462	0.247	0.709
Cornwall	3.191	1.683	4.874

Local Authority	Additional funding announced in the Autumn Statement 2013-14	Additional funding announced in the Autumn Statement 2014-15	TOTAL 2013-14 & 2014-15
	£m	£m	£m
Wiltshire	2.349	1.257	3.606
Devon	6.027	3.225	9.252
Dorset	2.005	1.056	3.061
Gloucestershire	2.708	1.434	4.142
Somerset	3.282	1.751	5.033

Notes:

1. All funding is capital.
2. All funding is subject to local highway authorities agreeing to publish transparency statements at the end of each financial year.
3. Due to highways maintenance PFIs – either in operation or becoming operational from 2013 onwards - Birmingham, Sheffield, the Isle of Wight and Hounslow are not eligible for this funding as they have agreed to forgo DfT highways maintenance capital block funding.
4. Funding for Local highway authorities is calculated using the following methodology:
 - Stage 1: Split the funding pot between local authorities inside and outside of London based on road length. Funding for London will be provided to TfL to manage and allocate as appropriate.
 - Stage 2: For local authorities outside of London, distribute the funding on the basis of the existing Highways Maintenance Block Formula (as defined for 2013/14 and 2014/15).

A detailed explanatory note on this calculation is available from:

<https://www.gov.uk/government/publications/local-transport-capital-block-funding>

5. Figures are rounded to the nearest thousand.

WIRRAL COUNCIL

CABINET

16 JANUARY 2014

SUBJECT:	<i>Extra Care Housing - Strategic Delivery Partners</i>
WARD/S AFFECTED:	<i>ALL</i>
REPORT OF:	<i>GRAHAM HODKINSON - DIRECTOR OF ADULT SOCIAL SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR CHRISTINE JONES</i>
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

1.1 This report informs Cabinet of the commissioning activity undertaken with regard to increasing Extra Care Housing provision across Wirral throughout the period 2014 – 2017. The aim of this is to increase choice for people who use services, and ensure Extra Care provision both in areas of high demand and where there currently is none.

2.0 BACKGROUND AND KEY ISSUES

2.1 The term 'Extra Care' housing is used to describe developments that comprise self-contained homes with design features and support services available to enable self-care and independent living. Extra Care housing can meet the needs of older people, people with physical or learning disabilities, frailty or health needs which make ordinary housing unsuitable but who do not need or want to move to long term care (residential or nursing homes).

2.2 Extra Care Housing has been widely recognised as a cost effective alternative to other forms of care. Recent research undertaken in East Sussex (see 'Supporting Documents') overwhelmingly upheld the assumptions that:

- Extra Care housing is a preventative model, supporting independence and avoiding admissions into residential care
- Extra Care housing is a more cost effective model of care delivery than other models, including residential care and care in the community.

Headline findings were that when reviewed, 63% of their existing Extra Care residents would require residential, nursing, or EMI (Elderly Mentally Infirm) care were they not in Extra Care. The cost of those options is approximately twice that of Extra Care. The research also found that the enabling design and accessible environment of Extra Care housing supported self care and informal family care, thus increasing independence.

- 2.3 Extra Care Housing provision in Wirral is limited to five schemes. Demand continues to exceed supply. There is no provision in south west Wirral. A Gap Analysis (see 'Supporting Documents') explored this further.
- 2.4 Capital Asset Working Group allocated £3m capital to increase Extra Care housing provision in Wirral. The average build cost of a typical Extra Scheme (30 - 40 units) ranges from £8m - £10m.
- 2.5 Soft market testing with Registered Housing Providers established the impact of the £3m capital programme allocation could be significantly maximised by Wirral funding percentage contributions per unit per scheme with strategic housing partners. It was estimated this approach could achieve at least 100 new units of Extra Care Housing (new build, remodelled, refurbished, or a mix). Allocation of these units would be determined via the existing Extra Care Housing Allocations Panel process administered by Wirral Council.

3.0 PROCUREMENT

- 3.1 A procurement process was initiated 2nd October 2013, following the European Union (EU) accelerated restricted process. The Contract Notice, Extra Care Model, Invitation to Tender (ITT) and Method Statement questions are included under Supporting Documents.
- 3.2 Seven submissions were received on time for the Pre-Qualification Questionnaire (PQQ) stage. Evaluation of these indicated all seven should progress to the ITT stage. Deadline for tenders was set at 3rd December 2013. Four suppliers completed an ITT. Initial evaluation took place 6th December 2013 using 70:30 price/quality evaluation (on the basis that all providers would be working to an agreed Extra Care specification). Following this, all four providers were invited for interview 10th December 2013 to seek clarification on responses. Further information was requested and subsequently submitted via The Chest. Final analysis was undertaken and decision made on Friday 13th December 2013.

3.3 The outcome of the process will be the provision of 102 new units of Extra Care housing during the period 2014 – 2017, via strategic partnership with one provider at a cost of £2,796,000 to the Council. This retains £204k from the £3m capital programme allocation for contingency or additional development. Whilst the successful provider demonstrated most effectively their ability to deliver the Council's vision of over 100 new units of high quality Extra Care housing at low cost; the Council will continue to work in partnership with all providers on developing the provision of Extra Care in Wirral.

4.0 RELEVANT RISKS

4.1 Failure to increase provision of Extra Care will not reduce the need for higher cost forms of care.

4.2 Failure to maximise the impact of the £3m capital programme allocation limits the potential savings which could be achieved by reducing higher cost forms of care.

4.3 Failure to develop additional Extra Care provision will limit choice for people who use services.

5.0 OTHER OPTIONS CONSIDERED

5.1 Following approval of the capital programme allocation, various proposals and options for increasing Wirral's Extra Care provision were debated at strategic level. It was subsequently decided that the most robust and transparent method by which to increase the Extra Care provision in Wirral would be via competitive procurement process.

6.0 CONSULTATION

6.1 It will be a requirement of the contract that successful providers fully engage with all relevant stakeholders at all stages of the development process.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 The provision of additional Extra Care schemes may provide opportunities for voluntary, community and faith groups.

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

8.1 The £3m capital programme allocation was revised in M7 Monitoring Report as £400k 2013-14; £2.600m 2014-15. The financing is capital receipts and borrowing.

8.2 The investment will support:

- Delivery of 2013-16 agreed savings to reduce residential placements (£484k 2013-14, £468k 2014-15; £452k 2015-16= £1.4.0m total).
- Any investment over and above that required to achieve the 2013-16 savings will be used to deliver Tranches 1 and 2 of 2014-17 extra care savings - £675k 2015-16 and £450k 2015-16.

9.0 LEGAL IMPLICATIONS

9.1 Full Contract, Terms & Conditions and Nomination Agreement have been drawn up by Legal as part of the procurement process.

10.0 EQUALITIES IMPLICATIONS

10.1 It will be a requirement of the contract that successful providers consider equalities implications and the needs of those with protected characteristics.

11.0 CARBON REDUCTION IMPLICATIONS

11.1 It was a factor in the selection process and will be a requirement of the contract that successful providers ensure their schemes contribute toward reducing Wirral's carbon footprint, whilst ensuring low energy consumption for residents.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 New developments for extra care housing will require planning permission to be granted before development could commence. Any future planning applications will need to be assessed for compliance with relevant policies in the Council's Unitary Development Plan and the emerging Core Strategy Local Plan.

13.0 RECOMMENDATIONS

13.1 It is recommended that Cabinet approve spend of the £3m capital programme allocation in respect of development of 102 new units of Extra Care housing in partnership with the successful provider.

14.0 REASONS FOR RECOMMENDATIONS

14.1 The procurement process has demonstrated that the most efficient and effective way of maximising the £3m capital programme allocation is by working with the successful provider on three different schemes in the following areas:

- Wallasey (36 refurbished apartments, delivery September 2015)
- Pensby (16 remodelled apartments, delivery January 2016)
- Birkenhead (50 new build apartments, delivery January 2017)

This action will make available 102 new Extra Care apartments over a phased development period 2014 – 2017. This increase in provision will reduce the need for higher cost residential and nursing placements, it will increase choice for people who use services, and ensure extra care provision in areas of both high demand and limited provision. Although one leading provider has been selected for this capital grant allocation, the Council is confident it can engage with all providers on developing future provision of Extra Care in Wirral should further capital be made available.

REPORT AUTHOR

Adrian Quinn
Commissioning Lead
Telephone: 0151 666 4845
Email: adrianquinn@wirral.gov.uk

SUPPORTING DOCUMENTS



Business Case for
Extra Care



Extra Care Gap
Analysis



Contract Notice



Wirral Council Extra
Care Model



ITT



Method Statement
Questions

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WIRRAL COUNCIL

CABINET

16 JANUARY 2014

SUBJECT:	<i>REVIEW OF MENTAL HEALTH SERVICES</i>
WARD/S AFFECTED:	<i>ALL</i>
REPORT OF:	<i>DIRECTOR OF ADULT SOCIAL SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR CHRISTINE JONES</i>
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides context in relation to the review of Wirral Council's Community Mental Health Services commissioned and provided by Wirral Council in conjunction with Cheshire and Wirral Partnership NHS Foundation Trust (CWP) as the lead statutory Health Provider organisation.
- 1.2 The review was instigated by the Director of Adult Social Services, supported by CWP and has focussed upon those areas of service involving local authority resource deployments. Inevitably the review is placed within the wider system of mental health determinants and Cost Improvement Programmes (CSIP) and transformation programmes adopted by CWP.
- 1.3 The report seeks agreement from Cabinet to consult upon plans to fully integrate DASS Mental Health service provision with CWP in order to provide an all age mental health service model across the borough which provides 24/7 response through an out of hours pathway service.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The internal review has adopted a project approach to provide governance and accountabilities in relation to the progression of the review objectives which were:
 - Options appraisal to increase understanding in relation to the integration of community mental health services, this was specific to the current adult social care mental health resource deployments, and the implications associated with specific options.
 - Evidenced service model to ensure the social model of mental health, is embedded and is comprehensive and complementary in nature across the health and social care spectrum. The importance of a holistic/whole systems approach would be critical to an integrated organisational approach to mental health service provision.

- To make best use of available resources and demonstrate value for money recognising the financial context currently confronting Wirral Council.
 - A governance structure that is fit for purpose and provides assurance to Statutory Commissioners.
 - To consider the current accountabilities specifically in relation to the Older Peoples Community Mental Health Team.
 - To consider the form and function of Beaconsfield Day Services and the relationship to mainstream community mental health services infrastructures.
- 2.2 Whilst outside of the original review objectives a number of emergent themed areas have arisen which are also referenced and addressed within this report, notably Adult Safeguarding, the profile of Approved Mental Health Practitioners (AMPH's) and the differential conditions of service between health and social care staff working within community mental health services.
- 2.3 It is important to note that the current mental health services environment is complex and challenging and outcomes from the review reflect the financial imperatives confronting health and social care, which we acknowledge is no different to the overall health and social care landscapes. The review of community mental health services has also been a collaborative approach involving CWP officers and has spanned the period September to December 2013.
- 2.4 Integration of Health and Social Care has to be seen within the context of creating more coherent, comprehensive and comprehensible services for those who use those services and their carers – indeed those who may use services in the future.
- 2.5 The advantages of integration are:
- Management and service delivery can be more cohesive and congruent.
 - The organisation is easier for service users and carers and potential referrers to understand.
 - Specialist expertise is created – knowing the business.
 - A coordinated approach to staff development, skill mix and skills sharing.
 - Economies of scale.
 - Health and Social Care engaging in the culture of evidenced based learning so as to inform both practice and service developments.
- 2.6 In relation to Integration, officers have considered four options:
- **Co-location** – the current position, relatively long in duration, this option would seek to formalise and enhance the current position and recover a stepping back following the Cost Improvement Programmes implemented by Health. We now have a spectrum of service and team positions reflecting integration and single line management to separate team's line managed on

an organisational basis. Equally we continue with middle/senior management based upon organisations creating a duality of responsibilities and lines of accountability and reporting.

- **Secondment of Local Authority Staff** – this would involve the Agreement to second all adult social care staff to Cheshire and Wirral Partnership NHS Foundation Trust to establish clear lines of accountability and single line management of all resources with a Senior Social Care Lead Officer. This would establish clarity of purpose and the deployment of resources efficiently and effectively. The secondment arrangements would be supported by a formal agreement to assure governance and due diligence.
- **TUPE of Local Authority Staff** – this would create one organisational entity providing statutory mental health services and the Local Authority adopting a Commissioning Function similar to the Wirral Clinical Commissioning Group(s). This entity would deliver a health and social care mental health service and would encompass a coming together of commissioning functions.
- **To withdraw from the current arrangements** – nationally local authorities have reviewed the deployment of resources into partnerships with health and 25% have now withdrawn and provide adult social care mental health services that work in conjunction with secondary health mental health services.

2.7 The Council is fully committed to integration of mental health services but recognise a number of key **enablers** to support both co-location and secondment which are part of a building process to achieve the end of integrated mental health services. The enablers are:

Single Line Management – This could involve appointment of joint senior operational manager
Roles and responsibilities – single job description
Defined spheres of responsibility – realistic and manageable
Recourse to professional/clinical supervision for all professional staff groups
Efficient and Effective Administrative Support
Agreed service model commissioned by health and social care - social model embedded
Parity of caseloads/workloads
Conditions of service, in particular allied to operational managers but also Approved Mental Health Practitioners and Support Workers
Due Diligence, Cheshire and Wirral Partnership would need to agree to assume responsibility for Local Authority Purchasing activities

3.0 RELEVANT RISKS

The Council will need to establish a formal agreement with Cheshire and Wirral Partnership NHS Foundation Trust (CWP) to provide assurance and clarity in relation to the current operating arrangements. The absence of any formal agreement leaves a service operating very much based upon the goodwill of staff and a long standing commitment on the part of staff to make matters work. However there is now emerging evidence, especially within Community Mental Health Teams and amongst Approved Mental Health Practitioners that morale is diminishing and splits arising in relation to CWP colleagues, compromising the sustainability of working positions and practices.

4.0 OTHER OPTIONS CONSIDERED

In relation to the above four options the Project Team discounted the options of **TUPE** and **Withdrawing** for the following reasons –

- **Withdrawing** was deemed to be counter productive and contrary to the principles and values underpinning mental health services and in many ways contrary to national policy intentions to integrate across health and social care. Equally it was felt that the fragmentation of mental health services and retreating back into organisational silos would not assist outcomes for people but add duplication and complexity to access systems and processes. The Project Team's view is that this would be a retrograde step and not the best use of finite resources.
- **TUPE** was viewed as not a viable option at this point in time but an inevitable aspiration given the drive to achieve integration of pathways for service users and their carers and ultimately a single integrated entity for mental health service provisions. Equally the work required to progress the formal transfer of local authority staff would distract from a number of key enablers that can be progressed within an approach based upon either enhanced co-location or formal secondment.

5.0 CONSULTATION

A full consultation with staff and Trade Unions from WMBC and CWP will be required should members agree to the recommendations of this report. This will run from 27 January 2014 to 14 March 2014. In addition consultation with Senior Managers, the Executive and Board of CWP will be undertaken.

Discussions with staff have been ongoing and the Director of Adult Social Services has met with a variety of staff and mental health professionals. These meetings have explored the variety of options available in relation to fuller integration.

In addition consultation with trade unions has been ongoing and a copy of this report shared with them.

It is proposed that a period of 12 weeks consultation will be held with people directly impacted by any proposed changes, specifically in relation to proposals to incorporate the functions of Beaconsfield Centre, subject to Cabinet agreement. This will run from 27 January to 18 April 2014.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 None identified

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

- 7.1 Recognising the need for efficiency and effectiveness in relation to Mental Health Services and the unfolding context for Health and Local Government in relation to available resource allocations. There is a need to achieve efficiencies across mental health services.
- 7.2 However, unlike other parts of health and social care economies, the co-location and close proximity of working together magnifies the service impacts of cost reductions by health or adult social care.
- 7.3 Cheshire and Wirral Partnership NHS Foundation Trust have implemented across the trust a 4% Cost Improvement Programme for 2012/13 and will implement a further 4% improvement for 2013/14 and a further 4% improvement for 2014/15. The current impact has been significant with an associated 30% reduction to workforce and an allied restructuring of Community Mental Health Teams to create four Recovery and Review Teams to covered resident and registered populations of Wirral.
- 7.4 Allied to the above Adult Social Care have implemented an in year efficiency of £53,000 and will seek further efficiencies for future years. Whilst recognising this real challenge, officers have identified possible service efficiencies which should be set within a coordinated approach across Health and Adult Social Care Commissioning.
- 7.5 There are currently a number of pay differentials that will impact upon a fully integrated model. Discussions with staff have been ongoing and the Director of Adult Social Services has met with a variety of staff and mental health professionals. These meetings have explored the variety of options available in relation to fuller integration. In addition consultation with trade unions has been ongoing and a copy of this report shared with them.
- 7.6 There are potential financial implications to this, but due to the reconfiguration of the workforce it is foreseen that the impact of this will be cost neutral to the council. This is because there are several areas where efficiencies can be realised and also dialogue with key strategic partners to ensure other public sector partners are funding appropriate services at the right level.

8.0 LEGAL IMPLICATIONS

8.1 The Council will need to establish a formal partnership agreement with CWP in order to provide assurance and clarity in relation to the current operating arrangements. The absence of any formal agreement leaves a service operating very much based upon the goodwill of staff and a long standing commitment on the part of staff to make matters work. However there is now emerging evidence, especially within Community Mental Health Teams and amongst Approved Mental Health Practitioners that morale is diminishing and splits arising in relation to CWP colleagues, compromising the sustainability of working positions and practices.

9.0 EQUALITIES IMPLICATIONS

9.1 A full EIA will be completed as part of the consultation.

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 Recognising the challenges, that Cabinet agree to officers consulting with staff, TU's and people directly impacted by the proposed changes and plans to achieving full integration on the following proposals

- Proposal that the current staffing structure is reconfigured in order to realign into a more cohesive format that will provide an easier transition into a fully integrated service. This will include a review of terms and conditions to consider alignment and equity with CWP staff.
- That the council adopt a stepped process to firstly enhance the current co-location of local authority staff leading to a formal secondment agreement to be completed by May 2014
- It is proposed that staff within the Neighbourhoods Older Peoples Mental Health Teams are re-located and placed within the CMHT's in order to provide an all age Mental Health Service
- It is proposed that the functions of Beaconsfield Day Centre be subsumed into the Community Mental Health Teams in order to provide a more cohesive outreach service and to consolidate current support for people within community settings.

13.0 REASON/S FOR RECOMMENDATION/S

- 13.1 The co-location and eventual secondment of local authority staff would be based upon a comprehensive and complementary service model affording an integrated care pathway. This vital in order to provide services which promote recovery and provide a holistic approach to health and social care needs of people with mental health needs.
- 13.2 A formal secondment arrangement would be required in partnership with CWP and will be underpinned by a Partnership Agreement ratified by all strategic partners and monitored regularly, to involve commissioners from health and social care. This would provide a robust governance and quality assurance structure for mental health services.
- 13.3 This report reflects the identified enablers to enhance working together and the current context of a rolling cost improvement programme by CWP. It is the view of the officers that the two main impediments are pay differentials for Operational Managers and single line management structures.
- 13.4 It is important to note that any planned reconfiguration of services prior to fuller integration may result in a reduction in posts as services are aligned. It is foreseen that the reduction of posts will achieve efficiencies and that this will contribute to the unification of pay grades and salaries, making this option cost neutral in workforce terms.
- 13.5 The proposed consolidation of services in relation to Beaconsfield would realise some the efficiencies established earlier in this report. This is due to the fact that review has highlighted some key areas where there is duplication and overlap of services provided, specifically in relation to Community Based Outreach Services.

Consultation Timeline

A full consultation with staff and Trade Unions from WMBC and CWP will be required should members agree to the recommendations of this report. This will run from 27 January 2014 to 14 March 2014. In addition consultation with Senior Managers, the Executive and Board of CWP will be undertaken.

Discussions with staff have been ongoing and the Director of Adult Social Services has met with a variety of staff and mental health professionals. These meetings have explored the variety of options available in relation to fuller integration.

In addition consultation with trade unions has been ongoing and a copy of this report shared with them.

A period of 12 weeks consultation will be held with people directly impacted by any proposed changes, specifically in relation to proposals to incorporate the functions of Beaconsfield Centre. This will run from 27 January to 18 April 2014.

REPORT AUTHOR: Christine Beyga
Head of Delivery
Telephone: (0151) 666 3624
Email: christinebeyga@wirral.gov.uk

APPENDICES

N/A

REFERENCE MATERIAL

N/A

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

WIRRAL COUNCIL

CABINET

16 JANUARY 2014

SUBJECT:	PROPOSALS FOR CHANGES TO THE EARLY YEARS SINGLE FUNDING FORMULA
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF CHILDREN'S SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR TONY SMITH
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report recommends a number of changes are made to the local formula for funding Early Years, specifically in relation to the funding of the Council's three maintained nursery schools.
- 1.2 The proposals have been the subject of a 6 week consultation with all Early Years providers and have been discussed with the Schools Forum at a meeting on 13th November 2013. The Schools Forum have endorsed these proposals.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Schools Budget makes provision for the cost of Early Years Education for 2, 3 and 4 year olds in Private Voluntary and Independent Providers, Primary Nursery Classes, Children's Centres and maintained nursery schools. The budget provision of £13.5m covers the cost of 15 hours early education for all 3 and 4 year olds together with a similar entitlement for disadvantaged 2 year olds.
- 2.2 On Wirral there are:
134 Early Years providers in the Private, Voluntary and Independent sector
42 nursery classes in primary schools
3 maintained nursery schools
- 2.3 All providers are paid for Early Education provision through the Early Years Single Funding Formula (EYSFF). The EYSFF was introduced in April 2011, it operates using a common base rate for all providers of £3.20 per hour, together with a series of supplements and lump sum payments to take account of deprivation, quality and whether providers could make a flexible offer to parents.
- 2.4 At the time of introduction maintained nursery schools were given protection to assist in the transition to the new formula since this delivered significantly less funding than previously to them. Nursery schools were initially protected at 90% of their funding level

in 2010/11, moving to 85% and then 80% over three years. It was agreed at the Schools Forum that the reduction from 85% to 80% would not be implemented in the last year (2013/14) and that nursery schools would remain protected at 85%.

2.5 The formula contains a capping mechanism, whereby additional funding payable to other early years providers is limited or “capped” in order to fund the nursery school protection costs. The value of the cap in 2013/14 is £120,000. It is intended in 2014/15 that the EYSFF will be fully operational with no capping.

2.6 When this happens the indicative resources for the three nursery schools will reduce:

Ganneys Meadow by £90,000

Leasowe by £60,000

Brentwood by £55,000

2.7 Local Authorities are required to keep funding formula under regular review. A sub group of the Schools Forum has met during the year to do this and to consider a number of issues that affect Early Years providers. The areas covered by the group have included:

- The increase in 2 year old funding received for 2013/14
- The statutory entitlement for 2 year olds from September 2013
- DfE proposals for the EYSFF
- A review of costings for providers

2.8 The group developed proposals for consultation, specifically a review of provider rates and supplements and the funding for the three nursery schools. The consultation commenced on 21st August and closed on 18th October. This was circulated to all Wirral Early Years providers. In total only 18 responses were received. These were from:

3 maintained nursery schools

9 private, voluntary and independent settings

6 primary schools

2.9 Responses To Funding Rates And Supplements

Providers made general comments on the rates paid. Responses often commented that the base rate has not really changed since the formula was introduced in 2011. However, there are currently limited opportunities for change; decisions have to take account of cash limited funding. In addition there has been no LA led pay award in these areas since 2009.

Cost pressures faced by all providers are increasing as a result of general inflation - energy and food for example. It will be important to collect, assess and compare costs and any evidence of increased efficiencies or good practice. This should also be included in any future funding reviews.

With regard to the specific supplements paid for flexibility, deprivation and quality, there were a number of comments, many suggest that amounts paid are not sufficient, but no responses suggested a reduction in one supplement to pay for an increase elsewhere. Deprivation funding supplements are supported, however some drew comparisons with the Pupil Premium. The highest deprivation band will pay 23p per hour; this is the

equivalent of “131.10 per pupil per year, whereas the Pupil Premium in Primary schools is £900. Whilst there remains no provision for a Pupil Premium in this area Primary Schools are able to direct some funding from their main school budget into early years.

Overall no changes are proposed to these specific rates at this time.

Nursery School Funding

The model consulted on a proposed new base rate for Nursery Schools of £5.00 per hour, continuing supplements for deprivation, quality and flexibility and a new lump sum of £100,000.

These changes take account of the additional costs nursery schools have compared to other providers. These include the requirement for a headteacher and generally higher wage bills as a result of qualified teaching staff and local government pay and conditions. Difficulties are also presented as a result of each school having surplus places at the start of each school year, ranging from 30 to 60%.

Whilst significant progress has been made in restructuring provision and reducing costs in recent years the current base rate and supplements used are not a viable option. The proposed change is not sufficient to cover all costs and meet all needs, but it does provide greater stability and the opportunity for schools to generate additional income from 2 year old funding or from increased pupil numbers. Provision for separate provider base rates is included within guidance from DfE on Early Years and is used by a number of other local authorities.

Primary schools were supportive, together with some Private, Voluntary and Independent (PVI) providers. Their comments recognised that nursery schools should be retained, having a specific and definitive role in the delivery of Early Years and as such they should be funded on a viable basis. Nursery schools themselves welcome the changes but comment there are still challenges ahead.

Other PVIs commented on the increases being given to one sector of Early Years provision with a number of empty places and that this was at the expense of others. However this was not a unanimous view.

This change was supported by the Schools Forum, and would be funded from an indicative underspend arising in the Early Years budget in 2012/13.

3.0 RELEVANT RISKS

3.1 The changes proposed address the sustainability concerns of nursery schools.

4.0 OTHER OPTIONS CONSIDERED

4.1 The options considered were agreed by the Schools Forum and take account of guidelines from the EFA.

5.0 CONSULTATION

5.1 All Early Years providers were consulted on proposals. The consultation ran from 21st August until 18th October 2013.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 The report has implications for the distribution of funding to Early Years providers, many of whom are VCF groups.

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

7.1 The payments to Early Years providers for 2, 3 and 4 year olds are made from within the Schools Budget. Overall there is a budget of £13,454,000. The changes described in the report will fully commit this budget.

8.0 LEGAL IMPLICATIONS

8.1 There are no legal implications arising.

9.0 EQUALITIES IMPLICATIONS

9.1 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>

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising from this report.

12.0 RECOMMENDATION/S

12.1 That Cabinet approves the recommendations of the Schools Forum in Appendix 1.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To agree changes to the funding formula for Early Years with effect from 1st April 2014.

REPORT AUTHOR: Andrew Roberts
Head of School Funding, Resources and Universal Services
telephone: (0151 666 4249)
email: andrewroberts@wirral.gov.uk

SUBJECT HISTORY (last 3 years)

Schools Forum	Date
Early Years Consultation and Funding	10th April 2013
Nursery School Funding	3rd July 2013
Outcome of Early Years Funding Consultation	13th November 2013

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WIRRAL COUNCIL

CABINET

16TH JANUARY 2014

SUBJECT:	PROPOSALS FOR CHANGES TO SCHOOL TOP-UP PAYMENTS FOR STUDENTS WITH HIGH NEEDS
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF CHILDREN'S SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR TONY SMITH
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 Following changes that were introduced by the Department for Education (DfE) nationally to the funding for pupils with High Needs (SEN) in April 2013, this report recommends revised funding arrangements for SEN Top-Ups in maintained Primary, Secondary, Special and Academy Schools. In addition revised place numbers are recommended in some specialist school and base provision
- 1.2 Proposals have been developed through a working group of the Schools Forum and were advised by a series of meetings with special schools, SEN resourced provision, alternative provision and colleagues from other authorities of the Merseyside Learn Together Partnership. There has been an extended consultation with schools and providers (3rd July to 18th October). The report has been discussed with and was approved by the Schools Forum at it's meeting on 13th November. The proposals also require Cabinet approval.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Local Authorities have the responsibility for planning and funding provision for High Needs pupils and students aged 0 – 25. The Education Funding Agency's role (EFA) is to support authorities with an aim to move to a single funding system for High Needs both pre and post 16 pupils and students
- 2.2 In 2013 a new system of funding was introduced by the DfE for the funding of High Needs pupils in schools. This introduced a new national system for the funding of specialist provision, with each school receiving an amount of £10,000 per place and an additional top up based on individual pupil needs. This new system is known as "Place plus". Previous funding systems were more heavily weighted towards funding places in schools rather than pupils.
- 2.3 In respect of "Place" funding authorities must review specialist provision ahead of confirming 2014-15 place numbers. The intended outcome is that the number of places for 2014-15 broadly matches where the students will be. It will mean that some

schools that have more pupils than places (where it is expected that these numbers will continue), will receive additional funding to meet needs. Other schools where places are unfilled will need to plan for a reduction in their place led funding. The changes that will be made and the schools affected are described in more detail later in this report. Over time it is likely that school census and Individualised learner record data will form the basis of place led funding.

- 2.4 Top Up funding (ie the “Plus” element) reflects the additional support costs in excess of place funding for individual pupils and students and takes into account factors such as the pupils individual needs and facilities / support provided. Some authorities have set rates specific to each institution and this was the initial approach in Wirral during the first year of transition to the new funding system in 2013-14.

Other authorities have adopted a more uniform approach so that funding for particular types of need is the same within bands across the authority. This is a significant piece of work that has been undertaken with Wirral’s Schools Forum’s SEN Finance Steering Group, the outcome of which has resulted in a banded approach to top ups for:

- Students attending Specialist SEN provision: Wirral’s 11 special schools, and 14 resourced provisions in mainstream schools, and students attending independent non-maintained special schools and independent schools;
- Students in mainstream schools with specialist SEN funding and /or statements of SEN;
- Students in post 16 provision with element three costs; Further Education Colleges, Sixth Forms and Independent Specialist Providers (ISP);
- Students attending alternative provision; two primary behaviour bases and Wirral’s Alternative Schools Programme (WASP - KS3/4 Pupil Referral Unit - short stay school)

Proposals have been advised by a series of meetings with special schools, SEN resourced provision, alternative provision and colleagues from other authorities of the Merseyside Learn Together Partnership. One of the key features of this new system is a transparent and comparable funding methodology for students with High Needs whatever the education institution they attend.

- 2.5 The major issues identified and taken into account in consultation with specialist SEN providers was the need for any banded approach to:

- ensure stability of budgets by minimising as much as possible any disturbance to current levels of funding;
- take account of possible fluctuations to funding because of part year occupancy of places and the interest of the authority to have places available;
- not to be too simplistic. Very early suggestions around banding looked at the possibility of just 3 bands – low, medium and high;
- recognise the needs of a growing number of pupils with social communication needs with relatively stronger funding than has been the case to date;
- recognise the resource intensive nature of making provision for those with the most profound and multiple difficulties.
- honour existing commitments
- take account of the fact that there was limited scope to redistribute monies without additional funding for pupils already in the system

The changes proposed are for a two year period April 2014-16 and will be kept under review with regular reports to the Schools Forum. During this time it is planned to look at how the bands operate and the opportunities for further development as part of the introduction of birth to 25 Education, Health and Care Plans. There will also be a need to respond to any further national developments and requirements from the EFA.

The new system being recommended does expose some vulnerability for SEN funding, both when pupil numbers and places fall. There is less certainty in the overall level of funding for schools. Proposals to help overcome this include a weighted spring and summer term top up for new arrivals and a contingency fund which would be used to support specialist provision experiencing financial difficulties whilst future options are considered.

2.6 Minimum Funding Guarantee (MFG)

EFA guidance issued in summer included an extension to the requirements for a MFG within specialist provision. A condition of the Dedicated Schools Grant is that authorities are obliged to maintain each top up rate at no less than 98.5% of its 2013-14 value, ensuring that any reduction per pupil is not greater than 1.5%. With no changes this would mean that the proposed banded rates for 2014-15 would need to be capped, making a number of the planned changes difficult to implement.

Wirral has applied for an exemption from this condition of grant. One of the suggested reasons by the EFA for allowing this application is where authorities are trying to introduce a banded system, since any band reduction could be protected regardless of the overall position for the school. The Schools Forum has supported the application to the EFA and the outcome of the exemption application is awaited.

Recent communication indicates that the MFG applies only to Special Schools and not to Resourced Base provision. Whilst an exemption is still preferable, the MFG if required will work better with the existing proposals.

2.7 Banding Proposals

Five funding bands are proposed as shown below. These provide the “Plus” element of “Place Plus” in addition to the £10,000 per pupil place element.

Top Up	Staffing Average	Cognition and Learning	Communication and Interaction	Behaviour, Emotional and Social	Physical, Medical and Sensory
Band One (≈ £1,000)	1:10/12 + TA	Hayfield, Clare Mount, Orrets Meadow			
Band Two (≈ £6,000)	1:8 +1.5 TA		Hayfield, Clare Mount, Orrets Meadow	Gilbrook	
Band Three (≈ £7,000)	1:6 + 2TAs	Stanley, Elleray, Lyndale, Foxfield, Meadowside			
Band Four (≈ £8,000)	1:6 +2TAs + medical support	Stanley, Elleray, Lyndale, Foxfield, Meadowside		Kilgarth, Observatory	
Band Five (≈ £16,000+)	1:6 + 2TAs + medical support	Stanley, Elleray, Lyndale, Foxfield, Meadowside	Stanley, Elleray, Lyndale, Foxfield, Meadowside		Stanley, Elleray, Lyndale, Foxfield, Meadowside

The majority of respondents to the consultation were accepting of the model overall and considered it a reasonable starting point for development. A few considered the five bands too simplistic and several made a case that the needs of some pupils were not sufficiently recognised financially in this settlement. A few commented that band five could be developed into two parts, one part being used to specifically recognise physical medical care needs alongside the educational need. One respondent argued for a school specific top-up significantly higher than the banding proposed because without it the school will not be financially viable next year.

The 5 band model will also be applied to the range of Resourced and Alternative Provision.

2.8 Inclusion Funding

All special schools currently receive additional inclusion funding, to promote the inclusion of their students into mainstream settings. Clare Mount Specialist Sports College has additional funding of £179,340 to provide sports outreach and this will be reduced by a third from April 2014. In constructing the budgets for special schools the Steering Group decided not to review the remaining inclusion funding of £757,874 at this time and proposed that it is subject to a later review.

2.9 Place Number Changes

Elleray Park Special School has been increasing in numbers over recent years and the increase in occupancy over place number has only partially been met by Top Up funding. It is proposed to increase its place number with the Education Funding Agency from 80 to 90 with effect from September 2014.

Orrets Meadow School currently has 66 places for pupils with statements of specific learning difficulties, historically six of which have been funded at a higher level. In recent years numbers attending the school have fallen and the surplus places have been used by a pilot scheme to admit pupils for one year only. Meanwhile the demand of places for children with social communication difficulties has increased and places are full. It is proposed to fund a further 10 places at a higher rate, at band 2, to meet the changes in demand and to reduce the band 1 places by a similar number. The additional funding required will be £50,000 and will be found from within the High Needs Block.

Current budget arrangements for **Hayfield School** are based on 80 MLD places and 40 Social Communication Difficulties (SCD) places. Changes in demand over recent years led the authority asking the school to increase SCD places to 56 and reduce the numbers of MLD pupils whilst keeping an overall budget based on 120. In future Hayfield will be funded to make 60 band 1 and 60 band 2 places. The additional top up required is £20,000

The number of students attending the **University Academy of Birkenhead (UAB)** Resourced Provision previously based at the former Rock Ferry High School has fallen and it is proposed to reduce the number of places by 10. In September there will be 24 pupils in a provision with 40 places. The UAB understands the reason for this proposal and suggests a further review of demand. In the interests of an orderly financial transition we will seek to reduce places by at least ten places a year over the next two years with further review of demand to follow.

The total numbers of students attending secondary resource bases for moderate learning difficulties has now reached a total of 85 at **Hilbre, Bebington, Wallasey, and Oldershaw**. It is proposed that no further increases are made.

Finally the number of pupils attending the Resourced Provision Hearing Base at **Townfield Primary School** has fallen. On the advice of the Head of Sensory Service it is proposed to reduce the number of places from 12 to 10.

No changes are proposed elsewhere at this time. Overall these changes will reduce by 2 the number of specialist SEN places in the age range of 2 to 16.

2.10 **Mainstream Notional SEN Budgets**

An analysis of the notional SEN budgets delegated to mainstream settings shows that in a very small number of primary and secondary schools their existing commitment to statements and funding agreements exceeds their notional delegated SEN budget. It is proposed that additional funding is made to a school where its contribution to element two exceeds 90% of its notional delegated SEN budget. The estimated cost is £140,000 pa.

This funding was agreed to be made from the High Needs Block. However since this is for low cost high incidence SEN it is proposed that this is funded from Primary and Secondary Contingency budgets instead.

2.11 **Post 16**

Providers were asked their views about developing a banded approach for funding FE and 6th form colleges. Currently additional support is based on the number of learners who will have costs above £6,000 and assessing the amount of 1:1 staff support needed and the hours required. A maximum contract value is calculated and providers are asked to work within this allocation. Colleges argued against the introduction of a banded system, indicating further consultation and development work is needed to agree a way forward for the future.

2.12 **Sensory Service**

Wirral's Sensory Service meets the needs of pupils with hearing and vision difficulties at all stages of the current SEN code of Practice. It has been successful in developing inclusive approaches. Currently the service is funded by a top slice of the DSG and individual needs of children are met by the service without mainstream schools using their delegated budgets to fund the five units or £6,000. This arrangement differs from those arrangements for meeting other needs e.g. Statements of SEN. The service model of delivery and funding will be reviewed for consistency with arrangements for meeting other low incidence -high needs.

2.13 **Future Work**

The bands for specialist provision do not demonstrate an obvious logic and show a tight clustering of bands two, three and four (£6,000, £7,000 and £8,000 respectively). Modelling of different amounts of money in each band produced much more significant variations.

Generally funding for high needs makes up a high proportion of DSG and is higher than the national average. Future funding decisions must seriously consider recycling money already existing in the High Needs Block. As part of a strategic review of SEN provision this means trying to educate more pupils in local provision and have fewer pupils educated out of the borough. It means reducing the numbers of pupils in the lower funded bands and for them to be educated in mainstream schools where this is possible. It is planned that:

- the SEN Forum Finance Group extends its current remit to develop needs led funding bands and also to consider changes in places and demand, with any future proposals for increases in top up funding to start from the assumption that the High Needs Block is fixed and that options for change must include options that recycle money;
- Service Level Agreements are developed with Resourced Base Provision, and for any outreach services that are commissioned, to ensure consistency of provision and services and quality assurance arrangements.

3.0 RELEVANT RISKS

3.1 The DfE will shortly be consulting on a National Fair Funding Formula for Schools. Whilst this will not directly result in changes to the funding for High Needs, depending on the proposals there may be an impact on the overall affordability of High Needs within the Schools Budget if spending plans are limited to their Funding Blocks.

4.0 OTHER OPTIONS CONSIDERED

4.1 The options considered by schools and in this report were agreed by the Schools Forum and take account of guidelines from the EFA

5.0 CONSULTATION

5.1 All schools, academies, further education and specialist education providers were consulted on proposals. The consultation ran from 3rd July until 18th October. A second shorter consultation sought views from schools about the MFG.

5.2 In addition there have been a number of meetings with headteachers and representatives to discuss proposals.

6.0 IMPLICATIONS FOR VOLUNTARY COMMUNITY AND FAITH GROUPS

6.1 The report has implications for the distribution of funding to maintained schools, academies, further education and specialist education providers.

7.0 RESOURCE IMPLICATIONS, FINANCIAL, IT, STAFFING AND ASSETS

7.1 SEN Top Up Budgets within Wirral total £16.7m for 2013-14. Those budgets directly impacted by this report are:

Special Schools £6,048,200
Resourced Bases and Alternative Provision £756,800
WASP £387,600

They support 953 places in maintained special schools, 307 places in resource and alternative provision bases and 80 places in WASP.

In addition there are other budgets which are part of the overall £16.7m for Statements, Independent Schools, 6th Form and FE and the Home Tutor Service. The consultation also has some indirect impact in these areas.

With a fixed amount of funding, changes to the formula will result in some gaining additional resources, whilst others will have reductions. Transitional protection will be provided both in the form of a contingency fund to support specialist provision experiencing financial difficulties and a Minimum Funding Guarantee if required.

The impact of these changes had the new funding formula been in place in 2013-14 is shown in Appendix 2 and 3 attached.

8.0 LEGAL IMPLICATIONS

8.1 Funding for High Needs pupils must adhere to the DfE requirements set out in the School and Early Years Finance (England) Regulations 2013.

9.0 EQUALITIES IMPLICATIONS

9.1 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>

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are none arising from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising from this report.

12.0 RECOMMENDATIONS

12.1 That Cabinet approves the recommendations of the Schools Forum in Appendix 1 with the following amendments:

- Notional SEN costs (LCHI) are funded from Schools Contingency
- The cost arising from a High Needs MFG is funded from an SEN underspend in 2013-14.
- The Special Schools Contingency is used to support specialist provision facing financial difficulties.

13.0 REASONS/S FOR RECOMMENDATIONS

13.1 For Cabinet to agree with Schools Forum recommendations resulting in changes to the distribution of High Needs School Funding

REPORT AUTHOR: **Andrew Roberts**
Senior Manager - School Funding and Resources
telephone: (0151 666 4249)
email: andrewroberts@wirral.gov.uk

APPENDICES

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Schools Forum	Date
Outcome of High Needs consultation	13 th November 2013
High Needs Options	3 rd July 2013
High Needs formula	23 rd January 2013

Extract of Draft Minutes from Wirral Schools Forum Meeting held on 13th November 2013

12. Outcome of High Needs Consultation

The recommendations in the report were agreed as detailed below:-

1. The timescales and arrangements for the consultation are accepted.
2. A developmental, staged approach to the high needs funding reforms is accepted.
3. The five band model outlined is adopted for special schools. A contingency fund is set aside from unallocated funds in the High Needs Block budget to financially support specialist SEN provision that may experience financial difficulties whilst future options are considered.
4. Termly payments of top-ups are to be made to special schools with the spring/summer top-up to be double the top-up of the autumn term for extra pupils unless agreed otherwise between the authority and school.
5. The inclusion money that all special schools receive totalling £757,874 should be subject to a review of what the money is for and how it is being used and with recommendations for future action.
6. The sports outreach funding received by Clare Mount is reduced by one-third in April 2014.
7. The Local Authority requests the EFA to increase the place number at Elleray Park from 80 to 90.
8. Orrets Meadow to be funded to make available 16 band 2 places. The additional top-up required of £80,000 to be funded from unallocated budget in the High Needs Block.
9. Hayfield to be funded to make 60 band 1 and 60 band 2 places. The top up required of £20,000 to be funded from unallocated budget High Needs Block.
- 9a. Funds are made available for Clare Mount School to offer 8 band 2 places a year, starting in September 2014 for the next 3 years, and reduce the number of band 1 places by the same number over that time. The top up required of £40,000 to be funded from unallocated budget in the High Needs Block.
10. The 5 band model is adopted for Resourced Provision in mainstream schools.
- 10a. Further changes to the continuum of provision for children with a Social Communication/Autistic Spectrum Condition already referred to in recommendations 8, 9 and 9a are to be considered by the policy review that is underway.
11. Top ups to resourced base provision will be made termly
12. Pupils should attend Speech and Language (SALT) bases full-time with an AWPU transfer continuing and the question about whether pupil should have a statement is re-considered in 12 months time.
13. The Local Authority requests the EFA to reduce the place number at UAB from 40 to 30 from September 2014.
14. The present place numbers at Hilbre (15), Bebington (25), Oldershaw (20) and Wallasey (30) resource provisions are now capped and no further growth on the basis of the model which developed them is to occur.
15. The Local Authority request the EFA to reduce the place number at Townfield Hearing Base from 12 to 10 from September 2014.
16. The SEN Forum Group lead the developments to consider developing the banded approach.
17. St Michaels and Riverside alternative provision to receive a pro rata payment of the full year AWPU as top up and WASP to continue with part payment of AWPU and a top up.

18. Funding agreements and statements of SEN in mainstream will be on the basis of a number of monetary units for additional support.
19. If a mainstream schools contribution to element two exceeds 90% of its notional delegated budget additional funding will be made from unallocated contingency in the High Needs Block.
20. The new element three funding will be paid from the beginning of the financial year for maintained schools and from the beginning of the academic year for academies.
21. Further consultation and development work is needed between FE and 6th form colleges in the region and the local authority to agree a way forward for the future.
22. The LA will continue to recoup monies until April 2014 and an offer of a recoupment service is to be developed as part of traded services.
23. The funding and delivery of this service should be reviewed by the local authority and stakeholders the end of the summer term 2014 with a report to Forum for the start of the next academic year.
- 24a. The Forum Finance group's remit is extended to lead on the development of funding bands.
- 24b. The principle of service level agreements with resourced base provisions is adopted.
- 24c. The Assessment Framework for High Needs SEN is reviewed and revised over the academic year.
- 24d. The views and comments of educating institutions in this report together with the agreed recommendations are referred to Cabinet.

During the consultation the EFA confirmed the requirement for an MFG for 2014-15. This was not part of the original consultation, but it will affect the move to a banded structure. Further information was provided to schools asking for comments on 3 options:-

Option 1 – No MFG (requesting an exemption from EFA)

Option 2 – An average MFG

Option 3 – Apply MFG (no exemption)

Most responses support an exemption of the MFG. The following recommendation was agreed:-

That Forum supports an application to the EFA for an exemption from the requirement to use MFG (option 1) on top ups for 2014-15, and failing that Forum request the EFA agree the use of an average MFG (option 2).

Resourced Base Provision (using pupil numbers and termly top ups)
APPENDIX 3

	Pupils		Annual	Top Up							Top Up		Total	2013-14	Variation
	Summer	Autumn	Spring	Top Up	per Term	Places	Top up band	Amount	Place	Funding	Summer	Autumn	Spring	£	£
				£	£			£	£	£	£	£	£	£	£
Primary															
Bidston Village CofE	23	23	23	Nil		24	1	Nil	240,000	0	0	0	240,000	240,000 (excludes AWPU)	0
Devonshire Park	17	18	17	6,000	2,000	16	3	6,000	160,000	34,000	36,000	34,000	264,000		
	10	10	10	Nil		10	1	Nil	100,000	0	0	0	100,000		
						26			260,000	34,000	36,000	34,000	364,000	296,669 (excludes AWPU)	67,331
Eastway Primary School	15	15	15	6,000	2,000	16	3	6,000	160,000	30,000	30,000	30,000	250,000	194,914	55,086
Fender Primary School	17	17	17	6,000	2,000	16	3	6,000	160,000	34,000	34,000	34,000	262,000	208,188	53,812
New Brighton Primary	21	21	21	Nil		22	1	Nil	220,000	0	0	0	220,000	220,000 (excludes AWPU)	0
The Priory Parish CofE	10	10	10	Nil		10	1	Nil	100,000	0	0	0	100,000	100,000 (excludes AWPU)	0
Woodslee Primary	9	9	9	6,000	2,000	8	3	6,000	80,000	18,000	18,000	18,000	134,000	107,792	26,208
Townfield (Hearing)	9	7	9	10,000	3,333	10		10,000	100,000	30,000	23,333	30,000	183,333	230,900	-47,567
Secondary															
Woodchurch High	15	15	15	7,000	2,333	15	4	7,000	150,000	35,000	35,000	35,000	255,000	373,666	-118,666
Hilbre High School	10	8	10	Nil		10	1	Nil	100,000	0	0	0	100,000		
	5	5	5	7,000	2,333	5	4	7,000	50,000	11,667	11,667	11,667	85,000		
						15			150,000	11,667	11,667	11,667	185,000	168,644	16,356
Bebington High Sports	24	24	24	Nil		25	1	Nil	250,000	0	0	0	250,000	292,516	-42,516
Wallasey School	29	28	29	Nil		30	1	Nil	300,000	0	0	0	300,000	347,683	-47,683
UAB	24	29	24	Nil		30	1	Nil	300,000	0	0	0	300,000	484,985	-184,985
Oldershaw	13	14	13	Nil		20	1	Nil	200,000	0	0	0	200,000	207,285	-7,285
						267			2,670,000	192,667	188,000	192,667	3,243,333	3,473,242	-229,909
Alternative Provision															
St Michael and All	8	8	8	5,000	1,667	8	2	5,000	64,000	13,333	13,333	13,333	104,000	88,709 (excludes AWPU)	15,291
Riverside Primary	7	8	8	5,000	1,667	8	2	5,000	64,000	11,667	13,333	13,333	102,333	86,918 (excludes AWPU)	15,415
WASP	80	48	64	6,000	2,000	80	2	6,000	640,000	160,000	96,000	128,000	1,024,000	1,060,000 (excludes AWPU)	-36,000
						363			3,438,000	377,667	310,667	347,333	4,473,667	4,708,869	-235,202

WIRRAL COUNCIL

CABINET

16TH JANUARY 2014

SUBJECT:	REPORT SEEKING APPROVAL TO CONSULT ON THE CLOSURE OF THE LYNDALE SCHOOL
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF CHILDREN'S SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR TONY SMITH
KEY DECISION?	YES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek agreement by Cabinet to undertake a consultation on the closure of The Lyndale School.
- 1.2 This report outlines the background and reasons why it is felt necessary to consult on the future of the school.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Local Authorities have statutory duties to ensure that there are sufficient school places in their area with fair access to educational opportunity to promote the fulfilment of every child's potential. (Education Act 1996) To do this any future plans must consider the educational benefits for children, value for money, and the ways schools could develop collaborative practice in the best interests of children.
- 2.2 The sorts of considerations that are taken into account when proceeding to consult on closure of a school are set out below. They are not exhaustive and each case will have different circumstances and needs to be considered on their individual merits. They are:
 - Viability and sustainability:
 - Standards:
 - Diversity and parental preference:
 - Pupil numbers:
 - Financial implications:

In this instance the Local Authority will also need to take into account the current provision for children with Complex Learning Difficulties (CLD) and Profound and Multiple Learning Difficulties (PMLD) at The Lyndale, Elleray Park, and Stanley Primary Schools, Foxfield and Meadowside Secondary Schools.

2.3 In the case of a Special School, where closure is being considered, the SEN improvement requirement must also be met. The SEN Improvement Test is described in Appendix 1.

2.4 Reasons for considering the closure of the school

The closure of the Lyndale School is proposed for consideration because the viability of the school is compromised by its small size and falling roll, which both contribute to a difficult financial position.

This is **not** being put forward because of the quality of education or standards at the school. The most recent Ofsted inspection in November 2012 judged that Lyndale School was a good school. The report also noted that;

- Pupils admitted to Lyndale have increasingly profound and complex medical conditions. Staff have developed the skills and knowledge to meet the challenges this presents. As a result, care and support for pupils' well-being are outstanding.
- Behaviour and safety are outstanding. Parents can relax knowing that their children are very safe, happy and well cared for in school.
- Partnerships with parents are outstanding. Parents know that if they have worries there is someone on the teaching or medical staff who will give them advice and support.
- Staff morale in this small school is high, despite uncertainties about the future. This enhances the extremely positive atmosphere in the school.

2.5 The Lyndale Falling School Roll

The Authority has maintained 210 places across the 3 primary schools for children with CLD for several years and this will increase to 220 in September 2014 in response to growing demands in this area of Special Educational Needs, and in response to parental choice. Table 1 below shows the position across the 3 primary schools with data from the annual January census.

Table 1 Places and numbers since 2007 in Wirral's Primary CLD Schools

School	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
<u>Elleray Park</u> Places	60	60	60	75	75	75	75	75	80	90
Pupils	56	77	61	74	76	78	85	91		
<u>Lyndale</u> Places	55	55	55	50	45	45	45	45	40	40
Pupils	34	26	33	27	26	29	28	24		
<u>Stanley</u> Places	90	90	90	90	90	90	90	90	90	90
Pupils	88	82	85	78	73	73	86	89		

Occupancy is a measure of how many of the available spaces in a school are actually taken up by a pupil. If every available place was taken then occupancy would be 100%.

Over the last 7 years The Lyndale School's average occupancy has been at 59%.

In recent years The Lyndale School has had a concentration of children with PMLD.

2.6 Lyndale School Financial Position

In 2013-14 the school has set a budget for the year based on School Funding of £761,733 with a small deficit of £3,647. This was achieved using all accumulated balances brought forward of £51,707. The latest position indicates there will be deficit at the year end of £15,667. This has resulted from changes in staff costs and support services.

In 2014-15 the school forecast, before any corrective action, is that there would be a deficit of £72,000. This deficit has the potential to increase to in excess of £232,000 based on the numbers of children currently on the school roll.

Table 2 below outlines the cost of providing a place in a number of Wirral's special schools in the financial year 2012-13.

Table 2 2012-13 Illustration of cost of providing places in Wirral Complex Learning Difficulties (CLD) special schools

School	Adjusted 2012-13 Budget*	Places	Pupil Census Jan 2013	Average Cost per Pupil
Elleray Park	£1,521,698	75	91	£16,722
Foxfield	£2,340,134	138	124	£18,872
Lyndale	£794,526	45	24	£33,105
Meadowside	£1,339,618	75	72	£18,606
Stanley	£1,570,939	90	89	£17,651

** Budgets have been adjusted to take account of increased/reduced funding arising from pupil number changes.*

2.7 High Needs Funding Changes

In 2013 a new system of funding was introduced by the DfE for the funding of High Needs pupils in schools. This introduced a new national system for the funding of specialist provision, with each school receiving an amount of £10,000 per place and an additional top up based on individual pupil needs. This new system is known as "Place plus". Previous funding systems were more heavily weighted towards funding places in schools rather than pupils.

In respect of “Place” funding authorities must review specialist provision ahead of confirming 2014-15 place numbers. The intended outcome is that the number of places for 2014-15 broadly matches where the students will be. It will mean that some schools that have more pupils than places (where it is expected that these numbers will continue) will receive additional funding to meet needs. Other schools where places are unfilled will need to plan for a reduction in their place led funding. Over time it is likely that school census and Individualised learner record data will form the basis of place led funding.

Top Up funding (ie the “Plus” element) reflects the additional support costs in excess of place funding for individual pupils and students and takes into account factors such as the pupils individual needs and facilities / support provided. Some authorities have set rates specific to each institution and this was the initial approach in Wirral during the first year of transition to the new funding system in 2013-14.

Other authorities have adopted a more uniform approach so that funding for particular types of need is the same within bands across the authority. This is a significant piece of work that has been undertaken with Wirral’s Schools Forum’s SEN Finance Steering Group, the outcome of which has resulted in a banded approach to top ups for:

- Students attending Specialist SEN provision: Wirral’s 11 special schools, and 14 resourced provisions in mainstream schools, and students attending independent non-maintained special schools and independent schools;
- Students in mainstream schools with specialist SEN funding and /or statements of SEN;
- Students in post 16 provision with element three costs; Further Education Colleges, Sixth Forms and Independent Specialist Providers (ISP);
- Students attending alternative provision; two primary behaviour bases and Wirral’s Alternative Schools Programme (WASP - KS3/4 Pupil Referral Unit - short stay school)

Proposals have been advised by a series of meetings with special schools, SEN resourced provision, alternative provision and colleagues from other authorities of the Merseyside Learn Together Partnership. One of the key features of this new system is a transparent and comparable funding methodology for students with High Needs whatever the education institution they attend.

2.8 High Needs Funding Changes – implications for The Lyndale School

The national reforms to the funding of high needs SEN places in special schools have brought The Lyndale School’s financial position into sharp focus.

Locally the proposed banded system of top-ups will provide a higher rate of funding for pupils with high dependency PMLD. This banding, Band 5 which is a top-up of £16,000 per pupil, applies to all 4 Special Schools with children with PMLD.

However, alongside these changes to the funding system the difficulties the school faces in terms of its small size and therefore larger unit costs, in comparison to other bigger PMLD / CLD, schools remain.

This means that for 2014-15 the shortfall the school may experience will be approximately £72,000 for the year based on the number currently on school roll. This is approximately 9% of their budget.

As previously indicated the Education Funding Agency (EFA) will review place numbers in specialist SEN provision with the Local Authority, to make provision more responsive to demand. Any single place reduction will represent a loss of £10,000 to the base budget of specialist SEN provision. A reduction of place funding, if aligned with current places at the Lyndale School could represent additional losses of £160,000 pa, giving an overall deficit position of £232,000.

2.9 Future Provision

Should a decision be taken to close The Lyndale School then the proposal at this stage would be to expand the numbers of places at Elleray Park and Stanley Schools to provide up to 230 places, with children with CLD and PMLD being educated and cared for on the same school sites, whilst recognising the individual needs of each child.

Elleray Park School could accommodate up to 110 pupils, through the building work already being planned to address sufficiency and suitability issues. Stanley School could accommodate at least 110 pupils with the possibility of 5 - 10 additional pupils, if a trend of more children with PMLD were to emerge.

These changes would give sufficient places across the 2 schools to meet the needs of children with CLD and PMLD.

In their most recent Ofsted reports Elleray Park School was judged to be an outstanding school, whilst Stanley School was judged to be a good school with outstanding leadership and management.

3.0 RELEVANT RISKS

- 3.1 If the school's future is not formally determined there is a danger that its financial position could worsen, ultimately impacting on the quality of education that is able to be provided to the school's pupils.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 At this point the closure of the school appears the most viable option, although this is the start of a lengthy consultation with parents, staff and stakeholders which will consider all available options in the best interests of children.
- 4.2 To inform the recommendation to Cabinet to consult on the possible closure of The Lyndale School, the local authority has considered a number of options which are detailed in Appendix 2 of this report. Throughout the consultation period it is expected that each of these options will be reconsidered with all stakeholders.

5.0 CONSULTATION

- 5.1 Stage 1 Public Consultation - The issue of a consultation document (subject to approval at this meeting) would signal the start of a period of twelve weeks of consultation. During this time the views of any interested parties would be sought which would then be considered at a future Cabinet meeting. It would be at this future meeting of Wirral's Cabinet that a decision would be made about moving onto the more formal stage of the process known as the Representation Period.

Representation Period – The publication of statutory notices for a school's closure define a 6 week period known as the representation period. This period allows anyone to submit their written comments on the proposals as well as recording their support or objection. As outlined in 5.1 entry into the representation period is dependant upon a further decision by Cabinet.

Decision - Within 2 months of the statutory notice period ending, the Cabinet must consider the information obtained during the representation period at a further meeting and at that meeting make a final decision on the proposal.

Prior to presentation of this report to Cabinet a number of pre consultation meetings have taken place. These include the following:

- 4 December 2013 Meeting with the Head Teacher, Chair and Vice Chair of Governors at the Lyndale School
- 5 December 2013 Meeting with The Lyndale School Governing Body
- 11 December 2013 Two separate meetings with the Head Teachers and Chairs of Governors of Elleray Park and Stanley Schools
- 19 December 2013 Meetings with all teachers and support staff at the Lyndale School, in two separate meetings and a meeting with parents and carers at the Lyndale School
- 19 December 2013 Meeting with the Member of Parliament for South Wirral, Alison McGovern MP

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 There are no implications arising from this report.

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

- 7.1 The Lyndale School has a delegated schools budget of £761,733.
- 7.2 As detailed in the background section of this report it is expected that the shortfall in the school's budget for 2014-15 will be approximately £72,000. This is 9% of their budget and is likely to increase over time.
- 7.3 Any single place reduction in the school's roll will represent a loss of £10,000 to the school's base budget. A reduction within the school to 24 places (ie a reduction of 16 places) may result in further losses of £160,000 pa. This would give an overall deficit position of £232,000.

8.0 LEGAL IMPLICATIONS

8.1 The consultation process as outlined in the consultation section of this report, has been designed to meet the necessary statutory requirements.

9.0 EQUALITIES IMPLICATIONS

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

(a) Yes and impact review is attached –

(<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversitycohesion/equality-impact-assessments/eias-2010/children-young-people>).

10.0 CARBON REDUCTION IMPLICATIONS

10.1 The closure of a school with a relocation of its pupils to other existing schools is likely to have a beneficial effect on the energy consumption of the whole school estate across the borough.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are no implications arising from this report.

12.0 RECOMMENDATIONS

12.1 That Cabinet agree to consult on the closure of The Lyndale School.

12.2 That the Director of Children's Services (or her nominee) be authorised to compile and produce the appropriate Consultation Documentation and proceed with the Consultation exercise as soon as practicably possible.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 The closure of The Lyndale School is proposed for consideration because the viability of the school is compromised by its small size and falling roll, which both contribute to a difficult financial position.

REPORT AUTHOR: Julia Hassall
Director of Children's Services
telephone: 0151 666 4288
email: juliahassall@wirral.gov.uk

APPENDICES

Appendix 1 – SEN Improvement Test

Appendix 2 – Options considered re the future of Lyndale School

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Feasibility of creating a 2-19 PMLD Special School	24 th June 2010

Any changes to SEN provision must meet an SEN improvement requirement and demonstrate likely improvements in provision. The sorts of benefits that flow from proposals to change provision need to be considered in terms of improved:

- i. access to education and associated services;
- ii. access to specialist staff, both education and other professionals, including any external support and/or outreach services;
- iii. access to suitable accommodation;
- iv. improved supply of suitable places.

Local authorities should also:

- v. obtain a written statement that offers the opportunity for all providers of existing and proposed provision to set out their views on the changing pattern of provision seeking agreement where possible;
- vi. clearly state arrangements for alternative provision. Wherever possible, the host or alternative schools should confirm in writing that they are willing to receive pupils, and have or will have all the facilities necessary to provide an appropriate curriculum;
- vii. specify the transport arrangements that will support appropriate access to the premises by reference to the Local Authority's transport policy for SEN and disabled children;
- viii. specify how the proposals will be funded and the planned staffing arrangements that will be put in place.

Alternative Options considered for The Lyndale School

19 December 2013

	Option	For	Against	Pass SEN Improvement Test ?
1	Retain Lyndale School and school commits to take full range of CLD Stanley and Elleray Park admissions kept to place numbers	<ul style="list-style-type: none"> No capacity issues for LA. 	<ul style="list-style-type: none"> SEN Disability Tribunal appeals by parents against refusal of places at Stanley and Elleray Park Schools. Out of step with Government policy for popular schools to expand. Funding for Lyndale School becomes more difficult as more occupied places at lower funding increase deficit. Financial protection required for several years at Lyndale School; School specific top up required for Lyndale. Not consistent with local policy. Other schools demonstrate better value. 	Not needed; no change proposed.
2	2-19 School	<ul style="list-style-type: none"> All age provision. Development of expertise. Some parents and governors have previously asked for this to be explored 	<ul style="list-style-type: none"> Council rejected this in June 2010 after full public consultation because: <i>“the proposal received strong support from parents of children who attended The Lyndale School, there was little, if any support from parents whose children attended the authority’s other special schools for complex learning difficulties (CLD).</i> <i>Given the lack of broad support this would make the creation of a 2-19 school for PMLD a high risk option, which would be highly unlikely to represent value for money.”</i> 	Fail largely because option may not meet requirements for: iii) Access to suitable accommodation iv) An improved supply of suitable places v) Agreement from all providers to the proposed provision
3	Federate (hard or soft) with another special school with Lyndale School remaining on current site	<ul style="list-style-type: none"> Promotes an open dialogue about future of local policy. May be opportunities for economies of scale. Governor led 	<ul style="list-style-type: none"> Distances between schools would make it difficult for quick access between sites. Small size of Lyndale School means federation may not be viable. Resources from one school used to subsidise another. No appetite to date expressed by Lyndale School governors 	Fail largely because option may not meet requirements for: v) Agreement from all providers to the proposed provision vi) Agreement from a Federating School
4	Federate (hard or soft) with another primary or secondary school with	<ul style="list-style-type: none"> Promotes Department’s agenda with schools. Promotes an open dialogue about 	<ul style="list-style-type: none"> Distances between schools would make it difficult for quick access between sites. Small size of Lyndale School means federation 	Fail largely because option may not meet requirements for:

	Lyndale School remaining on current site.	<ul style="list-style-type: none"> future of local SEN policy. Governor led 	<ul style="list-style-type: none"> not viable. Resources from one school used to subsidise another. No appetite to date expressed by Lyndale School governors. 	<ul style="list-style-type: none"> v) Agreement from all providers to the proposed provision vi) Agreement from a Federating School
5	Co-locate Lyndale School with another special school	<ul style="list-style-type: none"> Pooling curriculum expertise may enable schools to deliver an enriched offer. 	<ul style="list-style-type: none"> Site required. May need new build. 	Test requirements may not be met
6	Academy/Free School	<ul style="list-style-type: none"> School community led 	<ul style="list-style-type: none"> To date governors have not discussed this. 	Matter for parents and DfE
7	<p>Close Lyndale School</p> <p>Open two SLD bases in Primary schools for 6/8 pupils in each.</p> <p>Expand Elleray Park and Stanley Schools to 100 each</p>	<ul style="list-style-type: none"> Inclusion opportunities. Dependent on mainstream primaries having appetite. Promotes Department's agenda with schools. LA propose targeted use of inclusion budgets. 	<ul style="list-style-type: none"> Previous LD bases (MLD) not successful in primary. Securing engagement from primaries may take time Start up costs. Potential disruption for current pupils Availability of specialist health services 	<p>The test requirements may not be met for:</p> <ul style="list-style-type: none"> v) Agreement from all providers to the proposed provision vi) Agreement from 2 primary schools for Bases to be established.
8	<p>Close Lyndale</p> <p>Expand Stanley/Elleray Park Schools to provide 220/230 places.</p>	<ul style="list-style-type: none"> Potential for a more inclusive approach for children with Severe Learning Difficulties (SLD) / Profound Multiple Learning Difficulties (PMLD). Consistent with secondary provision. Achieve better value across specialist provision (£70 - £220k) 	<ul style="list-style-type: none"> Potential disruption for current pupils Detailed capacity mapping required to Elleray Park School and Stanley School 	<p>Most aspects of test may be met.</p> <ul style="list-style-type: none"> v) Agreement from all providers to the proposed provision vi) Agreement from alternative schools: <p>Elleray Park School could accommodate 110 (building work would be needed); Stanley School could accommodate at least 110, and could perhaps take 5/10 more if a trend emerges;</p> <p>Elleray Park School could meet the needs of increased no's of PMLD pupils; Stanley could meet the needs of PMLD pupils.</p>