



Policy and Performance Co-ordinating Committee

Date:	Tuesday, 3 September 2013
Time:	6.00 pm
Venue:	Committee Room 1 - Wallasey Town Hall

Contact Officer: Shirley Hudspeth, Democratic Services Manager
Tel: 0151 691 8559
e-mail: shirleyhudspeth@wirral.gov.uk
Website: www.wirral.gov.uk

AGENDA

1. **APOLOGIES FOR ABSENCE**
2. **INTRODUCTION AND WELCOME**
3. **CODE OF CONDUCT - DECLARATIONS OF INTEREST RELEVANT AUTHORITIES (DISCLOSABLE PECUNIARY INTERESTS) REGULATIONS 2012, INCLUDING PARTY WHIP DECLARATIONS**

Members are reminded of their responsibility to declare any disclosable pecuniary or non-pecuniary interest which they have in any item of business on the agenda no later than when the item is reached.

Members are reminded that they should also declare whether they are subject to a party whip in connection with any item(s) to be considered at this meeting and, if so, to declare it and state the nature of the whipping arrangement.

4. **MINUTES (Pages 1 - 10)**

To approve the accuracy of the Minutes of the meeting of the Committee held on 3 July 2013. **(Attached)**

5. COMBINED AUTHORITY - CABINET MINUTE NO. 45 (Pages 11 - 64)

At the Cabinet meeting held on 8 August 2013 it was resolved that

'(6) the appropriate Policy and Performance Committee be requested to meet to examine the proposal and offer suggestions on how to take it forward as soon as possible;'

To note the content of the Cabinet Report considered on 8 August 2013. **(Attached)**

6. COMMITTEE WORK PROGRAMME (Pages 65 - 74)

Report by the Chair.

7. CORPORATE PLAN PERFORMANCE / MANAGEMENT REPORT (AS AT 31 JULY 2013) (Pages 75 - 88)

Report by the Director of Public Health / Head of Policy and Performance.

8. BUDGET MONITORING - INCLUDING REVENUE, SAVINGS AND CAPITAL (Pages 89 - 136)

9. POLICY UPDATE (Pages 137 - 146)

Briefing Note **(attached)**.

10. DELEGATED DECISIONS (SUBMITTED TO REGENERATION AND ENVIRONMENT POLICY AND PERFORMANCE COMMITTEE ON 10 JULY 2013) (Pages 147 - 150)

Report of the Assistant Chief Executive / Head of Universal & Infrastructure Services referred from the Regeneration and Environment Policy and Performance Committee at its meeting on 10 July 2013.

11. URGENT BUSINESS APPROVED BY THE CHAIR - PART 1

12. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

13. URGENT BUSINESS APPROVED BY THE CHAIR - PART 2

POLICY AND PERFORMANCE CO-ORDINATING COMMITTEE

Wednesday, 3 July 2013

<u>Present:</u>	Councillor	S Whittingham (Chair)	
	Councillors	S Foulkes	D Roberts
		A Hodson	J Stapleton
		A Brighthouse	D Elderton
		P Doughty	L Fraser
		P Glasman	A Sykes
		M McLaughlin	S Williams
		B Mooney	R Gregson

6 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Ron Abbey.

7 **CODE OF CONDUCT - DECLARATIONS OF INTEREST RELEVANT AUTHORITIES (DISCLOSABLE PECUNIARY INTERESTS) REGULATIONS 2012, INCLUDING PARTY WHIP DECLARATIONS**

No declarations of interest were received.

8 **MINUTES**

A Member made the following comments on the Minutes of the Special meeting of the Committee convened to consider a call-in of a delegated decision – Local Government Association Annual Conference and Exhibition (Minute No. 5 refers):

Evidence from Call-in Witnesses

Melissa Holt (Organisational Development Manager)

The Minutes stated that “She had become aware of an invoice for the LGA Conference on 29 May”

The Member considered that this statement was not accurate as Melissa had only become aware that places had been booked for this Conference when she received the invoice for them.

The Minutes also stated that “she confirmed that the Council was contractually bound to pay it, as the date for cancellation had passed.”

The Member had no recollection of Melissa making this statement.

Graham Burgess (Chief Executive)

The Minutes stated that he “had issued the instruction for places to be booked for Members on the same basis as previous years.”

The Member had no recollection of Graham making this statement.

Summary of the Lead Call-in Signatory

The Member drew attention to the second bullet point as follows:

- That the Council’s procedures had not been adhered to and the Chief Executive should ensure that the procedures are reviewed to ensure future compliance.

The Member informed that what the Lead Call-in Signatory had said was that the Chief Executive had not followed Council protocol.

RESOLVED:

That subject to the above comments on the accuracy of Minutes of the Special meeting of the Committee held on 24 June 2013 they be signed.

9 **MINUTES OF SCRUTINY PROGRAMME BOARD**

RESOLVED:

That the accuracy of Minutes of the last meeting of the Scrutiny Programme Board held on 19 February 2013 be approved.

10 **TERMS OF REFERENCE AND AREAS OF RESPONSIBILITY FOR THE POLICY AND PERFORMANCE CO-ORDINATING COMMITTEE AND MEETING PROCEDURE RULES**

The Committee considered two reports by the Director of Public Health/Head of Policy and Performance (Fiona Johnstone) and agreed to discuss the details of both at the same time.

The first report informed Members of the Committee’s Terms of Reference as detailed in Article 6 of the Council’s Constitution. This was set out in Appendix 1 to the report. The Constitution had recently been revised and updated in response to the need to improve the Council’s corporate governance and decision making processes.

The Committee noted that the main changes to the Constitution involved:

- The creation of four Policy and Performance Committees to undertake overview and scrutiny

- The creation of four new Constituency Committees to devolve decision-making in line with the Localism Act
- A revised Scheme of Delegation
- Changes to the format of Council meetings

Members also noted the functions and powers of all four Policy and Performance Committees, including responsibilities in relation to health scrutiny. The terms of reference also highlighted the additional responsibilities of the Co-ordinating Committee.

In the second report the Director of Public Health/Head of Policy and Performance proposed the Meeting Procedure Rules under which formal meetings of the Policy and Performance Committees could be undertaken. They were detailed in Appendix 1 to the report. Members were requested to consider these Rules, suggest any amendments required and give their approval in order that updated Rules could be published within the relevant section of Part 4 of the Council's Constitution.

The Director of Public Health/Head of Policy and Performance also made a presentation to the Committee on the key principles which covered the aims and approach to scrutiny, pre decision and post decision scrutiny, the Committee Structure and how it would fit in with the new Constitutional arrangements.

Members noted that within the Policy and Performance Committee Procedure Rules it was proposed that the membership of the Committee should include the Chairs and Vice Chairs of the Council's other three Policy and Performance Committees. However, it was also noted that the Chair of the Policy and Performance Families and Wellbeing Committee, Councillor Wendy Clements, was not a member of the Co-ordinating Committee. Some Members queried this and asked if it was an oversight. The Director of Public Health/Head of Policy and Performance reported that such a membership arrangement was regarded as good practice but it was not a mandatory requirement.

The Head of Legal and Member Services (Surjit Tour) informed that this membership issue could be kept under review and if the Chair of the Policy and Performance Families and Wellbeing Committee not being a member hampered the Co-ordinating Committee's role at some stage, appropriate action could be agreed.

A Member drew attention to paragraph 16(g) of the Appendix to the Meeting Procedure Rules report regarding Call-in which read as follows:

'If the Co-ordinating Committee agrees with the decision the relevant Senior Officer may implement it. In the event of any political group not agreeing with the majority decision of the Co-ordinating Committee, it may

prepare a written minority report for consideration by Council when the minutes of the Co-ordinating Committee are considered. Any such report must be handed to the Head of Legal and Member Services in accordance with Standing Order 7(2). The Leader of the relevant group or his/her representative will have an opportunity to explain the minority report to the Council and Council may discuss and vote for/or against such a report without prejudice to any decision already implemented.'

The Member informed that he did not understand what was meant by this. The Head of Legal and Member Services informed that the taking of a decision did not preclude discussion or debate on it and did not fetter the Council's discretion. He informed that he would circulate an easily understandable form of words in plain English on this matter to all Members of the Committee.

A Member referred to the traditional Committee lay out of the room where Members sat next to Members of their own Political Groups. He proposed that they be mixed up and sit with Members of other Political Groups at future meetings. He considered that this revised style would be less confrontational and combative. The Member also proposed that enquiries be made on best practice with regard to seating arrangements adopted in other Councils and whether it was considered productive.

A Member referred to the first meeting of the Council held on 24 June 2013, a Special meeting arranged to consider a called-in decision regarding the 2013 Local Government Association Conference. He was confused as two of the Members who had signed the call-in notice had agreed to Members being allowed to go to the Conference. Another Member raised the issue that Members who had signed the call-in notice had sat on the Committee that scrutinised the decision and asked if this could not be interpreted as predetermination.

A Member drew attention to the last sentence in paragraph 16(g) as follows:

'The Chair may accept written documentary evidence where appropriate.'

The Member considered that if witnesses were unable to attend a call-in meeting they should not be allowed to provide written submissions because the Committee would be unable to clarify points with them.

Another Member considered that it should be a matter for the Committee whether it wished to receive written submissions from witnesses who were unable to attend call-in meetings. He felt that if a written submission was likely to prove valuable and assist the Committee, then perhaps they should be allowed and Members could attach what weight they wanted to it. Others considered that the Chair should exercise his judgement and decide whether any written correspondence received should be put before the Committee.

They also believed that Members should attend call-in meetings with an open mind.

The Member also referred to the language used at the call-in meeting and informed that other local authorities did not operate their meetings with aggression they saw them as a means of receiving important information.

A Member queried the connection between the scrutiny function and the four new Constituency Committees. The Director of Public Health/Head of Policy and Performance informed that the remits of Constituency Committees were still evolving and their functions would be determined at the local level. Decisions made by these committees would be subject to scrutiny. If an issue arose relating to a particular area it could be possible to ask the relevant Constituency Committee to carry out an investigation and report back to the relevant policy and Performance Committee. However, Constituency Committees were unable to scrutinise their own decisions. They could be used as consultative bodies, informing of local opinion on specific matters raised.

RESOLVED: That

- (1) the terms of reference of the four Policy and Performance Committees be noted as detailed in Article 6 of the Council's Constitution;**
- (2) the Meeting Procedure Rules as set out in Appendix 1 to the report be approved and the Constitution be updated accordingly; and**
- (3) if the Chair of the of the Policy and Performance Families and Wellbeing Committee is not a member of the Co-ordinating Committee then the Vice Chair will be requested to represent it at Co-ordinating Committee meetings.**

11 CORPORATE PLAN PERFORMANCE MANAGEMENT REPORT

A report by the Director of Public Health/Head of Policy and Performance outlined the proposed performance management report to support the delivery of the Corporate Plan for 2013/14. She apologised that the report had been produced in black and white. In future similar reports would be colour co-ordinated and include a key to make them easier to understand.

The report detailed the priorities set out in the Council's Corporate Plan into a coherent set of performance outcome measures and targets. The Committee was informed that these would be used to evaluate the achievement of strategic priorities over the next year of the Plan. The report included

proposed indicators and it was noted that the Council would make the ultimate decision on them.

The Director of Public Health/Head of Policy and Performance reported that she anticipated that the development of the Corporate Plan would be an iterative process during 2013/14 based on the feedback and requirements of Members and portfolio leads. It would run in parallel to the wider development of the underpinning business planning and performance management infrastructure within the Council (e.g. Performance Management Framework Policy, electronic provision of performance information to Elected Members, transition from targets to outcomes).

The Director of Public Health/Head of Policy and Performance informed Members that it was useful to acknowledge the dash board as part of the performance management she wanted to introduce into the Council.

The Head of Commissioning, Performance and Business Intelligence (Tony Kinsella) was in attendance at the meeting and took Members through the detail of the report which translated the key priorities from the Corporate Plan to a high level set of targets which the Committee could scrutinise. He informed that the reporting process would be developed over time and he was happy to receive Members' feedback on the content and style of this type of report.

The Head of Commissioning, Performance and Business Intelligence informed the Committee that the model and approach being taken with regard to performance management was very much based on an exception model. Officers were accountable for their performance and must produce exception reports and plans for delivery to turn round performance. He explained the technical specification sheets and informed that in some cases data was only available on a quarterly basis and fields could only be populated once the first quarter had passed.

A Member commented that the descriptions used could be better and that they needed to relate to the Council's targets. The Head of Commissioning, Performance and Business Intelligence informed that a technical user guide would be produced. The indicators presented had been led by the Directors in line with their corporate priorities.

The Director of Public Health/Head of Policy and Performance told the Committee that she would provide it with information on the connection between outcomes and why particular indicators had been chosen.

A Member drew attention to Appendix 2 to the report and informed that she did not understand a figure in relation to the indicator on permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population. Another Member informed that Members

required some training if this new reporting arrangement was to be a useful tool for Members. The Member also asked how up to date the figures were and was told that information was included as soon as it became available. Usually the information was a month out of date but Officers were now trying to accelerate the processes involved with data collection.

The Director of Public Health/Head of Policy and Performance welcomed the constructive comments and confirmed that the manner in which performance information was reported would evolve and improve over time and feedback from Members was important in this process.

RESOLVED: That

- (1) the information contained within this report be used to inform the Committee's future Work Programme; and**
- (2) appropriate training sessions be arranged for Members so that they can assess the information contained in this standing report to the Committee.**

12 **COMMITTEE WORK PROGRAMME**

A report by the Director of Public Health/Head of Policy and Performance informed that the Committee would draw up a Work Programme for the ensuing Municipal Year. The Director advised Members of the criteria that would be suitable to inform the Work Programme and requested that they propose items for inclusion. She also asked the Committee if it was in agreement to ask the other three Policy and Performance Committees to consider their Work Programmes, assign their priorities and consider a report setting them out at its next meeting.

The Director of Public Health/Head of Policy and Performance informed the Committee that Officers had reviewed the work programmes/minutes from the former Overview and Scrutiny Committee meetings and had identified those areas where Members had previously requested further work to take place. Those items were listed in a table for Members information. As part of developing the work programme of the new Policy and Performance Committees, Members were asked to identify any items from the list that were required for the new work programme. It was noted that it would be beneficial to carry forward only those most significant items.

Members considered the detail of the report and made suggestions on what information they would like to receive and on what could be included in the work programme as follows:

- there should be a standing item on all Co-ordinating Committee agendas to monitor the Council's performance against its budget;

- this year's budget be monitored along with the implications on future years' savings and link all this to performance;
- the regular Capital and Revenue Monitoring Reports that are prepared for the Cabinet's consideration be also presented to this Committee as a standing item;
- the information that the Head of Financial Services (Tom Sault) used to prepare on one sheet of paper for the former Council Excellence Overview and Scrutiny Committee, using the traffic light approach, be presented to this Committee on a regular basis;
- establish, as soon as possible, a Task and Finish Group on the implementation of the budget, looking at options for next year
- consider a list of the members of the Wirral Public Services Board and details of other bodies they sit on;
- agendas for the former Overview and Scrutiny Committees were too long, this mistake must not be repeated;
- the Committee must prioritise two or three topics to scrutinise and complete this work within the Municipal Year;
- the Committee should scrutinise Freedom of Information (FOI) requests received, the processes involved with them and the Information Manager be invited to make a presentation to a future meeting of the Committee;
- consider how other local authorities and other organisations e.g. the Police deal with FOI requests;
- Shared Services (This was within the remit of the Policy and Performance Transformation and Resources Committee); and
- consideration be given to the Risk Register.

RESOLVED: That

- (1) **the Chair, Vice-Chair and Spokespersons be given delegated authority to meet and agree what to include in the Committee's Work Programme, prior to its next meeting; and**
- (2) **the Chair, Vice-Chair and Spokespersons be requested to agree to the commencement of any specific parts of the Work Programme, prior to the next Committee meeting.**

13 **SCRUTINY: BRIEFING**

The Committee considered a Scrutiny Briefing document prepared by the scrutiny support team that contained the following information:

1. The purpose of overview and scrutiny
2. Service areas relevant to this committee
3. Dates of meetings
4. Committee Membership
5. Outstanding items from previous scrutiny committees

6. Key Internal Plan & Strategies
7. Key local and national policy drivers
8. The role of the Chair
9. Officer support arrangements
10. Key contacts

A Member queried the Committee's support arrangements. The Director of Public Health/Head of Policy and Performance informed that she and the Programme Manager (Michele Duerden) would be supporting the Committee for the time being. Currently there was only one Scrutiny Support Officer (Alan Veitch) in the employment of the Council. He was supporting the Policy and Performance Families and Wellbeing Committee. There were two vacant posts and a recruitment exercise was under way.

In the meantime, Members were advised to channel any requests for support through the Director of Public Health/Head of Policy and Performance and the Programme Manager and they would provide the name of a link person who would be allocated to the piece of work required. Their aim was to create a flexible scrutiny support arrangement.

RESOLVED:

That the content of the Scrutiny Briefing document be noted.

This page is intentionally left blank

WIRRAL COUNCIL

Cabinet
8 August 2013

SUBJECT	LIVERPOOL CITY REGION GOVERNANCE REVIEW
WARD/S AFFECTED	ALL
REPORT OF	CHIEF EXECUTIVE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report explains why the Liverpool City Region needs to review its strategic governance for economic development, regeneration and transport and outlines the process undertaken to conduct a governance review commissioned by the Liverpool City Region Cabinet. The report sets out the recommendation of the review, after evaluating the current available evidence, to create a Liverpool City Region Combined Authority to formalise existing informal arrangements, signal to businesses and Government that the City Region is serious about working together and potentially draw down additional powers and funding from Government.
- 1.2 The report identifies how a potential Liverpool City Region Combined Authority could operate and the functions it could discharge, along with considering a draft scheme for its establishment.
- 1.3 It finally outlines the proposed approach to consultation and seeks agreement to host specific Wirral events to further consult on the Review of Strategic Governance and the operation of a potential Liverpool City Region Combined Authority.

2.0 RECOMMENDATIONS

- 2.1 Cabinet is recommended to:
- (a) Endorse the draft findings of the Liverpool City Region strategic governance review (as attached at Appendix One);
 - (b) Endorse the draft outline of the potential role for a Liverpool City Region Combined Authority (as attached at Appendix Two)
 - (c) Endorse the draft scheme for the establishment of a Combined Authority for the Liverpool City Region (as attached at Appendix Three);
 - (d) Agree to the holding of Wirral events as part of the consultation on the proposals described in the documents referred to in paragraphs (a) to (c) above;
 - (e) Request that the final versions of the documents referred to in paragraphs (a) to (c) above together with the results of the consultation exercise are submitted for consideration at future meetings of the Cabinet and Council.

3.0 BACKGROUND AND KEY ISSUES

- 3.1 Liverpool City Region has a population of 1.5 million covering the local authority areas of Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral and over 36,000 active businesses. The City Region has one of the fastest growing economies in the UK, with growth being driven across four key sectors: the Low Carbon Economy, the Knowledge Economy, Visitor Economy and the SuperPort.
- 3.2 The Liverpool City Region vision is to create a thriving, international City Region; and to achieve this, the Liverpool City Region must accelerate the opportunities for economic growth and utilise all means necessary. There is strong evidence that the Liverpool City Region has latent potential for additional economic output: if the City Region performed at the national average an additional £8.2bn of output would be generated per annum for the national economy.
- 3.3 To do this would involve building on the existing commitments articulated in the Liverpool City Region Deal and by maximising opportunities to enhance the local delivery of national programmes that are critical to improving local growth. Ensuring that clear and effective arrangements are in place to enable long-term strategic decision making at the City Region level is an essential component to drive economic growth which is why this governance review has considered the appropriate options to achieve this and made draft recommendations.
- 3.4 Whilst the Liverpool City Region was more robust than many other City Regions at the outset of the recession it continues to face a number of economic challenges that are aggravated by the current global economic climate: productivity is 75% that of national rates, there is a gap of 18,500 businesses compared to national rates, a jobs deficit of 90,000, a skills deficit at all levels and one in ten residents are in receipt of either jobseekers' allowance or sickness benefit. In combination, these deficits contribute to the average household per-head being £1,700 less wealthy than the average nationally.
- 3.5 Economic analysis by the OECD demonstrates that strategy integration across key policy domains can deliver economic benefits at the local level in terms of sustainable economic growth and employment. It emphasises the importance of organisational capacity at the functional spatial level, a level which would be consistent with the City Region which is considered to be a 'functional economic area', with 84% of employed residents working within the Liverpool City Region (2012 Annual Population Survey).
- 3.6 The six Councils in the Liverpool City Region have a strong track record of working together on areas of mutual benefit, dating back before the Liverpool City Region Development Plan, which was agreed in 2007. Collaborative working has evolved over the years and a number of City Region Boards bring together democratic leadership and senior business leaders, including the Local Enterprise Partnership. The City Region has made further strides towards improving its governance arrangements in recent years, with the establishment of the Local Transport Body being an example of this.

3.8 There are options for the City Region to consider around its governance if it is to make the most of the economic opportunities over the medium term, which will create jobs and growth. Having taken this information into account, Liverpool City Region Cabinet agreed at their meeting of 21 June 2013 to formally review its strategic governance arrangements in relation to exploring the option of a Combined Authority model.

4.0 THE STATUTORY PROCESS

4.1 In accordance with Section 108 of the Local Democracy, Economic Development and Construction Act 2009 a governance review in relation to a potential combined authority must address the effectiveness and efficiency of: (a) transport within the area covered by the review and (b) arrangements for economic development and regeneration within the review area.

4.2 Therefore, the purpose of the City Region strategic governance review is to determine:

- Whether the area covered by the local authorities of Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral can properly be seen as constituting a functional economic area for the purpose under consideration in the review; and
- Whether the existing governance arrangements for strategic economic development, regeneration and transport are effective or would benefit from changes.

4.3 The statutory tests for the governance review in relation to a potential Combined Authority are set out in the Local Transport Act 2008 and the Local Democracy, Economic Development and Construction Act 2009. The process of the review will be to examine the options available to the City Region in relation to each of the following and to evaluate the likely improvement going forward:

- The exercise of statutory functions relating to economic development, regeneration and transport;
- The effectiveness and efficiency of transport; and
- The economic conditions in the area.

4.4 There are three opportunities for individual Councils to confirm their approval for the proposals:

- the first when they consider the draft governance review and proposal for the operation of the preferred option
- the second in September 2013 following consultation on the draft governance review and the preferred option, ahead of any submission to Government
- the third and final opportunity in March 2014 when approval would need to be given to become a constituent Member of a potential Combined Authority

5. THE EXISTING GOVERNANCE ARRANGEMENTS

- 5.1 The six Local Authorities in the Liverpool City Region have a long history of collaboration at a scale that reflects the 'functional economic geography' of the area. This collaboration was formalised with the creation of the Liverpool City Region Cabinet in 2008 and, most recently, the establishment of the Liverpool City Region Local Enterprise Partnership in March 2012 and the establishment of the Local Transport Body to serve the City Region later in 2012.
- 5.2 There are currently a number of Boards across the City Region bringing together the democratic leadership and senior business leaders to support our vision to be a thriving, international City Region, with those particularly relevant to the governance review of economic development, regeneration and transport summarised below.
- 5.3 **Liverpool City Region Cabinet:** The six Councils in the City Region have a track record of working together on areas of mutual benefit, dating back before the Liverpool City Region Development Plan, which was agreed in 2007. Following this, the Liverpool City Region Cabinet was established in 2008 to take forward this and other work. The City Region Cabinet is made up of the Mayor of Liverpool and Leaders of the five Councils. The Cabinet demonstrates high level leadership and has been effective at setting the strategy for the City Region and working in partnership with business leaders to develop the conditions for economic growth.
- 5.4 In 2008 the Cabinet agreed that each Leader/nominated member would lead on one of the portfolios identified in the City Region governance structure, and each Portfolio Holder would be supported by a Chief Executive acting as Lead Advisor. This led to a series of thematic City Region Boards, across transport, economic development, employment and skills, housing, health, and child poverty and life chances. Many of these Boards bring together the democratic mandate and the contributions of the private sector and other partners.
- 5.5 **Liverpool City Region Local Enterprise Partnership (LEP)** was established in March 2012 and formally incorporated: as such, it has a unique structure with over 400 members contributing to the success of the Partnership. This provides the LEP Company with an income stream which adds value to public funding for economic development, including European monies and sees the private sector playing a direct role in setting the economic agenda for the City Region. The Mayor of Liverpool and the other five Leaders also sit on the LEP Board alongside the private sector.
- 5.6 The LEP has established sector committees and panels around the key sectors for economic growth: Low Carbon Economy, SuperPort, Visitor Economy, Advanced Manufacturing and Innovation. This provides the opportunity for businesses and public bodies to work together on identifying the key actions and opportunities that will support the delivery of jobs and growth. The LEP has also been given a set of strategic responsibilities by Government in terms of prioritising investment (such as with Growing Places Funds) as well as setting future economic strategy for the City Region through the requirement for a Growth Plan by Spring 2014 and the determination of European Funding priorities.

- 5.7 Merseyside Integrated Transport Authority (MITA) which covers Knowsley, Liverpool, Sefton, St Helens and Wirral, with Halton Borough Council acting as a transport authority in its own right. There has been extensive collaboration and joint working on transport issues between City Region Councils, Merseytravel and increasingly the LEP, with the establishment of the Local Transport Body to serve the City Region as a case in point. The aligned Local Transport Plans and implementation plans are a further example of the close work that is in place.
- 5.8 The Liverpool City Region has a track record of working together on Employment and Skills strategy across the functional economic area. The City Region's **Employment and Skills Board** leads work on jobs and skills on behalf of the City Region Cabinet and the LEP. It focuses on implementing the existing 10-year Employment and Skills Strategy and the City Region Deal for Jobs and Skills. It oversees the City Region's Labour Market Information Service, which communicates economic opportunities to the vast array of colleges, training providers and employment support providers. It also provides governance arrangements for a range of different devolved funding streams.
- 5.9 **Liverpool City Region Strategic Housing and Planning Board** - There is already considerable collaboration on strategic housing priorities and public sector assets aligned to the City Region's economic growth and regeneration ambitions. We have prepared a joint Local Investment Framework, for the delivery of our housing priorities, since 2009 and we have secured over £80 million pounds of investment as a result. The Board has recently been working on the Local Investment Framework for 2014 – 17, which will include a spatial framework, to support the Local Growth Plan. This Local Investment Framework will continue to identify and promote all housing opportunities which support economic growth and will identify all potential funding resources to support the delivery and to bridge funding gaps.
- 5.10 One of the drivers for reviewing the Liverpool City Region's governance arrangements is to secure greater influence over key levers affecting local growth, including freedoms, flexibilities and funding which would otherwise remain under the control of Whitehall. The Liverpool City Deal, Liverpool City Region Deal and LEP Business Plan and Action Plans seek to capitalise on the City Region's strengths, assets and key sectors to attract investment into and create additional jobs within the City Region. However, they do not go far enough in terms of maximising opportunities to enhance local delivery of national programmes that are also critical to improving local growth.
- 5.11 For a number of years the City Region has successfully aligned central Government funding, ERDF and private sector investment to support strategic priorities within the wider economy. Working with the LEP, a pipeline of projects spanning investment in infrastructure, business growth, housing, transport and regeneration is in place together with an agreed approach to the joint investment of ERDF, Regional Growth Fund and Growing Places funds. With the new Government funding opportunities and policies, including the Growth Deals/Single Local Growth Fund and EU Structural and Investment Funds 2014 - 2020 there is now an added impetus to ensure the City Region has the most appropriate strategic governance arrangements in place to deliver agreed priority investments and in doing so to maximise the use of these funds alongside existing resources.

5.12 Similarly, whilst the establishment of the Local Transport Body has been seen as a positive step; is a staging post on the journey, rather than a destination. The Local Transport Body model does not enjoy the legal transport powers or funding regimes that are currently vested with the Integrated Transport Authority, its constituent districts and with Halton Borough Council. The Department for Transport has consistently impressed upon the Liverpool City Region the importance of developing effective governance arrangements that facilitate, for example, links to other policy areas, strong leadership, streamlined structures and the ability to make difficult decisions, linked to clear priorities and a long-term investment programme.

6. METHODOLOGY FOR THE GOVERNANCE REVIEW

6.1 The process to establish a Combined Authority or Economic Prosperity Board has three main steps:

- First, a review of existing governance arrangements for the delivery of economic development, regeneration and transport. This must lead to the conclusion that there is a case for changing these arrangements based upon real improvements.
- Second, drawing up and consulting on a scheme for the new body upon which the authorities are required to engage to secure support amongst stakeholders. All constituent Councils are required to approve the scheme for submission to the Secretary of State for Communities and Local Government.
- Finally, the Secretary of State will consider the scheme and undertake a formal consultation. If satisfied with the proposals, a draft order will be laid before both Houses of Parliament for adoption by affirmative resolution.

6.2 An Officer-led working group was tasked with undertaking the governance review, comprising senior officers and relevant experts from each of the constituent local authorities, Merseytravel and the Local Enterprise Partnership (LEP). This included the following activities:

- **Review of economic evidence** to test the rationale for working across the Liverpool City Region geography as a functional economic area. This included a review of previous strategies and identification of key information to assess the economic conditions of the area. The work was aligned to the strategy development process being led by the LEP to prepare the evidence base for the City Region Growth Plan. It also considered the key findings from evidence base work and engagement activity to develop the City Region EU Investment Fund framework for 2014 – 2020.
- **Desk research** of the current governance arrangements and structures.
- **Workshops** to collect views and evidence from stakeholders in each constituent authority, Merseytravel and the LEP to consider the functions or activities that could benefit from strengthened collaborative governance arrangements.
- **One to one interviews** with external stakeholders, including LEP members, Chambers of Commerce and neighbouring local authorities, to collect views on the draft proposals.
- **Options assessment** based on this evidence.

7. OPTIONS ASSESSMENT

7.1 The governance review (attached at Appendix One) has considered the four main options available to the Liverpool City Region at the present time assessed against the statutory tests identified in section 4.3 of this report:

- Option 1 - Leaving existing governance unchanged (status quo);
- Option 2 - Establishing a Supervisory Board;
- Option 3 - Establishing an Economic Prosperity Board; and
- Option 4 - Creating a Combined Authority.

7.2 The review demonstrated that the six Councils in the Liverpool City Region have a strong track record of working together on areas of mutual benefit. Collaborative working has evolved over the years and a number of City Region Boards bring together democratic leadership and senior business leaders, including the LEP. The City Region made further strides towards improving its governance arrangements, with the establishment of the Local Transport Body in 2012. However, the overarching arrangements remain informal without any independent legal status and could be improved, particularly around providing democratic leadership, transparency and accountability. There is a general consensus that the City Region has outgrown these existing arrangements and the time is now right to take the strategic governance arrangements to the next level, moving from a process of informal collaboration to joint decision making.

7.3 The findings are summarised in the following table:

Option	Assessment
Status quo	Maintaining the status quo would provide the basis for economic growth (as it has done for some time) but may not make sufficient improvements in the economic conditions of the area in the timescales required.
Establishing a Supervisory Board	A Supervisory Board would address some of the governance and accountability issues around economic development and regeneration but would still leave the issues around transport.
Establishing an Economic Prosperity Board	An Economic Prosperity Board would address some of the governance and accountability issues around economic development and regeneration but would still leave the issues around transport outside the formal joint arrangements.
Creating a Combined Authority	Building on existing arrangements and supporting the LEP, the creation of a Liverpool City Region Combined Authority, with the alignment of accountability, governance and geographies for economic development, regeneration and transport would provide the City Region with the best possible chance of securing significant and lasting improvements in economic development, regeneration and transport.

Option	Assessment
	This model will further strengthen democratic and financial accountability.

- 7.4 After evaluating the current available evidence, the conclusion from the strategic governance review is to propose a Liverpool City Region Combined Authority model, and to include the transport functions currently separately exercised by MITA and Halton Borough Council, as the preferred governance option. This would give legal form to the close working relationships that already exist between the six local authorities, MITA and the Local Enterprise Partnership by creating a sub-regional body with legal personality and a governance mechanism that can act across the combined area.
- 7.5 A strong Combined Authority would be able to bring together key decision making powers into a single body, exercising appropriate strategic transport and economic development and regeneration functions. It would provide a visible, stable and statutory body which could act as the accountable body to attract further funding to the Liverpool City Region to support economic growth, alongside additional powers which may be devolved from Government.
- 7.6 A Combined Authority is not a merger or a takeover of existing local authority functions nor would it be a 'Super-Council'. Instead it would seek to complement local authority functions in economic development regeneration and transport and enhance the effectiveness of the way they are discharged. In particular, it is the enhancement of decisions and information to a strategic level that are most frequently cited as the advantages of such a body. On this basis, the proposal to establish a Liverpool City Region Combined Authority would not have any additional resource implications for constituent Councils and would be expected to be cost neutral.
- 7.7 Cabinet is asked to endorse the draft findings of the attached Liverpool City Region Review of Strategic Governance (Appendix One).

8. THE POTENTIAL ROLE OF A COMBINED AUTHORITY AND DRAFT SCHEME

- 8.1 The statutory process as laid out in the legislation requires that a Scheme is developed which outlines the role of a potential Combined Authority, which can then be laid before Parliament for approval. The Outline of the Potential Role of a Liverpool City Region Combined Authority report (Appendix Two) and draft Scheme (Appendix Three) have been completed alongside the conduct of the governance review to set out the functions and activities that the Combined Authority could perform to secure jobs and growth and improvements in the economic conditions of the Liverpool City Region.
- 8.2 The functions are proposed around economic development, regeneration and transport (and include strategic housing and employment and skills) and will build upon the existing joint working in these areas. The establishment of the Combined Authority would provide the basis for this next stage of development to take place, particularly focusing on the integration of these functions to

create mutually reinforcing systems which will lead to sustainable jobs and growth.

- 8.3 The proposed Scheme sets out the proposed membership and executive arrangements, the functions powers and duties of the proposed Combined Authority and its funding and financial arrangements. These proposed membership arrangements include the ability to co-opt other members (eg the Chair of the Local Enterprise Partnership) onto the Combined Authority in a voting or non-voting capacity. There will also be a scrutiny function as well, made up of Members from constituent Councils.
- 8.4 Cabinet is asked to endorse the attached draft Outline of the Potential Role of a Liverpool City Region Combined Authority (Appendix Two) and the attached draft Scheme for the establishment of a Liverpool City Region Combined Authority (Appendix Three).

9. NEXT STEPS

- 9.1 The strategic governance review findings, the outline of the potential role of a Liverpool City Region Combined Authority and draft Scheme for the establishment of a Liverpool City Region Combined Authority, are being considered by individual local authority Cabinets and the Integrated Transport Authority all Councils across the Liverpool City Region: these meetings are scheduled to take place between 8 and 16 August 2013 as part of the consultation exercise. In addition a period of stakeholder consultation will run from 2 August 2013 to 6 September 2013.
- 9.2 The consultation will focus on whether it is considered that the proposals emanating from the governance review will meet the statutory tests in that the proposed Combined Authority would be likely to improve:
- the exercise of statutory functions relating to economic development, regeneration and transport in the area;
 - the effectiveness and efficiency of transport in the area; and
 - the economic conditions in the area.
- 9.3 Workshops and seminars will be held in local areas to ensure that there are opportunities for partners and stakeholders to contribute to the overall review and submit comments. All feedback from the consultation will be collected centrally at Knowsley Council via the single email address: lcr.governance@knowsley.gov.uk. The consultation with strategic partners is being shared amongst City Region Councils.
- 9.4 At the end of the consultation period the responses will be analysed by the Officer-led working group. A final version of the governance review and Scheme for the establishment of a Liverpool City Region Combined Authority will then be prepared and reported back to individual Cabinets, Councils and the Integrated Transport Authority during September 2013. Individual organisations will be asked to adopt the Review and Scheme and agree for their submission to Government: in addition, they will be asked in principle to become constituent members of the Combined Authority. These meetings are scheduled to take place between 11 and 24 September 2013. In addition, full Council approval will also be required prior to submission to the Secretary of

State. This needs to happen before 30 September 2013 in order for the Liverpool City Region Combined Authority to be operational from 1 April 2014.

- 9.5 Schemes for a Combined Authority will be considered jointly by the Secretary of State for Communities and Local Government and the Secretary of State for Transport. They will also have regard to the following before making an order to establish a new body;
- The need to reflect the identities and interests of local communities; and
 - The need to secure effective and convenient local government.
- 9.6 Government will then consider the submission and conduct a further consultation (eg the relevant Councils, the MITA, representatives of the business community, regulatory bodies, service providers and other delivery partners and regulatory bodies) to establish that the proposal has local support and backing. If this is found to be the case, an Order will be laid before Parliament for the Authority to be created.
- 9.7 Cabinet are recommended to endorse the approach to consulting on the strategic governance review and potential operation of the Liverpool City Region Combined Authority.

10.0 RELEVANT RISKS

- 10.1 There is a risk that the Liverpool City Region cannot close the gap in economic performance to England. This will be mitigated by proposing the establishment of a Liverpool City Region Combined Authority to draw together strategic work across economic development, housing, transport and employment and skills and to potentially access additional funding from Government.
- 11.2 There is a risk that the proposal to create a Liverpool City Region Combined Authority may not have local stakeholder support. This will be mitigated by consulting on the review of strategic governance and potential operation of a Liverpool City Region Combined Authority with stakeholders to collect their views.
- 11.3 There is a risk that the potential establishment of a Liverpool City Region Combined Authority is seen as a "Super-Council". This will be mitigated by establishing a clear approach to communication strategy between the Councils and MITA explaining precisely what the potential Combined Authority could and could not do.

11.0 OTHER OPTIONS CONSIDERED

- 11.1 The Liverpool City Region Review of Strategic Governance considered maintaining the status quo, establishing a Supervisory Board and establishing an Economic Prosperity Board, as set out in Appendix One. The review concluded that the establishment of a Combined Authority offered the City Region the greatest benefits.

12.0 CONSULTATION

- 12.1 Stakeholders will be consulted and invited to comment on the proposals in the Review of Strategic Governance as described in section 9 of this report.

13.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

13.1 There are no direct implications for voluntary, community and faith groups from the recommendations set out in this report. They will be invited to respond to the consultation on the review and preferred option.

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

14.1 The Review of Strategic Governance within the Liverpool City Region is being conducted within existing resources.

14.2 Should the proposal to create a Liverpool City Region Combined Authority be approved, it would not have any additional resource implications for constituent Councils and would be expected to be at least cost neutral.

15.0 LEGAL IMPLICATIONS

15.1 The conduct of the Review of Strategic Governance and the potential establishment of a Liverpool City Region Combined Authority is set out in the Local Democracy, Economic Development and Construction Act of 2009.

16.0 EQUALITIES IMPLICATIONS

16.1 Has the potential impact of your proposals been reviewed with regard to equality?

Yes and impact review has been sent to the Equality and Diversity Co-ordinator.

17.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS

17.1 There are no carbon reduction and environmental implications directly arising from the recommendations in this report.

18.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

18.1 There are no planning and community safety implications directly arising from the recommendations in this report.

19.0 REASONS FOR RECOMMENDATIONS

19.1 Governance in the Liverpool City Region is in need of improvement in order to formalise existing informal arrangements, signal to businesses and Government that the City Region is serious about working together and potentially draw down additional powers and funding from Government.

19.2 The draft Review of Strategic Governance and outline of the potential role for a Liverpool City Region Combined Authority are recommended to be approved and to be subject to consultation before being any final approval and submitted to Government.

REPORT AUTHOR: **Graham Burgess**
Chief Executive
telephone (0151) 691 8589
email grahamburgess@wirral.gov.uk

APPENDICES

Appendix One – Draft Liverpool City Region Strategic Governance Review

Appendix Two – Draft Outline of the Potential Role for a Liverpool City Region Combined Authority

Appendix Three – Draft Scheme for the Establishment of Combined Authority for Liverpool City Region

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	11 July 2013

**LIVERPOOL CITY REGION STRATEGIC GOVERNANCE
REVIEW**

AUGUST 2013

DRAFT

1. INTRODUCTION

1.1 This report has been prepared on behalf of the Liverpool City Region Cabinet, which brings together the Mayor of Liverpool and Leaders of the other five Local Authorities of the Liverpool City Region: Halton, Knowsley, Sefton, St Helens and Wirral. The report sets out the findings from a review of strategic governance arrangements in the Liverpool City Region.

1.2 The strategic governance review has been carried out in accordance with Section 108 of the Local Democracy, Economic Development and Construction Act 2009. This requires that a governance review in relation to a potential Combined Authority must address the effectiveness and efficiency of:

- a) Transport within the area covered by the review; and
- b) Arrangements to promote economic development and regeneration within the review area.

The full legislative requirements are set out in Appendix One.

1.3 The purpose of this review was to determine the following:

- Whether the area covered by the local authorities of Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral can properly be seen as constituting a functional economic area for the purpose under consideration in the review; and
- Whether the existing governance arrangements for economic development, regeneration and transport are effective or would benefit from changes, including establishing a Combined Authority.

1.4 The governance review has to date considered the options available and in relation to each option, evaluated the likely improvement in:

- The exercise of statutory functions relating to economic development, regeneration and transport in the area;
- The effectiveness and efficiency of transport in the area; and
- The economic conditions in the area.

This is because before a scheme for a Combined Authority can be prepared a review has to show that the creation of such a body would be likely to improve these matters and make them more effective and efficient.

1.5 Having examined these issues the report draws conclusions about the nature of the Scheme being recommended for the Liverpool City Region.

2. EXECUTIVE SUMMARY

- 2.1 The Liverpool City Region has been transformed over the last twenty years with the rejuvenation of Liverpool City Centre, greater utilisation of our indigenous assets and the growth of our key sectors. The City Region's economy is now one of the fastest growing in the UK and has closed the gap on national performance, but there remains a significant challenge to continue this. The economy is still not as large as it needs to be.
- 2.2 Working together with our businesses the potential of an additional GVA of £2bn and up to 100,000 jobs for our economy has been identified for future years, an opportunity unparalleled in the country. The role of Government and the public sector is to support and facilitate this growth where it is needed. This is not just for the benefit of the Liverpool City Region and our communities but also the UK as a whole.
- 2.3 Our vision is to create a thriving, international City Region; and to achieve this, the Liverpool City Region must accelerate the opportunities for economic growth and utilise all means necessary. There is strong evidence that the Liverpool City Region has latent potential for additional economic output: if the City region performed at the national average an additional £8.2bn of output would be generated per annum for the national economy.
- 2.4 To do this would involve building on the existing commitments articulated in both the Liverpool City Deal and Liverpool City Region Deal, and by maximising opportunities to enhance the local delivery of national programmes that are critical to improving local growth. Ensuring that clear and effective arrangements are in place to enable long-term strategic decision making at the City Region level is an essential component to drive economic growth which is why this governance review needs to consider the appropriate options to achieve this and make recommendations.
- 2.5 Whilst the Liverpool City Region was more robust than many other City Regions at the outset of the recession it continues to face a number of economic challenges that are aggravated by the current global economic climate: productivity is 75% that of national rates, there is a gap of 18,500 businesses compared to national rates, a jobs deficit of 90,000, a skills deficit at all levels and one in ten residents are in receipt of either jobseekers' allowance or sickness benefit. In combination, these deficits contribute to the average household per-head being £1,700 less wealthy each year than the average nationally.
- 2.6 Economic analysis by the OECD demonstrates that strategy integration across key policy domains can deliver economic benefits at the local level in terms of sustainable economic growth and employment. It emphasises the importance of organisational capacity at the functional spatial level, a level which would be consistent with the City Region which is considered to be a 'functional economic area', with 84% of employed residents working within the Liverpool City Region (2012 Annual Population Survey).
- 2.7 The six Councils in the Liverpool City Region have a strong track record of working together on areas of mutual benefit, dating back before the Liverpool City Region Development Plan, which was agreed in 2007. Collaborative working has evolved

over the years and a number of City Region Boards bring together democratic leadership and senior business leaders, including the Local Enterprise Partnership. In 2012 the City Region made further strides towards improving its governance arrangements, with the establishment of the Local Transport Body. However, these overarching arrangements remain informal without any independent legal status and could be improved, particularly around providing democratic leadership, transparency and accountability. There is a general consensus that the City Region has outgrown these existing arrangements and the time is now right to take the strategic governance arrangements to the next level, moving from a process of informal collaboration to joint strategic decision making.

- 2.8 It was agreed at the Liverpool City Region Cabinet meeting on 21 June 2013 that a review of strategic governance arrangements should be undertaken. One of the drivers for this review was to make sure that the City Region is well placed to secure greater influence over key levers affecting local growth, including freedoms, flexibilities and funding which would otherwise remain under the control of Whitehall. This approach builds on the commitments identified in the Liverpool City Region Deal which was agreed with Government in Summer 2012.
- 2.9 The approach taken to undertake this governance review was in accordance with Section 108 of the Local Democracy, Economic Development and Construction Act 2009. The methodology included a review of evidence, desktop research of current arrangements, a series of workshops and discussions with stakeholders, including constituent local authorities, Merseytravel, the Local Enterprise Partnership, strategic partners and neighbouring authorities and an options assessment based upon this evidence.
- 2.10 The review considered the following options:
- Option 1 – status quo
 - Option 2 – establishing a Supervisory Board
 - Option 3 – establishing an Economic Prosperity Board
 - Option 4 – establishing a Combined Authority
- 2.11 After evaluating the current available evidence and the options available to the City Region, the current view is to explore further the option of a Liverpool City Region Combined Authority model, and to include the functions currently exercised by the Merseyside Integrated Transport Authority and Halton's strategic transport functions, as the preferred governance option. This would give legal form to the close working relationships that already exist between the six local authorities, the Integrated Transport Authority and the Local Enterprise Partnership by creating a sub-regional body with legal personality and a governance mechanism that can act across the combined area.
- 2.12 A strong Combined Authority would be able to bring together key decision making powers into a single body, exercising appropriate strategic transport and strategic economic development and regeneration functions. It would provide a visible, stable and statutory body which could act as the accountable body to attract further funding to the Liverpool City Region to support economic growth, alongside any additional powers which may be devolved from Government. This would not have any additional resource implications for constituent Councils and is expected to be at least cost neutral.

2.13 The current view is that the benefits of operating as a Combined Authority for the Liverpool City Region would through its integrated governance arrangements:

- Improve the exercise of statutory functions by bringing together strategic decision making powers into a single Body to facilitate better alignment, co-ordination and delivery of economic development, regeneration and transport related initiatives;
- Increase the effectiveness and efficiency of the related functions by reducing potential duplication of interest between the roles and responsibilities of the constituent local authorities, ITA and the LEP;
- Ensure long-term effective engagement with business and other sectors, including employment and skills providers and registered housing providers; and
- Lead to an improvement in the economic conditions of the City Region.

3. RECOMMENDATIONS

3.1 The conclusion from the work currently undertaken on the strategic governance review recommends that:

- a) Liverpool City Region should establish a Combined Authority model of governance relating to economic development, regeneration and transport pursuant to Section 103 of the Local Democracy, Economic Development and Construction Act 2009. This will accelerate economic growth and improve the economic conditions in the City Region.
- b) Merseyside Integrated Transport Authority shall be dissolved pursuant to Section 91 of the Local Transport Act 2009 and its functions transferred to the new Combined Authority.
- c) Strategic transport powers should be transferred from Halton Borough Council to the Liverpool City Region Combined Authority.

4. THE LEGAL CONTEXT

4.1 Part 6 of the Local Democracy, Economic Development and Construction Act, 2009 (the 2009 Act) enables the creation of Economic Prosperity Boards or Combined Authorities. These are sub-national structures that have separate legal personality to the Local Authorities who come together to create them. These bodies are available to support the effective delivery of economic development and regeneration, and in the case of Combined Authorities, transport.

4.2 The 2009 Act sets out the process for the creation of Economic Prosperity Boards or Combined Authorities relating to their constitution and organisation. The legislation is not prescriptive and the detail of how these bodies are established, how they will operate and what their functions will be is left to be determined locally, subject to final approval by the Secretary of State.

4.3 The Localism Act 2011 contains powers for the Secretary of State to transfer the powers between authorities (including Combined Authorities) and also to transfer ministerial functions to such authorities. Property, assets and liabilities relating to those functions can also be transferred. Notably, transfers and delegations of

additional functions under this legislation can be made at any time and independent from the procedure to create Economic Prosperity Boards or Combined Authorities.

5. METHODOLOGY FOR THE GOVERNANCE REVIEW

- 5.1 At their meeting on 21 June 2013, Liverpool City Region Cabinet agreed to formally review the strategic governance arrangements across the area in the context of the March 2013 Budget and the Government's response to Lord Heseltine's review 'No Stone Unturned in Pursuit of Growth'. The intention was to consider potential options for strengthening governance arrangements to enable the City Region to optimise its economic growth potential.
- 5.2 The statutory process to establish a Combined Authority or Economic Prosperity Board has three main steps:
- First, a review of existing governance arrangements for the delivery of economic development, regeneration and transport. This must lead to the conclusion that there is a case for changing these arrangements based upon real improvements.
 - Second, drawing up and consulting on a scheme for the new body upon which the authorities are required to engage to secure support amongst stakeholders. All constituent Councils are required to approve the scheme for submission to the Secretary of State for Communities and Local Government.
 - Finally, the Secretary of State will consider the scheme and undertake a formal consultation. If satisfied with the proposals, a draft order will be laid before both Houses of Parliament for adoption by affirmative resolution.
- 5.3 An Officer-led working group was tasked with undertaking the review, comprising senior officers and relevant experts from each of the constituent local authorities, Merseytravel and the Local Enterprise Partnership (LEP). This included the following activities:
- **Review of economic evidence** to test the rationale for working across the Liverpool City Region geography as a functional economic area. This included a review of previous strategies and identification of key information to assess the economic conditions of the area.
 - **Desk research** of the current governance arrangements and structures.
 - **Workshops** to collect views and evidence from stakeholders in each constituent authority, Merseytravel and the LEP to consider the functions or activities that could benefit from strengthened collaborative governance arrangements.
 - **One to one interviews** with external stakeholders, including LEP members, Chambers of Commerce and neighbouring local authorities, to collect views on the draft proposals.
 - **Options assessment** based on this evidence.
- 5.4 Liverpool City Region has developed, over a period of time, a strong evidence base which supports both the need for economic growth and the opportunities to achieve this. The evidence base for the emerging 'Growth Plan' is being written in parallel with activity to develop the City Region EU Investment Funds framework for 2014 – 2020, which has informed the governance review. There has been extensive consultation to date on the EU Programme development, including considerable

engagement with representatives from business, the public sector and academic institutions across the City Region: some 150 people attended a stakeholder event on 23 April 2013 and a number of thematic engagement sessions were also undertaken to capture further evidence.

- 5.5 The findings from all this research has been analysed by the Officer-led working group and the information collected used to inform the production of this governance review report.

6. VISION FOR THE LIVERPOOL CITY REGION

6.1 The vision for the Liverpool City Region is to create a thriving, international City Region. We are committed to establishing the Liverpool City Region as a top international and national investment location, with global trade, knowledge, manufacturing and tourism relationships. We will enhance our status as a thriving international City Region by developing the long-term sustainability of the economy through:

- Accelerating the creation of new business.
- Supporting growth and improving productivity in local small and medium sized businesses.
- Making best use of public sector funds to induce private sector business investment and to maximise private sector leverage.
- Delivering a step change in our economic performance by prioritising our investment activity in transformational areas, such as the Visitor Economy; Knowledge Economy; Liverpool SuperPort and the Low Carbon Economy.
- Increasing the number of residents who are in work.
- Increasing the scale of economic activity and developing global markets.
- Working with business to produce a demand-led programme of investment in skills and learning.
- Promoting economic growth and meeting the demands of the low carbon agenda.
- Supporting all potential investors with planning, access and infrastructure, sites availability and finance.
- Supporting Atlantic Gateway development including Wirral and Liverpool Waters and the Daresbury Enterprise Zone, incorporating Sci-Tech Daresbury.
- Reducing dependency on benefit systems.
- Reducing the number of families bringing children up in poverty.

6.2 Four key sectors are already creating new jobs and new opportunities (the Low Carbon Economy, the Knowledge Economy, Visitor Economy and the SuperPort) and these are at the heart of the City Region's economic development strategy. In addition, the Atlantic Gateway, a strategic growth corridor stretching from SuperPort on the Mersey along the Manchester Ship Canal into the heart of Manchester, represents a unique investment opportunity of international importance.

6.3 The Local Enterprise Partnership (LEP) is playing an important role in developing the conditions for economic growth and is working with key partners in business, the local authorities and universities to produce a Liverpool City Region Growth Plan which will underpin the delivery of the City Region's shared vision and ambition.

- 6.4 The City Region has an established track record of working together on strategic employment and skills to support the current and future requirements of business. This is evidenced by the business-led Employment and Skills Board and an existing Employment and Skills Strategy (transform, compete, thrive). The strategic framework provided by the Employment and Skills Board and the clear priorities that underpin it is widely supported by business, public sector partners, colleges and training providers.
- 6.5 We already have an agreed plan of priorities for both housing and transport, which are based upon improving connectivity and ensuring a choice of quality and affordable homes. The provision of an efficient transport system is critical to helping the City Region achieve this and the wider economic vision.
- 6.6 Sustainable economic growth is vital to the City Region. Our Local Transport Plans support this, and carbon reduction. These are underpinned at a local level by a commitment to help improve the health and wellbeing of the community. It is critical that the Liverpool City Region continues to better link the location of new developments and facilities with the transport network in order to ensure ease of access for all and reduce unnecessary travel.

7. ECONOMIC CONTEXT

- 7.1 Liverpool City Region has a population of 1.5 million covering the local authority areas of Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral and over 36,000 active businesses. The City Region has one of the fastest growing economies in the UK, with growth being driven across four key sectors: (the Low Carbon Economy, the Knowledge Economy, Visitor Economy and the SuperPort). The area is considered to be a functional economic area, with 84% of employed residents working within the City Region (Annual Population Survey 2012): 75% of residents living and working in an area is sufficient to justify a functional economic area.
- 7.2 The Liverpool City Region is a globally connected economic centre with real competitive advantage. Through its Port, airport accessibility, and its international companies and cultural assets it has reach far beyond the UK and will host an International Festival for Business in 2014. World leading companies including Unilever, Jaguar Land Rover, Maersk, NSG (Pilkington), Novartis, Iberdrola and Sony, are major investors in our business friendly and cost competitive environment.
- 7.3 The City Region has been transformed over the last twenty years with the rejuvenation of Liverpool City Centre, greater utilisation of indigenous assets and the ongoing growth of our key sectors. For example, the area now hosts some of the largest offshore wind farms in the UK, placing the Liverpool City Region at the forefront of the UK's offshore wind industry and a significant global location for offshore wind investment, with CORE (Centre for Offshore Renewable Energy) status. Collectively, these sectors represent outstanding opportunities for further growth - both in terms of output and jobs. Econometric forecasts^[1] have indicated that these sectors could generate up to 100,000 jobs for our economy in future

^[1] The City Region, via the LEP has commissioned a new set of forecasts to support the development of the Liverpool City Region Growth Plan due to be submitted in March, 2014.

years and the City Region already has established, private sector led Action Plans to achieve that economic potential.

- 7.4 There is a latent potential within the City Region for additional economic activity. If performing at the national average an additional £8.2bn of output would be generated per annum for the national economy. To achieve this we would need to create an additional 18,500 businesses and see a further 90,000 jobs created. And from doing this, we can close the annual £1,700 per-head 'wealth-gap' between the average household in the City Region and the average household in the UK - giving our communities the resources they need to be sustainable in the long-term. This will mitigate the cost of child poverty to the City Region, which is current estimated to be £970m per year.
- 7.5 In the next twelve months alone the City Region will see £1.3bn of construction and development work begin as the Mersey Gateway Bridge in Halton (£600m), the post-Panamax, 'Liverpool 2' deep water berth at the Port (£340m), and the redevelopment of the Liverpool Royal Hospital (£330m) all get under-way. With ambitious, £10bn plans to develop our Enterprise Zones at Wirral Waters and Liverpool Waters, the ongoing development of Daresbury as a national science asset, and plans to bring forward logistics and development sites across the City Region there is a real opportunity that collectively, the City Region can take forward.
- 7.6 What sets the Liverpool City Region apart from other areas is our unique set of economic assets and the willingness of our partners, especially the private sector, to contribute to achieving an improved economic performance. With over 400 members, no other City Region or LEP area in the country has the same level of private sector buy-in and support as the Liverpool City Region LEP.
- 7.7 In achieving our economic vision and objectives, it is imperative that success reaches all parts of the Liverpool City Region. This includes addressing some of the long term structural issues that if not dealt with will hinder the City Region's economic growth, including low business density, significant skills gaps, relatively high levels of unemployment and relatively low productivity.
- 7.8 Whilst the growth secured between 1997 and 2007 has narrowed the gap with the UK on a number of economic indicators, the rebalancing from a public sector dominated economy to a private sector based economy is not happening as quickly as in other areas. An example is that nationally since 2010 the private sector has created 3 jobs for every public sector job lost, whereas in the City Region, 1¼ jobs have been created for every public sector job lost.
- 7.9 Good transport is essential for the quality of life and economy of the City Region. It provides for the efficient movement and access of people and goods across the area. In overall terms, the City Region has a very comprehensive transport network that allows these connections to be made. However, for some people and especially those living in our most disadvantaged communities, these opportunities are not always readily available to them. High levels of worklessness in some communities and poor access to healthcare, education and food shopping have been highlighted as particular issues.

8. EXISTING GOVERNANCE ARRANGEMENTS

- 8.1 Liverpool City Region has long advocated devolution and decentralisation to real economic geographies, the places that drive local economic growth. We are committed to working with Government to do this and to ensure we deliver economic prosperity and opportunity. Our existing governance arrangements and models of partnership working for economic development, regeneration and transport have evolved over a number of years, and the extent of this is evidenced throughout the document. There are currently a number of Boards across the City Region bringing together the democratic leadership and senior business leaders to support our ambition to be a thriving, international City Region, with those particularly relevant to this governance review summarised below.
- 8.2 The 2009 Act does not provide a definition of economic development as this can vary in different areas depending on local circumstances. For the purpose of this review, economic development and regeneration is taken to cover strategic activity related to business support, inward investment, trade and export, strategic housing, and employment and skills, in addition to the transport roles and functions. This review has only considered options that are available to the City Region now through existing legislation: as such the option for a City Region level Elected Mayor is excluded.

Liverpool City Region Cabinet

- 8.3 The six Councils in the City Region have a track record of working together on areas of mutual benefit, dating back before the Liverpool City Region Development Plan, which was agreed in 2007. Following this, the Liverpool City Region Cabinet was established in 2008 to take forward this and other work. The City Region Cabinet is made up of the Mayor of Liverpool and Leaders of the five Councils. The Cabinet demonstrates high level leadership and has been effective at setting the strategy for the City Region and working in partnership with business leaders to develop the conditions for economic growth.
- 8.4 In 2008 the Cabinet agreed that each Leader/nominated member would lead on one of the portfolios identified in the City Region governance structure, and each Portfolio Holder would be supported by a Chief Executive acting as Lead Advisor. This led to a series of thematic City Region Boards, across transport, economic development, employment and skills, housing, health, and child poverty and life chances. Many of these boards bring together the democratic mandate and the contributions of the private sector and other partners.
- 8.5 The City Region Cabinet has been effective as an informal mechanism to foster and develop joint working and responses to City Region level issues; a recent example being the development and agreement of the Liverpool City Region Deal with Government in 2012. It does, however, lack formal underpinning arrangements and as such is unable to take formal decisions.

Liverpool City Region Local Enterprise Partnership

- 8.6 Liverpool City Region Local Enterprise Partnership (LEP) was established in March 2012 and formally incorporated: as such, it has a unique structure with over 400 members contributing to the success of the Partnership. This provides the LEP Company with an income stream which adds value to public funding for economic development, including European monies and sees the private sector playing a direct role in setting the economic agenda for the City Region. The Mayor of Liverpool and the other five Leaders also sit on the LEP Board alongside the private sector.
- 8.7 The LEP has established sector committees and panels around the key sectors for economic growth: Low Carbon Economy, SuperPort, Visitor Economy, Advanced Manufacturing and Innovation. This provides the opportunity for businesses and public bodies to work together on identifying the key actions and opportunities that will support the delivery of jobs and growth. These structures have proved highly successful at setting joint public/private strategies and action plans to create jobs and growth.
- 8.8 The LEP has also been given a set of strategic responsibilities by Government in terms of prioritising investment (such as with Growing Places Funds) as well as setting future economic strategy for the City Region through the requirement for a Growth Plan by Spring 2014 and the determination of European Funding priorities. The unique model of the Liverpool City Region, which fully integrates the private sector role within City Region decision making is a real strength that cannot be matched by other City Region areas in England.

Transport powers and structures

- 8.9 The current transport arrangements in the Liverpool City Region are fundamentally complex. Merseyside Integrated Transport Authority, supported by its Passenger Transport Executive, is the local transport authority for Merseyside and is responsible for developing a Local Transport Plan and managing associated funding streams. The Executive is responsible for delivering passenger transport services across Merseyside. The districts of Knowsley, Liverpool, Sefton, St Helens and Wirral are highway and traffic authorities in their own right with wide ranging powers over the highway network, which includes delivery and enforcement. Halton Borough Council is a local transport authority in its own right and has a separate Local Transport Plan. As a result of this complex structure, there has been long standing and extensive collaboration and joint working on transport issues between City Region Councils, the Integrated Transport Authority and increasingly the LEP, with the establishment of the Local Transport Body to serve the City Region as a case in point. The aligned Local Transport Plans and implementation plans are a further example of this.

Liverpool City Region Employment and Skills Board

- 8.10 The Liverpool City Region has a track record of working together on Employment and Skills strategy across the functional economic area. The City Region's Employment and Skills Board leads work on jobs and skills on behalf of the City Region Cabinet and the LEP. It focuses on implementing the existing 10-year Employment and Skills Strategy and the City Region Deal for Jobs and Skills. It oversees the City Region's Labour Market Information Service, which communicates economic opportunities to the vast array of colleges, training

providers and employment support providers. It also provides governance arrangements for a range of different devolved funding streams.

Liverpool City Region Strategic Housing and Planning Board

- 8.11 There is already considerable collaboration on strategic housing priorities and public sector assets aligned to the City Region's economic growth and regeneration ambitions. We have prepared a joint Local Investment Framework, for the delivery of our housing priorities, since 2009 and we have secured over £80 million pounds of investment as a result. The Board has recently been working on the Local Investment Framework for 2014 – 17, which will include a spatial framework, to support the Local Growth Plan. This Local Investment Framework will continue to identify and promote all housing opportunities which support economic growth and will identify all potential funding resources to support the delivery and to bridge funding gaps.
- 8.12 Both the Liverpool City Region Cabinet and LEP Board regularly review the strategic management of the City Region's public sector assets held by the Homes and Communities Agency. This asset base is an important resource for the City Region particularly in providing match funding for the JESSICA regeneration fund.

Creating the right governance arrangements for growth

- 8.13 One of the drivers for reviewing the Liverpool City Region's governance arrangements is to secure greater influence over key levers affecting local growth, including freedoms, flexibilities and funding which would otherwise remain under the control of Whitehall. The Liverpool City Deal, Liverpool City Region Deal and LEP Business Plan and Action Plans seek to capitalise on the City Region's strengths, assets and key sectors to attract investment into and create additional jobs within the City Region. However, they do not go far enough in terms of maximising opportunities to enhance local delivery of national programmes (such as the Manufacturing Advisory Service) that are also critical to improving local growth.
- 8.14 For a number of years the City Region has successfully aligned central Government funding, ERDF and private sector investment to support strategic priorities within the wider economy. The development of the Liverpool Arena and Convention Centre generating in excess of £300m to the visitor economy is a prime example of this approach. Working with the LEP, a pipeline of projects spanning investment in infrastructure, business growth, housing, transport and regeneration is in place together with an agreed approach to the joint investment of ERDF, Regional Growth Fund and Growing Places funds.
- 8.15 One of the priorities in the City Region Deal was to produce a Liverpool City Region Investment Framework. Combining and consolidating resources with local and national investment in a single programme will create greater impact and ability to leverage funds. This joining up of partners, funding streams and timescales focuses resource on priority actions and outcomes, results in more effective delivery, improved results and reduced costs. Through the work undertaken in the City Region to develop the EU Investment Framework for 2014 – 2020 we are setting strong foundations to demonstrate how we link EU thematic priorities, through the Strategic Growth Plan to local investment and action.
- 8.16 With the new Government funding opportunities and policies, including the Growth Deals/Single Local Growth Fund and EU Structural and Investment Funds 2014 -

2020 there is now an added impetus to ensure the Liverpool City Region has the most appropriate strategic governance arrangements in place to deliver agreed priority investments and in doing so to maximise the use of these funds alongside existing resources.

- 8.17 Similarly, whilst the establishment of the Local Transport Body has been seen as a positive step; it is a staging post on the journey, rather than a destination. The Local Transport Body model does not enjoy the legal transport powers or funding regimes that are currently vested with the Integrated Transport Authority, its constituent districts and with Halton Borough Council. The Department for Transport has consistently impressed upon the Liverpool City Region the importance of developing effective governance arrangements that facilitate, for example; links to other policy areas, strong leadership, streamlined structures and the ability to make difficult decisions, linked to clear priorities and a long-term investment programme.
- 8.18 The Liverpool City Region also needs to demonstrate the credibility to deliver agreed priority investments, along the lines of other City Regions such as Birmingham, Leeds and Sheffield.

9. OPTIONS FOR CHANGE

- 9.1 To ensure compliance with the relevant legislation, the governance review has been undertaken to establish if a Combined Authority would likely bring about an improvement in the City Region in the following:
- The exercise of statutory functions relating to 'economic development, regeneration and transport' in the area;
 - The effectiveness and efficiency of transport; and
 - The economic conditions in the area.
- 9.2 Department for Transport have also confirmed they are looking for partners to address the following headline issues in formulating governance arrangements:
- Political Leadership for Transport at the most senior level;
 - Ability to take difficult decisions;
 - A long term (ten year) investment programme, focussing on the top priorities for the functional economic area as a whole;
 - A local investment budget combining local resource in addition to Departmental resource;
 - Evident links to strategies and decision making processes on economic growth, housing and planning; and
 - Efficient use of transport resource across the City Region (e.g. joint procurement, maintenance contracts, rationalisation of highway functions etc).
- 9.3 The review has considered the statutory tests outline in paragraph 9.1 and those in paragraph 9.2 against the following options:
- Option 1 - Leaving existing governance unchanged (status quo);
 - Option 2 - Establishing a Supervisory Board;
 - Option 3 - Establishing an Economic Prosperity Board; and

- Option 4 - Creating a Combined Authority.

- 9.4 This review respects there are limits to comparisons between the options, in particular between potential options and the status quo. The existing governance arrangements are context specific and a known quantity, and the alternative potential options are considered at a high level in the abstract and would inevitably require further development in due course in order to quantify, for example, their potential impact on efficiency savings.
- 9.5 It is recognised that creating appropriate governance structures alone is unlikely to achieve in full the ambitious vision and growth potential for the Liverpool City Region. The importance of issues of policy design, culture and values is also considered significant. The optimal governance model needs also to confront the need for evidence and vision and ensure that the City Region fully implements its ambitious and challenging plans.

Option 1 - Status quo

- 9.6 The Government is clear that City Region structures will require greater collaboration, commitment and strengthened governance arrangements to seize any devolution opportunities that may become apparent in the future including a substantial 'Single Pot'. This is clearly evidenced in Government guidance for LEPs on Growth Deals (July 2013). Demonstrating commitment to the growth agenda and the clear expectation that Local Authorities will put economic development at the heart of all that they do and work collaboratively across the functional economic area is part of the Government's response to Lord Heseltine's review. Maintaining the status quo could set Liverpool City Region behind the other parts of the country that are in the process of strengthening their alignment between decision making on areas such as transport, economic development and regeneration in exchange for greater devolution.
- 9.7 As non-statutory, the Liverpool City Region's current arrangements leave the space for ambiguity and overlap between the roles and functions of various sub-regional bodies and are dependent on agreements by constituent authorities. There is no formal link between decision making in relation to economic development (including inward investment, skills and housing and regeneration), regeneration and transport. It is, therefore, more challenging for decisions to be aligned in a way that secures maximum economic and social benefit. Strengthening and clarifying these relationships would also increase transparency, accountability and the certainty of local decision making.
- 9.8 Whilst the current arrangements have served the City Region well in the past, changes in national policy coupled with the current economic conditions suggests strongly the City Region is outgrowing its existing governance structures. The voluntary partnership between local authorities is no longer sufficient to underpin the City Region's ambitions and does not meet the expectations of Government.
- 9.9 The City Region, therefore, requires a single democratic and financially accountable model, a legal entity in its own right, to provide the necessary certainty, stability and democratic accountability to allow for long-term strategic economic decisions to be made at the City Region level. In short, no change would mean the Liverpool City Region is disadvantaged both economically and politically.

Option 2- Establishing a Supervisory Board

- 9.10 Following Lord Heseltine's review of government policy, Greater Birmingham working with Lord Heseltine (The Greater Birmingham Project: The Path to Local Growth) have outlined a new form of democratic arrangement to specifically manage the 'Single Pot' of funding; a Supervisory Board model. The Supervisory Board operates under a more formal governance structure than the Joint Committee model but does not provide the legal status of a Combined Authority. This Board comprises all City Region elected authority leaders or mayors and provides the necessary political accountability for managing the distribution of financial resources.
- 9.11 The Supervisory Board does not replace the private sector led LEP, it only provides political and financial accountability for the holding of the 'Single Pot'. The Greater Birmingham LEP Board continues to be responsible for development and implementation of the Local Growth Strategy and strategic economic functions but with no accountability or legal responsibility.
- 9.12 This model provides Government with the necessary financial accountability for a 'Single Pot' approach, but there is no formal legal entity to accommodate the democratic accountability around the potential strategic economic development, regeneration and transport functions that could be executed at a City Region level. This could potentially limit the size of the 'Single Pot' and constrain the potential for further freedoms and flexibilities to be secured around economic development, regeneration and transport programmes, again placing the City Region at a disadvantage.
- 9.13 This model whilst an improvement on City Region existing arrangements simply provides Government with the means of placing more powers and decision making through the LEP whilst making the Supervisory Board the accountable body in financial terms only. In addition, this model would not address the issues around different geographies for transport and as such would not improve the effectiveness of strategic transport.

Option 3 - Establishing an Economic Prosperity Board

- 9.14 A third option is to put in place an Economic Prosperity Board for the City Region. As a statutory body it would share many of the features of a Combined Authority in that it would have legal personality and would provide a strong basis for taking on devolved powers and funding relating to economic development and regeneration, e.g. accountable body status for an economic development single pot or EU funding. The Integrated Transport Authority would however remain as a separate body responsible for transport across the Merseyside Councils, with Halton retaining its transport authority status. This would run counter to the recent good work being undertaken through the establishment of a Liverpool City Region Local Transport Body, which includes the Mayor of Liverpool, the five other Leaders and the Chair of the LEP.
- 9.15 The Economic Prosperity Board could not raise a levy, nor have borrowing powers to fund investment. Further, fragmented strategic transport and economic development governance at a City Region level would not provide a convincing proposition to Government for taking on with others, including Sheffield and Manchester, the devolved Northern Rail franchises.

- 9.16 An Economic Prosperity Board for the Liverpool City Region would address a number of questions and issues around the governance of economic development, but then would not address the issues around strategic transport governance at the City Region level.

Option 4 - Creating a Combined Authority

- 9.17 The Local Democracy, Economic Development and Construction Act 2009 allows the Secretary of State to create Combined Authorities. They are corporate bodies with their own legal identity which are able to take on the functions and responsibilities of sustainable economic development and regeneration and in addition transport functions available to Integrated Transport Authorities. They are controlled by their members, who are the elected politicians of the constituent local authorities.
- 9.18 A Combined Authority can be set up when two or more contiguous local authorities, covering an area's natural economic footprint, who want to collaborate more closely together, on a voluntary basis to improve economic outcomes. However, one local authority may only be part of one Combined Authority. The LEP's relationship with the Combined Authority is essential and must be designed to co-ordinate their efforts to work towards a common shared vision and Local Growth Plan.
- 9.19 Government policy confers certain responsibilities to LEPs and requires LEP representation on Local Transport Bodies while economic growth cannot be achieved without the full involvement of the private sector. The Combined Authority could act as an accountable body for the funds being invested by LEPs on behalf of local areas further integrating economic growth activity. The LEP can be a co-opted representative on the Combined Authority to enable this integration and co-ordination.
- 9.20 The Benefits of operating as a Combined Authority would ensure streamlined governance arrangements. The Combined Authority would be able to bring together strategic decision making powers into a single body and improve alignment, coordination and delivery of economic development and transport related initiatives. It would provide a visible, stable and streamlined body corporate which Government could be confident in devolving powers and funding to which would again be otherwise controlled by Whitehall. It would have a separate legal entity from its own constituent authorities, be able to undertake its own administrative processes including employing staff and entering into contracts and may have statutory powers and duties conferred on it which it can exercise in its own right.
- 9.21 The maximum benefit would be gained by integrating and bringing together at a strategic level functions across the City Region in relation to economic development, transport, housing and employment and skills. This means that the strategic transport functions that are currently within the Merseyside Integrated Transport Authority would be transferred to the newly created Combined Authority, along with the strategic transport functions from Halton Borough Council. This would ensure that the maximum improvements in efficiency and effectiveness are gained.
- 9.22 A Combined Authority is not a merger or a takeover of existing Local Authority functions. Instead it seeks to complement Local Authority functions and enhance the effectiveness of the way they are discharged. In particular, it is the

enhancement of decisions and information at a strategic level that are most frequently cited as the advantages of such a body. On this basis, the proposal to establish a Liverpool City Region Combined Authority would not have any additional resource implications for constituent Councils and would be expected to be at least cost neutral.

10. EVALUATION OF OPTIONS

10.1 The three tests which the options for change need to be assessed against are as follows:

- The exercise of statutory functions relating to economic development, regeneration and transport in the area;
- The effectiveness and efficiency of transport in the area; and
- The economic conditions in the area.

These are set out in the Local Democracy, Economic Development and Construction Act of 2009. A full evaluation against these tests is presented at Appendix Two and summarised in the following table.

Option	Commentary
Status quo	Maintaining the status quo would provide the basis for economic growth (as it has done for some time) but may not make sufficient improvements in the economic conditions of the area in the timescales required.
Establishing a Supervisory Board	A Supervisory Board would address some of the governance and accountability issues around economic development and regeneration but would still leave the issues around transport.
Establishing an Economic Prosperity Board	An Economic Prosperity Board would address some of the governance and accountability issues around economic development and regeneration but would still leave the issues around transport outside the formal joint arrangements.
Creating a Combined Authority	Building on existing arrangements and supporting the LEP, the creation of a Liverpool City Region Combined Authority, with the alignment of accountability, governance and geographies for economic development, regeneration and transport would provide the City Region with the best possible chance of securing significant and lasting improvements in economic development, regeneration and transport. This model will further strengthen democratic and financial accountability.

- 10.2 It is therefore recommended that the Liverpool City Region pursues the creation of a Liverpool City Region Combined Authority to draw together accountability and leadership for strategic economic development, regeneration and transport.

11. CONCLUSIONS

- 11.1 That the existing governance arrangements in the Liverpool City Region can be improved upon is self evident. There is a further need to signal to business and Government that the City Region has a clear, consistent and shared view, particularly with the challenges being faced around jobs and growth. Consequently there is a need to consider another approach.
- 11.2 The City Region has worked well to date through a series of adhoc and informal governance arrangements, but these current governance arrangements not being optimal may be one of the reasons why the Liverpool City Region economy is not achieving its full potential. As an example, there is no single strategic transport and economic development decision making body at the Liverpool City Region level.
- 11.3 The options that are currently available to the City Region have been considered, and the option that would most likely lead to improvements in economic conditions and in the efficiency and effectiveness of service delivery is the establishment of a Liverpool City Region Combined Authority.
- 11.4 Based on the current available evidence, a strong Combined Authority would be able to bring together key decision making powers into a single body, exercising appropriate strategic transport and economic development functions to maximise the impact of what we do. It would provide a visible, stable and statutory body, could act as the accountable body for the City Region funding to support economic growth and could attract devolved powers from Government to facilitate local economic growth. This model of governance would not have any additional resource implications for constituent Councils and its operation would be expected to be at least cost neutral.
- 11.5 A Combined Authority would facilitate closer partnership working to drive economic growth and job creation and ensure long-term effective engagement with business, through the LEP, and other sectors including employment and skills providers and registered housing providers.
- 11.6 Operating as a Combined Authority would ensure the work of everyone that impacts on the economy is integrated to add value and better achieve our vision and economic goals. Put simply, this model would help maximise growth in output and jobs, increase the City Region's productivity and competitiveness, raise skill levels, support a rebalancing of the economy away from relative public sector dependency and stimulate greater employment and growth in the private sector. These measures would make our economy more sustainable in the long-term.
- 11.7 In addition, a strong and effective Liverpool City Region Combined Authority would counter misperceptions about public sector collaboration in the City Region and help in engagement with national agencies. It would also create the opportunity for various types of collaborative effort with adjoining and other northern Combined

Authorities to put in place a much needed counter-balance to London and to Wales e.g. for devolving the power to let rail franchises for Northern Rail.

- 11.8 It can therefore be concluded that for the functional economic area of Liverpool City Region a Combined Authority model of governance if created and incorporating Integrated Transport Authority functions would be the best option for securing sustainable economic growth.

Appendices

Appendix One: Legislative requirements of governance review
Appendix Two: Evaluation of options against tests

For further information, please contact lcr.governance@knowsley.gov.uk.

DRAFT

APPENDIX ONE

LEGISLATIVE REQUIREMENTS OF GOVERNANCE REVIEW

Local Democracy, Economic Development and Construction Act 2009

Schedule 108 Review by authorities: new combined authority

- (1) Any two or more of the authorities to whom this section applies may undertake a review of—
- (a) the effectiveness and efficiency of transport within the area covered by the review (“the review area”), and
 - (b) the effectiveness and efficiency of arrangements to promote economic development and regeneration within the review area.
- (2) This section applies to—
- (a) a county council in England;
 - (b) a district council in England;
 - (c) an EPB;
 - (d) an ITA.
- (3) Where the review is being undertaken by a county council, the review area must include—
- (a) the areas of one or more district councils that are within the area of the county council, or
 - (b) if there are no such areas, the area of the county council.
- (4) Where the review is being undertaken by a district council, the review area must include the area of the district council.
- (5) Where the review is being undertaken by an EPB, the review area must include one or more local government areas within the EPB’s area.
- (6) Where the review is being undertaken by an ITA, the review area must include one or more local government areas within the ITA’s integrated transport area.
- (7) The review area may also include the area of any county council or district council in England that does not constitute or fall within the area of an authority undertaking the review.

APPENDIX TWO

EVALUATION OF OPTIONS

Legislative tests: would there be an improvement in these areas?			
	Exercise of statutory functions relating to economic development, regeneration and transport	Effectiveness and efficiency of transport	Economic conditions in the area.
Status quo	Improving joint working may lead to marginal gains but these are expected to be insignificant.	Current joint working is partially effective and the current duplication would continue.	The economic conditions in the area may improve on an incremental basis, as they have done in recent years.
Establishing a Supervisory Board	Mixed – yes for economic development and regeneration as these would be given democratic oversight and leadership by the Supervisory Board. However, this does not address the current issues around transport governance, accountability and areas of delivery.	This model would not address the issues around different geographies for transport and as such would not improve the effectiveness and efficiency of transport.	Possibly
Establishing an Economic Prosperity Board	Mixed – yes for economic development and regeneration as these would be given democratic oversight and leadership by the Supervisory Board. However, this does not address the current issues around transport governance, accountability and areas of delivery.	This model would not address the issues around different geographies for transport and as such would not improve the effectiveness and efficiency of transport.	Possibly
Creating a Combined Authority	A Liverpool City Region Combined Authority would provide the basis for functions around economic development, regeneration and transport to be improved, with democratic oversight, leadership and financial accountability being provided.	The creation of a Combined Authority provides a single statutory organisation to discharge strategic functions around transport, which will lead to improvements in the effectiveness and efficiency of transport.	A Liverpool City Region Combined Authority provides the best option to facilitate an improvement in economic conditions in the area.

Evaluation of Options against Department for Transport Requirements for governance

	Status quo	Establishing a Supervisory Board	Establishing an Economic Prosperity Board	Creating a Combined Authority
Political Leadership for Transport at the most senior level	The current Local Transport Body would continue with risks around duplication of activity.	The current Local Transport Body would continue with risks around duplication of activity.	The current Local Transport Body would continue with risks around duplication of activity.	A Combined Authority would provide streamlined political leadership for transport across the functional economic area at the highest level.
Ability to take difficult decisions	The current Local Transport Body would continue with the risks around duplication of activity and governance.	A Supervisory Board would not offer any improvements on the current model.	An Economic Prosperity Board would not offer any improvements on the current model.	The requirement of a Combined Authority to make decisions for the best interests of the City Region as a whole means that it will be able to take difficult decisions.
A long term (ten year) investment programme, focussing on the top priorities for the functional economic area as a whole	The current Local Transport Body would continue with the risks around short sightedness.	A Supervisory Board would not offer any improvements on the current model.	An Economic Prosperity Board would not offer any improvements on the current model.	The requirement of a Combined Authority to make decisions for the best interests of the City Region as a whole means that it will be able to develop a long term investment programme and clear priorities.
A local investment budget combining local resource in addition to Departmental resource	The current Local Transport Body would continue with the potential for partial resources to be considered.	A Supervisory Board would not offer any improvements on the current model.	An Economic Prosperity Board would not offer any improvements on the current model.	A Combined Authority would be responsible for the governance of the Single Local Growth Pot which would mean that it would be able to maximise resources from national and other sources.

DRAFT FOR CONSULTATION

	Status quo	Establishing a Supervisory Board	Establishing an Economic Prosperity Board	Creating a Combined Authority
Evident links to strategies and decision making processes on economic growth, housing and planning	The current Local Transport Body would continue with risks around gaps and duplication of activity.	The exclusion of transport from a Supervisory Board does not improve the links around relative contributions to securing growth.	The exclusion of transport from an Economic Prosperity Board does not improve the links around relative contributions to securing growth.	The inclusion of transport within a Combined Authority would allow an integrated discussion to take place on the relative contributions to growth of transport and other activities across the functional economic area.
Efficient use of transport resource across the City Region	The current arrangements would be maintained and incremental improvement in efficiencies captured.	The current arrangements would be maintained and incremental improvement in efficiencies captured.	The current arrangements would be maintained and incremental improvement in efficiencies captured.	The creation of a Combined Authority for the City Region provides the best opportunity for efficiencies to be secured in the use of transport resource across the functional economic area.

This page is intentionally left blank

LIVERPOOL CITY REGION GOVERNANCE REVIEW

**OUTLINE OF THE POTENTIAL ROLE FOR
A LIVERPOOL CITY REGION COMBINED AUTHORITY**

1. PURPOSE

- 1.1 The purpose of this document is to outline the potential role for a Liverpool City Region Combined Authority and should be read together with the report of the findings of the Liverpool City Region Strategic Governance Review.

2. BACKGROUND

- 2.1 The six Local Authorities in the Liverpool City Region have a long history of collaboration at a scale that reflects the 'functional economic geography' of the area covering Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral. This dates back before the publication of the Liverpool City Region Development Plan, which was agreed in 2007. This collaboration was formalised with the creation of the Liverpool City Region Cabinet in 2008 and, most recently, the establishment of the Liverpool City Region Local Enterprise Partnership in March 2011 and the establishment of the Local Transport Body to serve the City Region later in 2012.
- 2.2 The benefit of this collaboration was exemplified in the agreement of the Liverpool City Region Deal in 2012. Other examples include: prioritisation of investment activity to support the City Region's transformational growth areas of Low Carbon, SuperPort, the Knowledge Economy and Visitor Economy; and when in 2012–13 the City Region attracted £16m of Empty Homes funding from the Homes and Communities Agency by taking a joint approach, contrasting sharply with the £0.700m attracted the previous year when individual Local Authority level bids were submitted.
- 2.3 With the new Government funding opportunities and policies, including the Growth Deals/Single Local Growth Fund and EU Structural and Investment Funds 2014 - 2020 there is now an added impetus to ensure the Liverpool City Region has the most appropriate strategic governance arrangements in place to deliver agreed priority investments and in doing so to maximise the use of these funds alongside existing resources.
- 2.4 At their meeting on 21 June 2013, the Liverpool City Region Cabinet agreed to formally review strategic governance arrangements in relation to a potential Combined Authority model. The intention was to consider options to strengthen the existing governance arrangements to enable the Liverpool City Region to optimise its economic growth potential and to create a thriving, international City Region.
- 2.5 In accordance with Section 108 of the Local Democracy, Economic Development and Construction Act 2009 a governance review in relation to a potential Combined Authority must address the effectiveness and efficiency of: (a) transport within the area covered by the review and (b) arrangements for economic development and regeneration within the review area. The legislation is not prescriptive and the detail of how these bodies are established, how they will operate and what their functions will be, is left to be determined locally and then agreed by the Secretary of State for Communities and Local Government.

Draft for consultation

- 2.6 The overall purpose of a Combined Authority is to promote economic development and regeneration, and to develop and implement transport policies in its area in accordance with statutory duties. This includes exercising the statutory functions relating to economic development, regeneration and transport, improving the effectiveness and efficiency of transport and improving overall economic circumstances. A Combined Authority offers opportunities for alignment between these goals.
- 2.7 For the purpose of the governance review, economic development and regeneration was taken to cover strategic activity related to business support, inward investment, trade and export, strategic housing and employment and skills functions that can be better delivered if this is done collaboratively across the Liverpool City Region. This is in addition to the transport functions also being considered. Further details on the methodology adopted for the governance review and the statutory processes involved are contained in the accompanying Liverpool City Region Governance Review report.
- 2.8 After evaluating the current available evidence and the potential governance options available, the current view is that the City Region should explore a Liverpool City Region Combined Authority model, and to include the functions currently exercised by the Merseyside Integrated Transport Authority and Halton Borough Council's strategic transport functions, as the preferred governance option.
- 2.9 The legislation requires that should the conclusion of a governance review be that a Combined Authority is the best solution for the local area, then a draft Scheme should be prepared for consideration by the City Region Cabinet and constituent Local Authorities and the Integrated Transport Authority. This document provides a description of that Scheme, with the specific legal Scheme attached as Appendix One.
- 2.10 Once a draft proposal is available a process of consultation with external stakeholders and partners is undertaken to provide an opportunity for stakeholders to feed in their comments and ideas before submission to Government. This document forms part of the evidence which will be published for consultation purposes.

3. THE EXISTING GOVERNANCE ARRANGEMENTS

- 3.1 The existing Liverpool City Region governance arrangements and models of partnership working for economic development, regeneration and transport have evolved over a number of years. There are currently a number of Boards across the City Region bringing together the democratic leadership and senior business leaders to support our ambition of a thriving, international City Region, with those particularly relevant to the strategic governance review summarised below.

Draft for consultation

Liverpool City Region Cabinet

- 3.2 The six Councils in the City Region have a track record of working together on areas of mutual benefit, dating back before the Liverpool City Region Development Plan, which was agreed in 2007. Following this, the Liverpool City Region Cabinet was established in 2008 to take forward this and other work. The City Region Cabinet is made up of the Mayor of Liverpool and Leaders of the five Councils. The Cabinet demonstrates high level leadership and has been effective at setting the strategy for the City Region and working in partnership with business leaders to develop the conditions for economic growth.
- 3.3 In 2008 the Cabinet agreed that each Leader/nominated member would lead on one of the portfolios identified in the City Region governance structure, and each Portfolio Holder would be supported by a Chief Executive acting as Lead Advisor. This led to a series of thematic City Region Boards, across transport, economic development, employment and skills, housing, health, and child poverty and life chances. Many of these Boards bring together the democratic mandate and the contributions of the private sector and other partners.
- 3.4 The City Region Cabinet has been effective as an informal mechanism to foster and develop joint working and responses to City Region level issues; a recent example being the development and agreement of the Liverpool City Region Deal with Government in 2012. It does, however, lack formal underpinning arrangements and as such is unable to take formal decisions.

Liverpool City Region Local Enterprise Partnership

- 3.5 Liverpool City Region Local Enterprise Partnership (LEP) was established in March 2012 and formally incorporated: as such, it has a unique structure with over 400 members contributing to the success of the Partnership. This provides the LEP Company with a significant income stream which can be used to add value to public funding for economic development, including European monies. It also provides a powerful business voice.
- 3.6 The LEP has established sector committees and panels around the key sectors for economic growth: Low Carbon Economy, SuperPort, Visitor Economy, Advanced Manufacturing and Innovation. This provides the opportunity for businesses and public bodies to work together on identifying the key actions and opportunities that will support the delivery of jobs and growth. These structures have proved highly successful at setting joint public/private strategies and action plans to create jobs and growth.
- 3.7 The LEP has also been given a set of strategic responsibilities by Government in terms of prioritising investment (such as with Growing Places Funds) as well as setting future economic strategy for the City Region through the requirement for a Growth Plan by Spring 2014 and the determination of European Funding priorities. The unique model of the Liverpool City Region, which fully integrates the private sector role within City Region decision making is a real strength that cannot be matched by other City Region areas in England.

Draft for consultation

Transport powers and structures

3.8 The current transport arrangements in the Liverpool City Region are fundamentally complex. Merseyside Integrated Transport Authority, supported by its Passenger Transport Executive, is the local transport authority for Merseyside and is responsible for developing a Local Transport Plan and managing associated funding streams. The Executive is responsible for delivering passenger transport services across Merseyside. The districts of Knowsley, Liverpool, Sefton, St Helens and Wirral are highway and traffic authorities in their own right with wide ranging powers over the highway network, which includes delivery and enforcement. Halton Borough Council is a local transport authority in its own right and has a separate Local Transport Plan. As a result of this complex structure, there has been long standing and extensive collaboration and joint working on transport issues between City Region Councils, the Integrated Transport Authority and increasingly the LEP, with the establishment of the Local Transport Body to serve the City Region as a case in point. The aligned Local Transport Plans and implementation plans are a further example of this.

Liverpool City Region Employment and Skills Board

3.9 The Liverpool City Region has a track record of working together on Employment and Skills strategy across the functional economic area. The City Region's Employment and Skills Board leads work on jobs and skills on behalf of the City Region Cabinet and the LEP. It focuses on implementing the existing 10-year Employment and Skills Strategy and the City Region Deal for Jobs and Skills. It oversees the City Region's Labour Market Information Service, which communicates economic opportunities to the vast array of colleges, training providers and employment support providers. It also provides governance arrangements for a range of different devolved funding streams.

Liverpool City Region Strategic Housing and Planning Board

3.10 There is already considerable collaboration on strategic housing priorities and public sector assets aligned to the City Region's economic growth and regeneration ambitions. We have prepared a joint Local Investment Framework, for the delivery of our housing priorities, since 2009 and we have secured over £80 million pounds of investment as a result. The Board has recently been working on the Local Investment Framework for 2014 – 17, which will include a spatial framework, to support the Local Growth Plan. This Local Investment Framework will continue to identify and promote all housing opportunities which support economic growth and will identify all potential funding resources to support the delivery and to bridge funding gaps.

3.11 Both the Liverpool City Region Cabinet and LEP Board regularly review the strategic management of the City Region's public sector assets held by the Homes and Communities Agency. This asset base is an important resource for the City Region particularly in providing match funding for the JESSICA regeneration fund.

Draft for consultation

Creating the right governance arrangements for growth

3.12 The conclusion from the work currently undertaken as part of the Liverpool City Region Strategic governance review, based on the evidence presented, is that a Combined Authority model is the preferred option for the City Region. Adopting this governance arrangement would give legal form to the close working relationships that already exist between the six local authorities, the Integrated Transport Authority and the Local Enterprise Partnership by creating a sub-regional body with legal personality and a governance mechanism that can act across the combined area. The Governance Review report suggests that a Combined Authority model is likely to deliver most benefits in terms of more effective and efficient governance for the area, better delivery of Local Authority strategic interventions and therefore improved economic conditions and integrated transport services more broadly.

4. POTENTIAL OPERATION OF THE COMBINED AUTHORITY

4.1 The Combined Authority would bring together key strategic decision making powers into a single body, exercising appropriate strategic transport and economic development functions to maximise the impact of what we do. It would provide a visible, stable and statutory body, could act as the accountable body for the City Region to support the functions it is discharging and could attract devolved powers and resources from Government to facilitate local economic growth. This model of governance would not have any additional resource implications for constituent Councils and its operation would be expected to be at least cost neutral.

4.2 Each Constituent Authority would be represented by one member of its Cabinet who will be the Leader or Elected Mayor. These six members would form the core membership of the Combined Authority. The Combined Authority could co-opt additional members onto the Combined Authority, including the Chair of the Local Enterprise Partnership.

4.3 It is proposed that the City Region Combined Authority would discharge thematic functions through the following arrangements:

Function	Arrangements
Strategic Economic Development	Liverpool City Region Local Enterprise Partnership
Strategic Transport	Transport for Liverpool City Region Committee
Strategic Housing and Land Based Assets	Liverpool City Region Strategic Housing and Planning
Strategic Employment and Skills	Liverpool City Region Employment and Skills Board

Further detail of the potential role and functions for each thematic area is provided in the remainder of this report.

4.4 The Combined Authority would also need to establish a scrutiny function, which would be drawn from the scrutiny pools of constituent Councils.

5. ECONOMIC DEVELOPMENT AND REGENERATION

- 5.1 There is a latent potential within the Liverpool City Region for additional economic activity. If performing at the national average an additional £8.2bn of output would be generated per annum for the national economy. To achieve this we would need to create an additional 18,500 businesses and see a further 90,000 jobs created. And from doing this, we can close the £1,700 per-head 'wealth-gap' between the average household in the City Region and the average household in the UK - giving our communities the resources they need to be sustainable in the long-term. This will mitigate the cost of child poverty to the City Region, which is current estimated to be £970m per year.
- 5.2 Liverpool City Region established the LEP in shadow form in 2010, which was then formalised and incorporated in March 2012. The membership model offered by the Liverpool City Region LEP provides a unique opportunity to secure widespread private sector involvement in efforts to promote growth. The LEP has a series of Growth Committees and a Board in place to support growth where these focus on particular sector or themes e.g. Business Growth, Innovation, Low Carbon. This joining together of business and democratic leadership allows all relevant stakeholders to be involved and the development of joint actions. To cement this working arrangement, the intention is to co-opt the Chair of LEP Board onto the Combined Authority.
- 5.3 There has been extensive joined up working around economic development for many years: support being provided from all Councils in the City Region to the International Festival for Business in 2014 is a sound example. A Combined Authority would formalise into legislation that which we have been doing by consent for some time.
- 5.4 For a number of years the City Region has successfully aligned central Government funding, ERDF and private sector investment to support strategic priorities within the wider economy. The development of the Liverpool Arena and Convention Centre generating in excess of £300m to the visitor economy is a prime example of this approach. Working with the LEP, a pipeline of projects spanning investment in infrastructure, business growth, housing, transport and regeneration is in place together with an agreed approach to the joint investment of ERDF, Regional Growth Fund and Growing Places funds.
- 5.5 The Liverpool City Region Deal contained a commitment from the City Region to develop a single investment framework. This is designed to attract investment and businesses to the City Region, exploit infrastructure and major projects and take opportunities to deliver a step-change in the economy. The Investment Framework will prioritise activities across a range of funds, including the Single Local Growth Fund and Growing Places Fund, to ensure that the funded activities will make the biggest impact on the wider City Region economy. Through the work already undertaken in the City Region to develop the EU Investment Funds framework for 2014 – 2020 we are setting strong foundations to demonstrate how we link EU thematic priorities, through the Strategic Growth Plan to local investment and action.
- 5.6 The more challenging economic conditions and competition from other European cities both underline the need for enhanced and strategic City Region level working on economic development matters and a need to enhance strategic commissioning

Draft for consultation

and local delivery of national programmes that are critical to improving local growth. These opportunities encompass the following:

- Setting the strategic economic vision, outcomes and aligning strategic priorities for the Liverpool City Region
- Ensuring there is a single evidence base in place to support and inform strategic decision making
- Agreeing an integrated growth plan and investment strategy to deliver the strategic economic vision and outcomes
- Co-ordinating the international economic strategy for the Liverpool City Region to cover inward investment, trade and export, to particularly capture the benefits of the International Festival for Business
- Co-ordinating inward investment activity across the Liverpool City Region as a whole
- Co-ordinating strategic place based marketing across the Liverpool City Region as a whole
- Developing a strategic pipeline of priorities to attract financial and wider support
- Making decisions with regard to the Liverpool City Region Investment Framework, to include the Single Local Growth Fund, European funding and Growing Places Fund
- Acting as the accountable body, e.g. for devolved major transport scheme funding and the single pot for economic investment, including EU funds and assets as appropriate.

6. STRATEGIC TRANSPORT

- 6.1 Clear and firm intervention across a range of sectors is recognised as necessary to address the key challenges in the Liverpool City Region and secure aspirations towards economic growth, housing, employment and skills, health and well being. Transport is firmly recognised as a critical enabler of the wider economic, social and environmental priorities and needs to be planned in an integrated, holistic manner. Significant investment has gone into the transport system over the past decade, for example with both the Merseyside and Halton Local Transport Plans being consistently recognised as high quality and driving a progressive improvement in transport infrastructure and services
- 6.2 Nevertheless, the City Region transport system faces a range of constraints which restrict accessibility and opportunity, exacerbate congestion and overcrowding or shift demand onto unsustainable modes. The need to decarbonise transport, improve health and wellbeing and ensure that transport barriers are addressed and removed for the most vulnerable or disadvantaged are also priorities. These constraints will increasingly curtail the prospects for economic recovery or for fostering sustainable growth within environmental limits.
- 6.3 Transport governance arrangements across the City Region are complex, overlapping and constantly evolving with multiple authorities, agencies and stakeholders involved cross-sector and at different spatial scales. The Merseyside Integrated Transport Authority, supported by its Passenger Transport Executive, is the local transport authority and is responsible for developing a Local Transport Plan and managing associated funding streams. The Executive is responsible for delivering passenger transport services across Merseyside. The districts of Knowsley, Liverpool, Sefton, St Helens and Wirral are highway and traffic

Draft for consultation

authorities in their own right with wide ranging powers over the highway network, which includes delivery and enforcement. Halton Borough Council is a local transport authority in its own right and has a separate Local Transport Plan. Despite this, long-standing collaboration and joint working have maximised funding, delivery and success across the city region. The establishment of the City Region's Local Transport Body in recent months has been seen as a positive step and is a staging post on the journey, rather than a destination.

6.4 There is a key role for transport to play within a wider integrated approach to economic development, housing and regeneration, and ensuring that these decisions are taken in full accordance with their transport implications, and equally, ensuring that transport fully supports wider policy objectives. A new model for transport will be established that takes in policy, co-ordination and funding functions, fully integrating transport strategy and operations across the 6 local authorities. This would encompass the following functions:

- Setting the long term strategic transport vision and outcomes for the Liverpool City Region
- Agreeing the development and approval of a single, City Region Local Transport Plan (or its equivalent), which will include high level policy responsibility for major investments (e.g. freight, cycle, rail, highway maintenance (as per existing ITA responsibilities), new transport infrastructure, traffic management)
- Agreeing a long term transport investment strategy as part of the Single Local Growth Plan to deliver the strategic economic vision and outcomes (which includes housing, employment and skills).
- Aligning transport investment with inward investment activity across the Liverpool City Region.
- Strategic decisions relating to the Integrated Transport Block and Highway Maintenance funds across all networks, (as per existing ITA responsibilities)
- Ensuring strategic traffic and highway management (as per existing ITA responsibilities) co-ordination across the City Region
- Assuming the role of the Local Transport Body in respect of major transport schemes
- Acting as accountable body for Transport Schemes e.g. devolved major transport scheme funding
- Setting the transport levy for the City Region

6.5 The Combined Authority would fulfil the role of a Transport Authority for each of the six local authorities, replacing the existing Merseyside Integrated Transport Authority and Halton Borough Council's role as a Local Transport Authority. Individual authorities would continue to exercise delivery functions, for example in respect of highways management, but would operate within an agreed framework and plan established through the Combined Authority.

6.6 The Combined Authority would also exercise any function of the Secretary of State delegated to the Combined Authority by the order of the Secretary of State pursuant to section 86 of the Local Transport Act 2008 (LTA) and section 104(1)(b) LDEDCA. Such functions will be exercised subject to any condition imposed by the order.

6.7 The Passenger Transport Executive would become a Transport Executive of the Combined Authority. It is proposed that initially the following passenger transport delivery arrangements would remain unchanged with Halton Borough taking

Draft for consultation

responsibility for delivery of these arrangements in Halton, for a transitional period and that the levy be adjusted accordingly to reflect this:

- Information Provision
- Infrastructure Delivery
- Commissioning/procurement of subsidised bus services
- Concessionary Travel

6.8 The Combined Authority as a levying body under section 74 of the Local Government Finance Act 1988 would have the power to issue a levy to its constituent authorities in respect of the expenses and liabilities of the Combined Authority which are reasonably attributable to the exercise of its functions relating to transport.

6.9 During the transitional stage the complexities in addressing the transport responsibilities and the cost of transport services between Halton Borough Council and Merseyside are such that a single transport levy would not be appropriate. The Combined Authority would, during this transitional phase, issue a levy on a differential basis that would accommodate the differentials in the cost of delivering transport services in the formerly separate local transport areas of Merseyside and Halton.

6.10 The core principle throughout being in respect of the levy that the total contribution from each authority of funding transport services for the year does not exceed the equivalent cost for the year as it would have been calculated under previous arrangements.

7. STRATEGIC HOUSING AND LAND BASED ASSETS

7.1 An overarching priority for the Liverpool city Region is the delivery of a housing offer which supports economic growth and meets our regeneration ambitions. We have prepared a joint Local Investment Framework, for the delivery of housing priorities, since 2009 and we have secured over £80m of investment as a result.

7.2 We have recently been working on the Local Investment Framework for 2014 – 17, which will include a spatial framework, to support the Local Growth Plan. This Local Investment Framework will continue to identify and promote all housing opportunities which support economic growth and will identify all potential funding resources to support the delivery and to bridge funding gaps. We are also undertaking work to identify the extent and nature of all public sector assets across the Liverpool City Region and to determine the economic impact that can be gained from these assets.

7.3 We are required to ensure there is housing of sufficient quality and affordability to meet the current and future population and business needs for all income groups. It is evident that strong cross authority collaboration, based on up-to-date plans that are aligned or jointly prepared will set a positive framework for growth; the City Region is taking a 'Single Pot' approach to this.

7.4 There is a role for strategic housing to play within this integrated approach to economic development, regeneration, skills and transport and to make a genuine

Draft for consultation

difference to achieving economic growth in the City Region. This role could encompass the following within a Combined Authority model:

- Considering the means to improve the socio-economic wellbeing of the City Region by producing an integrated City Region Housing strategy
- Setting a strategic housing investment plan that delivers housing led economic development for the City region (e.g. LIP 1 & 2)
- Informing land use and land based investment opportunities across the City Region to support economic growth
- Co-ordinating and encouraging housing growth and delivery across the City Region to ensure both future and existing needs are met in a sustainable manner
- Producing and managing a shared evidence base for the provision of housing across the Liverpool City Region (i.e. SHMAA)
- Preparing an assessment of housing conditions across the Liverpool City region to encourage investment (e.g. Decent Homes and Private Sector Stock Condition)
- Considering a City Region wide approach to infrastructure funding opportunities
- Ensuring that economic outputs from funding opportunities such as in Green deal and ECO are maximised (e.g. Viridus)
- Acting as accountable body in relation to cross boundary funding for Housing initiatives (eg HCA funding RESTORE)
- Co-ordinating Registered Providers investment and maximise economic outputs in the City Region.

8. EMPLOYMENT AND SKILLS

8.1 The Liverpool City Region has an established track record of working together on employment and skills commissioning and delivery. This includes the City Region's Employment and Skills Strategy (transform, compete, thrive), the delivery of a £20m worklessness and apprenticeship programme which supported over 4,800 people into work and the agreement of a radical City Region Deal for Jobs and Skills with Government in 2012. The City Region's Employment and Skills Board is the LEP's lead body for employment and skills and brings together business, democratic and provider leadership for employment and skills from across the City Region.

8.2 There is a long standing gap in employment and skills levels in the City Region compared to national rates, although these have narrowed in recent years to fully close the gap we would need:

- 73,270 more people qualified to NVQ 4+;
- 57,271 more people qualified to NVQ 3+;
- 29,151 more people qualified to NVQ 2+; and
- 32,910 fewer people with no qualifications;
- Worklessness rates also remain stubbornly above national rates with 1 in 10 people in the City Region on either jobseekers' allowance or a sickness benefit.

8.3 The partnership adopts a mature and transparent approach to performance management, with a quarterly bulletin outlining the performance of different provision, although this is constrained by the availability of timely information in some service areas. The overall approach allows different organisations to identify

Draft for consultation

their contribution towards different targets set by the City Region, such as 10,000 apprenticeships starts.

8.4 The Employment and Skills Board has identified collective priorities for targeted support, linked to local business needs, developing independent advice and guidance, and preparing people to get into work, stay there and ultimately progress. There is an existing focus on ensuring that mainstream services deliver what they should, and then using additional funding to add value and further reduce the gaps present. This funding will be targeted on excluded and underrepresented groups, including young people, NEETs, those furthest away from work, those in a cycle of low pay/no pay and/or facing redundancy and those with health conditions affecting their ability to enter the labour market.

8.5 The Skills for Growth work underway through the Labour Market Information Service is clearly articulating the current and future skills needs of businesses in a format that schools, colleges, providers and universities can use to inform their curriculum planning. The specific Skills for Growth Agreements allow businesses and providers to collaborate on a much deeper, richer and more meaningful basis than before: examples include SuperPort and the Visitor Economy. These are complemented by the Annual Skills for Growth Report which sets out the priorities for the labour market as a whole. These priorities and the feedback from businesses is then converted into materials to support careers education and information, advice and guidance.

8.6 The Liverpool City Region is well placed on employment and skills but there are specific areas where the establishment of a Combined Authority would present further opportunities for additional progress, building on the existing approach of the Employment and Skills Board:

- Setting the long term Employment and Skills strategy and priorities for the labour market, including the implementation of Skills for Growth agreements
- Developing work focused approaches for vulnerable people and communities: this would build on and accelerate the current employment support for individuals and ensure that there are linkages with other activities, such as the Government's Troubled Families programme
- Greater influencing of employment and skills provision within the City Region: this would include all commissioned and delivered activity and ensure a better fit between the scale and scope of need and appropriate support
- Increasing the involvement of businesses in purchasing apprenticeships and skills programmes
- Strategic corralling of resources around our employment and skills priorities to deliver improved efficiencies and outcomes, matching flexible funding to bespoke packages of support
- Co-design with individuals tailored and personalised support to overcome barriers to employment (including transport and skills): this would give individuals more influence over the support they receive
- Continuing to be clear on the skills needs of businesses now and in the future for schools, colleges, learning providers and universities to inform curriculum design and careers education, and for providers of information, advice and guidance to inform discussions with individuals through the established Skills for Growth approach

Draft for consultation

- Including jobs outcomes within wider economic developments, as part of a more integrated approach to securing growth
- Ensuring that transparent performance information is available for all employment and skills provision in the City Region, to include the capture and dissemination of effective practice
- Acting as the accountable body for employment and skills devolved funding

9. CONCLUSION

9.1 This report has described the potential role that a Liverpool City Region Combined Authority could play in delivering a sub-regional approach to functions that would be within its remit.

Appendices

Appendix One – Draft of a Scheme for the Establishment of a Combined Authority for Liverpool City Region

For further information, please contact lcr.governance@knowsley.gov.uk.

Draft of a Scheme for the Establishment of a Combined Authority for Liverpool City Region

Section One – Intention to Establish a Combined Authority

1. Establishment of Authority

A Combined Authority (CA) will be established pursuant to Section 103 of the Local Democracy, Economic Development and Construction Act 2009 (“LDEDCA”). It shall come into existence on 1st April 2014.

2. Area

The area of the CA shall be the whole of the following Local Government areas:

- Halton
- Knowsley
- Liverpool
- Sefton
- St Helens
- Wirral

Each of the above Authorities will be the CA’s “Constituent Authorities”. The CA will act in the best interests of the Liverpool City Region as a whole, taking into account all relevant matters.

3. Name of Authority

The name of the CA will be Liverpool City Region Combined Authority.

4. Dissolution of the Merseyside Integrated Transport Authority

The Merseyside Integrated Transport Authority (MITA) shall be dissolved pursuant to Section 91 of the Local Transport Act 2008 (LTA).

5. Membership of the Authority

- 5.1** Each Constituent Authority will be represented by one member of its Cabinet who will be the Leader or Elected Mayor. These six members will form the core membership of the CA (“the core members”).
- 5.2** The Cabinet of each Constituent Authority will appoint another of its members (“substitute member”) to act as a member of the CA in the absence of the member referred to in paragraph 5.1. The substitute member will be drawn from the Cabinet of the Constituent Authority.

- 5.3** A Constituent Authority may at any time terminate the appointment of a member appointed by it to the CA, save it may not terminate the appointment of an Elected Mayor.
- 5.4** If a member or substitute member of the CA ceases to be a member of the Constituent Authority which appointed them, the member will cease to be a member of the CA and the Constituent Authority will appoint a replacement as soon as possible.
- 5.5** The CA will appoint a Chair and Vice Chair from amongst its Members. The appointments will be the first business transacted at the Annual Meeting of the CA and the appointments will be for the forthcoming municipal year.
- 5.6** Subject to 5.7, no remuneration shall be payable by the CA to its members other than allowances for travel and subsistence.
- 5.7** The CA recognises the benefits which additional members may bring to the CA in carrying out its functions. If there is a unanimous decision to do so, the CA may co-opt additional members onto the CA on such terms as determined by the CA, including in relation to voting rights and allowances.

6. Voting

- 6.1** All voting members of the CA will have one vote. The Chair of the CA will not have a second or casting vote.
- 6.2** Subject to the provisions of any enactment, the CA will aim to reach decisions by consensus, but subject to 6.3, all matters which come before the CA will be decided by a simple majority of the members of the CA present and voting. In the case of a tied vote on any matter (whether a motion or an amendment), it shall be deemed not to have been carried.
- 6.3** The following matters will require the unanimous support of all core members of the CA for approval:
- The co-option of additional voting or non-voting members onto the CA
 - Amendments to this Scheme

7. Executive Arrangements

Executive arrangements (within the meaning of the Local Government Act 2000) shall not apply to the CA. However, the discharge of the functions of the CA will be subject to scrutiny arrangements set out in paragraph 9.

8. Passenger Transport Executive

The Merseyside Passenger Transport Executive (MPTE) shall be the executive body of the CA in relation to its transport functions and shall be known as Merseytravel. It shall have all the functions of the existing MPTE and such additional functions

necessary for it to act as the CA's executive body in relation to transport functions delegated to the CA by the Secretary of State or its Constituent Authorities.

9. Scrutiny Arrangements

- 9.1** The Constituent Authorities of the CA will establish a joint Overview and Scrutiny Committee to exercise scrutiny functions over the CA (including, where appropriate, over its boards, sub-boards and the MPTE).
- 9.2** Each Constituent Authority will appoint 2 of its elected members to the joint Overview and Scrutiny Committee.
- 9.3** Subject to the approval of the CA, the joint Overview and Scrutiny Committee may appoint sub-committees to deal with matters within its remit and will have the power to co-opt additional representatives for specific scrutiny tasks.

Section Two – Functions, Powers and Duties of the CA

10. Functions – General

- 10.1** By virtue of Sections 99 and 102A of the LTA, the CA will have broad wellbeing powers, which can be exercised in conjunction with the general powers granted to it by Section 113A of the LDEDCA.
- 10.2** There may be further advantages in also securing the use of the General Power of Competence under Section 1 of the Localism Act 2011, which will enable maximum flexibility in dealing with its functions. The CA requests the Secretary of State to explore the possibility of delegating to the CA the General Power of Competence under Section 1 of the Localism Act 2011.

11. Functions – Economic Development and Regeneration

- 11.1** The primary purpose of the CA and the Local Enterprise Partnership (LEP) is to boost economic growth and performance within the Liverpool City Region. The CA will have responsibility for a significant programme of investment in transport and economic infrastructure and will influence and align with government investment in order to boost economic growth. The related interventions will have differential spatial impacts across the CA area, but should aid delivery of key growth projects in the emerging and future local plans of Constituent Authorities. Having regard to the duty to co-operate, effective alignment between decision-making on transport and decisions on other areas of policy, such as land use, economic development and wider regeneration, will be a key aim.
- 11.2** Unless otherwise stated, powers will be exercised by the CA on a concurrent basis. It is proposed that the CA will be focused on strategic economic growth issues that could include, but are not restricted to, functions such as:

- Setting the strategic economic vision, outcomes and aligning strategic priorities for the Liverpool City Region
- Ensuring there is a single evidence base in place to support and inform strategic decision-making
- Agreeing an integrated growth plan and investment strategy to deliver the strategic economic vision and outcomes
- Setting the economic strategy for the Liverpool City Region
- Co-ordinating the international economic strategy for the Liverpool City Region to cover inward investment trade and export to capture particularly the benefits of the International Festival for Business
- Co-ordinating inward investment strategy and activity across the Liverpool City Region as a whole
- Co-ordinating the strategy and activity for place based marketing across the Liverpool City Region as a whole
- Developing a strategic pipeline of priorities to attract financial and wider support
- Securing funding from a range of sources to support growth within the City Region
- Acting as the accountable body, for example, for devolved major transport scheme funding and the single pot for economic investment, including EU funds and assets as appropriate
- Making decisions with regard to the Liverpool City Region Investment Framework to include the Single Local Growth Fund European funding and Growing Places Fund
- Setting the long-term Employment and Skills Strategy and priorities for the labour market, including the implementation of Skills for Growth agreements

12. Functions – Transport

12.1 All the functions of MITA shall be transferred to the CA and the CA will fulfil directly or commission the role of Local Transport Authority for each of the six authorities, replacing the MITA and Halton BC roles as Local Transport Authorities.

12.2 The CA will exercise any function of the Secretary of State delegated to the CA by the order of the Secretary of State pursuant to Section 86 LTA and Section 104(1)(b) LDEDCA. Such functions will be exercised subject to any condition imposed by the order.

12.3 The CA's role in this will encompass:

- Setting the long-term strategic transport vision and outcomes for the Liverpool City Region
- Agreeing the development and approval of a single, city region Local Transport Plan (or its equivalent), which will include high level policy responsibility for major investments (e.g. freight, cycle, rail, highway maintenance, new transport infrastructure, traffic management)
- Agreeing a long-term transport investment strategy as part of the Single Local Growth Plan to deliver the strategic economic vision and outcomes (which includes housing, employment and skills)
- Aligning transport investment with inward investment activity across the Liverpool City Region
- Strategic decisions relating to the Integrated Transport Block and Highway Maintenance funds across all networks (as per existing ITA responsibilities)

- Ensuring strategic traffic and highway management co-ordination across the City Region
- Assuming the role of the Local Transport Body in respect of major transport schemes
- Acting as accountable body for Transport Schemes, e.g. devolved major transport scheme funding
- Setting the transport levy for the City Region
- Setting a differential transport levy (“the Differential Levy”) in respect of a Constituent Authority

13. Functions – Strategic Housing and Land Based Assets

13.1 There is a role for strategic housing within the integrated approach to economic development, regeneration, skills and transport in order to make a genuine difference to achieving growth.

13.2 The CA’s role in this will encompass:

- Setting the long-term strategic vision for housing and regeneration investment to support economic growth
- Working with the private sector to prepare a prospectus for housing investment in the City Region, based around shared risk
- Agreeing a housing spatial plan and long-term investment strategy as part of the Single Local Growth Plan
- Identifying relevant housing interventions that will facilitate and support potential economic growth and which will support vulnerable neighbourhoods
- Increasing affordable housing supply across the City Region
- Prioritising opportunities for supported accommodation to support the most vulnerable people in the City Region
- Identifying public assets that can be used to increase access to a supply of development land to support housing growth

Section Three – Funding, Transfer of Property, Rights and Liabilities

14. Funding

14.1 The CA as a levying body under Section 74 of the Local Government Finance Act 1988, shall have the power to issue a levy to its Constituent Authorities in respect of the expenses and liabilities of the CA which are reasonably attributable to the exercise of its functions relating to transport.

14.2 The CA shall have the power to issue a differential levy (“the Differential Levy”) to any of its Constituent Authorities, who are not contributing to the Levy, in respect of the expenses and liabilities of the CA which are reasonably attributable to the exercise, on behalf of such Constituent Authorities, of its functions relating to transport.

- 14.3** The core principle in determining the Levy or the Differential Levy shall be that the total contribution from each Constituent Authority for funding transport services for the year does not exceed the equivalent cost for the year as it would have been calculated under previous arrangements.
- 14.4** The Levy and any Differential Levy to be determined by the CA shall be decided by simple majority.
- 14.5** Subject to 14.3, the Levy and any Differential levy will be apportioned between the Constituent Authorities in accordance with population.
- 14.6** The costs of the CA that are reasonably attributable to the exercise of its functions relating to economic development and regeneration, including start-up costs, shall be met by the Constituent Authorities.
- 14.7** The CA will approve the annual budget for the purpose of expenditure.

15. Transfer of Property, Rights and Liabilities

All property, rights and liabilities of MITA existing at the transfer date shall transfer to the CA, including rights and liabilities in relation to contracts of employment, but these will be ring-fenced under the terms of a CA agreement to the five Constituent Authorities of Merseyside and will not be the responsibility of Halton.

Section Four – Internal Scheme of Delegation

16. Delegations

The CA may establish such committees or sub-committees as it considers appropriate and may delegate powers and functions accordingly.

WIRRAL COUNCIL

POLICY AND PERFORMANCE COORDINATING COMMITTEE

3RD SEPTEMBER 2013

SUBJECT:	<i>SCRUTINY WORK PROGRAMME</i>
REPORT OF:	<i>CHAIR OF THE COMMITTEE.</i>

1.0 EXECUTIVE SUMMARY

- 1.1 The Policy and Performance Coordinating Committee discussed the formulation of its work programme for the municipal year at its inaugural meeting on 3rd July. The committee agreed to delegate responsibility for developing the work programme to the chair and party spokespersons. This report updates Members on the progress with this work and the activity proposed for this committee.
- 1.2 In order for the Committee to fulfil its wider coordination role in terms of the overall scrutiny work programme, the draft programmes of the other Policy and Performance committees are also set out in this report.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Four Policy and Performance Committees have been established to undertake the Council's Overview and Scrutiny function. Each Committee is responsible for scrutinising specific areas in line with the responsibilities of the Directorates. The Coordinating Committee has responsibility for overseeing corporate, cross-cutting and strategic issues as well as a number of specific Council functions (which are not aligned to the Directorates).
- 2.2 Inaugural meetings of all Policy and Performance Committees have included discussion about potential items for the scrutiny work programme. Each Committee has delegated the development of its work programme to the Committee Chairs and Party Spokespersons.
- 2.3 With regard to the criteria for selecting appropriate items for scrutiny, the Chair and Party Spokespersons of the Coordinating Committee have agreed a number of items suitable for task and finish review.

3.0 WORK PROGRAMME OF THE COORDINATING COMMITTEE

- 3.1 The work programme for this committee is included in appendix 1. This is presented in the form of a schedule for the municipal year. The work is set out against the following headings:
- **Scheduled Reviews** – These have been prioritised and programmed across the year and include: the Impact of the Budget Options 2013/14 and Proposals for 2014/15; Individual Electoral Registration; and Universal Credit.
 - **Potential Reviews** – This section is included to capture items the committee wishes to review in more detail, subject to there being sufficient capacity. Currently this includes the referral by Cabinet for the Committee to consider appropriate scrutiny of the proposal for a Combined Authority for the Liverpool City Region.

- **Reports requested / Bespoke Committee Items** – This section is included to capture specific items the committee would like to discuss or receive reports on, or items referred by Cabinet. Currently there are none pending for this committee.
- **Standing Items** – This includes regular agenda items i.e. performance dashboards to review key indicators in the directorate plan, financial monitoring and policy updates.

4.0 THE OVERALL SCRUTINY WORK PROGRAMME

- 4.1 In addition to developing its own work programme, the Coordinating Committee has responsibility for ensuring that the overall scrutiny work programme is coordinated, balanced and avoids duplication.
- 4.2 The programme should be manageable and properly resourced in terms of elected member capacity and officer support. It should be developed to ensure there is a good range of planned activity going forward, but with enough flexibility to respond to issues that may arise during the year.
- 4.3 To enable the Coordinating Committee to consider these wider issues and make any recommendations as required, the draft work programmes for the other three Policy and Performance Committees are set out in appendices 2, 3 and 4. These follow the format set out in section 3.1 above.

5.0 RECOMMENDATIONS

- 5.1 Members are requested to approve the Coordinating Committees work programme as set out in appendix 1.
- 5.2 Members are requested to consider the draft work programmes for the other Policy and Performance Committees and make any appropriate recommendations.

REPORT AUTHOR: *Michael Callon*
 Improvement & Scrutiny
 0151 691 8379
 email: michaelcallon@wirral.gov.uk

APPENDICES

- Appendix 1 – Coordinating Committee Work Programme
- Appendix 2 – Families and Wellbeing Committee Work Programme
- Appendix 3 – Regeneration and Environment Committee Work Programme
- Appendix 4 – Transformation and Resources Committee Work Programme

REFERENCE MATERIAL N/A

SUBJECT HISTORY

Council Meeting	Date
Policy and Performance Coordinating Committee	3 rd July 2013

2013-14 Coordinating Committee Draft Work Programme

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
Committee Dates					Wed 3rd		Tues 3rd				Wed 15th			Tues 1st	
Scheduled Reviews															
Individual Electoral Registration		Requested by Members													
Impact of budget options 2013/14 and options for 2014/15		Requested by Members													
Universal Credit		Requested by Members													
Potential Reviews															
Combined Authority for the City Region		Referred by Cabinet													
Reports Requested															
Standing Items															
Performance Dashboard															
Financial Monitoring															
Policy Update															
FSI Update															

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
----------------	-----------------------	-------------------	----------	-----------	-----------	----------	-----------	----------	----------	----------	----------	----------	----------	------------	---------

2013-14 Families & Wellbeing Committee Draft Work Programme

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
Committee Dates					Tues 9th		Mon 9th		Mon 4th	Thur 5th	Tues 28th			Tues 8th	
Scheduled Reviews															
Looked After Children Review	Cllr Wendy Clements														
Implications of the Francis Report for Wirral	Cllr Cherry Povall														
Review of Co-optees	Cllr Wendy Clements														
Potential Reviews															
Domestic Violence															
Reducing hospital admission and dependency on nursing and residential home for older people															
The detrimental effects of over consumption of alcohol on communities and how agencies can work collaboratively to reduce them															
Health Inequalities															
Quality Assurance Frameworks and Standards in Care Homes															
Reports Requested															
Adult Mental Health re-design and outcomes of the Learning Disability re-design	Cheshire & Wirral Partnership Trust														
Safeguarding Vulnerable People	Julia Hassall / Graham Hodkinson														
Standards in Independent Care Homes	Graham Hodkinson														
Fostering Annual Report	Julia Hassall														
Adoption Annual Report	Julia Hassall														
Health & Wellbeing Strategy	Fiona Johnstone														
Leisure Review	Clare Fish														
Child Poverty Strategy - update	Julia Hassall														
Public Health Annual Report	Fiona Johnstone														
Troubled Families - update	Julia Hassall														
SEN Transport: Demand Management	Julia Hassall														
All-age Disability Service	Julia Hassall / Graham Hodkinson														
Standing Items															
Performance Dashboard															
Financial Monitoring															
Policy Update															
Special Budget meeting															

Note: Committee members will also be invited to participate in consultation events relating to the re-commissioning of the Healthy Child Programme aged 5 - 19 and Drug & Alcohol Treatment Services

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
----------------	-----------------------	-------------------	----------	-----------	-----------	----------	-----------	----------	----------	----------	----------	----------	----------	------------	---------

2013-14 Regeneration & Environment Committee Draft Work Programme

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
Committee Dates					Wed 10th		Tues 17th		Tues 5th	Tues 3rd	Mon 27th			Wed 9th	
Scheduled Reviews															
Impact of 2013/14 budget options and potential options for 2014/15.		Requested by Members													
Review of apprenticeships		Requested by Members													
Review of street cleansing post budget options		Requested by Members													
Monitoring the highways contract		Requested by Members													
Potential Reviews															
Regional Growth - Offshore Industry		Requested by Members													
Coastal Issues		Requested by Members													
Reports Requested															
Report on Youth Unemployment		Requested by Members													
Effects of the welfare reforms with specific focus on homelessness		Requested by Members													
Standing Items															
Performance Dashboard															
Financial Monitoring															
Policy Update															
Recommendations from Highways Representation Panels															
Special Budget meeting															

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
----------------	-----------------------	-------------------	----------	-----------	-----------	----------	-----------	----------	----------	----------	----------	----------	----------	------------	---------

2013-14 Transformation & Resources Committee Draft Work Programme

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
Committee Dates					Tues 30th		Mon 23rd		Wed 6th	Wed 4th	Wed 29th			Mon 14th	
Scheduled Reviews															
ICT Strategy	Tony Glew	Requested by members													
Review of Shared Services		Requested by members													
Review of process for handling Freedom of Information requests		Requested by members													
Review of sickness absence process	Chris Hyams	Requested by members													
Potential Reviews															
Reports Requested															
Standing Items															
Performance Dashboard															
Financial Monitoring															
Policy Update															
Special Budget meeting															

2013/14

Key Activities	Lead Member / Officer	Reason for Review	May 2013	June 2013	July 2013	Aug 2013	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	April 2014	Outcome
----------------	-----------------------	-------------------	----------	-----------	-----------	----------	-----------	----------	----------	----------	----------	----------	----------	------------	---------

WIRRAL COUNCIL

COORDINATING POLICY AND PERFORMANCE

COMMITTEE

3RD SEPTEMBER 2013

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

1.0 EXECUTIVE SUMMARY

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

- 1.4 The iterative development of this report will run in parallel to the wider development of the underpinning business planning and performance management infrastructure within the council (e.g. Performance Management Framework Policy, electronic provision of performance information to elected members, transition from targets to outcomes).

2.0 BACKGROUND AND KEY ISSUES

- 2.1 As part of the second phase of the development of the Corporate Plan, a set of SMART (Specific, Measurable, Achievable, Realistic and Time related) outcome measures have been developed with each of the three Strategic Directorates and the Corporate function (Neighbourhoods & Engagement and Public Health, Policy & Performance).
- 2.2 A series of business planning sessions were organised with each Strategic Directorate designed to convert the objectives outlined in the Corporate Plan into a set of strategic outcome measures aligned to organisational resources, systems and employees.
- 2.3 To ensure alignment of outcome measures to organisational resources, systems and employees the planning sessions were comprised of a multi-disciplinary team of corporate support services (e.g. HR, Risk, Finance, Policy and Performance & Business Intelligence).
- 2.4 Strategic Directors determined the outcome indicators contained within the performance report and agreed (and signed off) the following parameters (developed by their teams) which underpin their on-going performance management:
 - 2013/14 Plan
 - 2013/14 Plan trajectory
 - 2013/14 Performance tolerance levels (determine RAG [Red, Amber, Green] status)
 - Head of Service responsible for delivery of target
- 2.5 Corporate Plan performance will be monitored on a monthly basis against the parameters agreed as part of the business planning process (e.g. RAG tolerance levels). A number of indicators are only available on a quarterly basis, in line with the availability of data.
- 2.6 The outputs from this monitoring process will be performance managed proactively on an exception basis. The system is designed to promote a “no surprises” approach to performance management.
- 2.7 Heads of Service responsible for the delivery of targets must complete an exception report and delivery plan for all indicators which are under performing (e.g. red RAG rated indicators). Appendix 2 illustrates the exception reports/delivery plans for:

- Local environmental quality (LEQ) of litter, detritus and dog fouling in main gateways and shopping areas target
- Establishment reduction compared to savings assumption

2.8 Monthly Corporate Plan performance reports will be produced and made available (to support corporate challenge) in line to support:

- Monthly DMTs
- Monthly Portfolio Lead briefings
- Quarterly Audit, Risk, Governance and Performance meetings
- Quarterly Policy and Performance Committees

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

3.0 RELEVANT RISKS

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

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

4.0 OTHER OPTIONS CONSIDERED

4.1 N/A

5.0 CONSULTATION

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

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 N/A

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

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

8.0 LEGAL IMPLICATIONS

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

9.0 EQUALITIES IMPLICATIONS

9.1 The Corporate Plan has a clear focus on supporting those who are disadvantaged, including the delivery of specific services and through ensuring that all of Wirral's diverse communities are equally able to access services.

9.2 Equalities implications relating to the actions set out in the Corporate Plan will be addressed by departments as appropriate, and details set out in individual departmental plans. This work is also monitored by the Corporate Equalities and Cohesion Group and the Council Excellence Overview and Scrutiny Committee.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 N/A

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 N/A

12.0 RECOMMENDATION/S

12.1 Committee are requested to use the information contained within this report to inform its future work programme.

13.0 REASON/S FOR RECOMMENDATION/S

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

REPORT AUTHOR: **Tony Kinsella**
Head of Performance
Telephone: 07717156941
Email: tonykinsella@wirral.gov.uk

APPENDICES

Appendix 1 – Corporate Plan Performance Report (2013/14)

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

REFERENCE MATERIAL

N/A

SUBJECT HISTORY (last 3 years)

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

This page is intentionally left blank

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



No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
PERFORMANCE												
DOMAIN 1: FAMILIES AND WELLBEING												
Children and Young People Department												
1	Rate of Children Looked After (per 10,000 population 0–17)	SSDA 903 Return	100.1	76.0	95.7	98.8	99.1	95.7	-	Jul	S Garner (Acting)	
2	Rate of Children in Need (per 10,000 population 0–17)	Children in Need Census	415.5	336.3	396.8	419.1	411.9	396.8	+	Jul	S Garner (Acting)	
3	Preventative Services – Qualitative Measure (Placeholder)	A qualitative outcome metric to evaluate the impact of redesigning Family Support Services (as a result of a Peer Review by the Children's Improvement Board) on the experience of families is currently being developed (during Q2). It will examine the experience of users and staff.									S Pimblett	
Department of Adult Social Services												
4	Safeguarding: % of Safeguarding Referrals actioned within 24hrs	SWIFT	98.2%	N/A	100%	100%	98.3%	99.0%	-	Jul	J Evans	A total of 14 safeguarding alerts have not been actioned within 24 hours. Each case to be reviewed to understand why they were not actioned within 24 hours.
5	Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population	Office for National Statistics (ONS)	909	810.2	695	780	860.7	695	-	Jul	C Beyga	Quarter one placement activity is consistent with 2012-13 levels. Implementation of the new domiciliary care/re-ablement contracts in October 2013 to enhance capacity in these markets are designed to reduce placement activity and deliver the 2013/14 plan.
DOMAIN 2: REGENERATION AND ENVIRONMENT												
Environment & Regulation												
6	Number of interventions put in place for travel plans and transport (to improve accessibility to employment & opportunities)	Travel Solutions	868	N/A	1,000	265	740	1,000	+	Apr - Jul	M Smith	
7	To maintain local environmental quality (LEQ) of litter, detritus, & dog fouling in main gateways and shopping areas	Local Survey Data	92%	N/A	92%	90%	83%	92%	-	Apr - Jun	M Smith	Under performance during Quarter 1 has been attributed to low moral caused by the redundancy consultation with unions and the Biffa workforce. In addition workforce supervisory levels were lower as a result of the work that needed to be completed to implement the £1M street cleansing savings. The area of concern has been identified (detritus along gateway routes) and steps have been taken to bring this performance indicator back on track by quarter two reporting. An Action Plan (see attached report) has been created to support the corrective activities.
Housing & Community Safety												
8	Number of new affordable homes	Homes & Communities Agency MIS	202 (forecast outturn)	N/A	322	40	42	363	+	Apr - Jun	I Platt	

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



No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
9	Number of empty properties returned to use or demolished through local authority action	M3 Northgate Database	250 (forecast outturn)	N/A	255	30	30	255	+	Apr - Jun	I Platt	
10	Number of interventions to improve private rented sector properties	MVM Database	New Indicator	N/A	400	100	174	400	+	Apr - Jun	I Platt	
11	Number of adaptations completed	MVM Database	1,523	N/A	1,860	465	513	1,860	+	Apr - Jun	I Platt	
Regeneration												
12	Jobs created and safeguarded (via Invest Wirral)	Invest Wirral	1,580	N/A	925	296	296.5	925	+	Apr - Jul	D Ball	
13	Apprenticeships supported (Wirral Apprentice Programme)	Hanlon Information System	New Indicator	N/A	50	TBC	NYA	50	-	-	D Ball	The Wirral Apprentice Programme report has now been approved, signed off and the scheme will be up and running in September.
14	Number of working age people claiming out-of-work benefits (economic in-activity)	NOMISWEB	16.1%	N/A	15.6%	15.8%	NYA	15.6%	-	-	D Ball	This is a 6-monthly measure. Performance data will be available in August 2013.
DOMAIN 3: TRANSFORMATION AND RESOURCES												
Resources												
15	Chargeable Services (% achievement versus best practice)	KPMG Annual Study	TBC	N/A	Upper Middle Quartile (Feb 2014)	-	-	Upper Middle Quartile	-	-	V Quayle	Following a report presented to the Chief Executive Strategic Group (5/06/2013), it was agreed; - to trial Trading Accounts in a central service; - to implement Trading Accounts for Legal Refresh (the recharge system), and - to commission an external company to recommend appropriate recharge system.
16	Adult Care Packages supported by Direct Debit (as a %)	Accounts Payable Ledger	NIL	N/A	30%	0%	0%	30%	↔	Apr - Jun	V Quayle	Department on target to have the system available by the end of September 2013, to support the introduction of direct debit payments from October 2013.
17	Establishment reduction compared to savings assumption	Establishment List	N/A	N/A	100%	100%	0%	100%		-	V Quayle	Work continues in aligning establishment and finance records. Await Human Resource to undertake the comparison and alignment exercise following the current round of redundancies before reporting this indicator. This exercise is behind schedule (by 1 month) and is therefore RAG rated as red.
18	Budget savings achieved	General Ledger	N/A	N/A	£48.4m (100%)	£14.90m	£19.37m	£48.40m	+	Apr - May	V Quayle	June figures will be available 20th August 2013.
Human Resources												
19	Agency/Consultancy costs	General Ledger	£2,000,000	N/A	£1,500,000	£666,667	NYA		-	-	C Hyams	The data is drawn from the Accounts payable ledger and as the payment is retrospective the data is not always up to date. Work is on-going to establish this data flow.

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



No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
20	Sickness absence: The number of working days/shifts lost due to sickness absence (cumulative)	M44 Form	10.50 days	N/A	10.50 days	2.58days	2.39days (P)	9.72days	+	Apr - Jun	C Hyams	Quarter 1 performance breakdown: - April's actual sickness absence rate was 0.80 days, above the target of 0.73 days (and RAG rated as red). - May's actual cumulative sickness level was 1.62 days, below the target of 1.78 days (and an improvement in comparison to May 2012, when it was 1.72 days). - The actual sickness absence for June 2012 was 2.50 days.
DOMAIN 4: CORPORATE												
Public Health, Policy & Performance												
21	Alcohol-related admissions to hospital	Secondary Uses Service (SUS)	2,486.9	NYA	2,355.2	2,355.2	2,283.5	2,355.2	+	May 12 - Apr 13	J Webster	The latest 12 month rolling data currently shows a decrease in the rate of alcohol-related admissions to hospital. There have been issues with the provision of Secondary Uses Service (SUS - national source of hospital inpatient, outpatient & A&E data) data since the start of the financial year related to national Information Governance issues. Cheshire & Merseyside Commissioning Support Unit (CSU) are currently working to resolve these issues, and more up to date information on performance should be available shortly.
22	Smoking quitters (4 weeks)	Stop Smoking Service	2,259	NYA	3,500	608	423	2,475	↔	1st Apr - 21st Jun	J Webster	Four week quitters is a Wirral Wide target, however there are a number of providers that contribute to this target. Concern over the performance of the services has been raised as they were failing to meet performance targets. Action plans were put into place with a focus on re-configuring the way the service works with intermediate stop smoking providers e.g. community pharmacists and GP surgeries. The re-design of the Wirral Community Trust Public Health service has facilitated this as each locality team is able to schedule monthly visits to intermediates to address training requirements and timely data returns. This action will continue to develop & embed over 2013/14. In comparison to 2012/2013 the number of quit dates set into local stop smoking services has decreased by almost 50% but the quality of the outcomes (i.e. 4 week quits) has been maintained.

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



No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
23	Under 75 mortality rate from all cardiovascular diseases (including heart disease and stroke)	Office for National Statistics (ONS)	68.7 (2009-2011)	74.19 (2009-2011)	64.0	64.0	68.5	-	+	2010 - 2012	J Webster	<p>Prevention of cardiovascular disease is just as important as treatment. Cardiovascular disease is one of the major causes of premature mortality (deaths in under 75s) in England.</p> <p>The Longer Lives report, published by Public Health England (PHE) in June reported on the number of people who died under the age of 75 in each local authority area between 2009 and 2011. Overall, the report shows Wirral as having a higher than average rate of premature death. We were ranked 113 out of 150 local authorities for the level of premature deaths. We were ranked 14th in our peer group of 15.</p> <p>We have seen a reduction in premature death rates from heart disease and stroke and this is testament to the work that has been done both with regard to prevention – smoking cessation, identifying and managing high blood pressure in particular and treatment i.e. the prescribing of aspirin and statins to those people with established heart disease. This work needs to continue at pace so that we reduce rates even further.</p> <p>We are commissioning a health checks programme for 40-74 year olds from GPs so that people can have a check up at their GP practice every 5 years; commissioning stop smoking services for those people who want to quit and a range of policy issues e.g. smoke free public places, action to combat sales of counterfeit tobacco.</p> <p>This data is reported annually. 2012/13 performance is based on 3 year pooled data from 2010-2012 and is currently only a proxy measure until the national figures become available.</p>
Neighbourhoods & Engagement												
24	Constituency plans in place for 2014/15	-	-	N/A	Mar 2014	Mar 2014	-			-	E Degg	Annual measure.
25	Partial devolution of services to be delivered at constituency level	-	-	N/A	Sep 2013	Subject to agreement.				-	E Degg	The Chief Executive Strategic Group will be discussing what services will be devolved to constituency level on the 30th August 2013.
26	Full devolution of services to be delivered at constituency level	-	-	N/A	Mar 2014	Subject to agreement.				-	E Degg	
27	Local Government Equality Framework: To be an 'excellent council'	-	-	N/A	Amber (Mar 2014)	Mar 2014	-			-	E Degg	Annual measure.

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



No.	Description	Data Source	Performance 2012/13	North West 2012/13	Target/Plan 2013/14	YTD Target 2013/14	YTD Performance	Forecast Outturn	Monthly Trend	Reporting Period	Accountable Officer (Head of Service)	Comments
FINANCE												
28	Revenue	General Ledger	-	N/A	£301.82m	TBD	TBD	£301.78m		Apr - May	V Quayle	At month two (May 2013), the full year forecast projects a General Fund underspend of £41,000.
29	Capital programme	General Ledger	-	N/A	£50.46m	TBD	£1.96m	£50.46m		Apr - May	V Quayle	The spend to date at month two (May 2013) is £1.96m, with 16.7% of the financial year having elapsed.

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

This page is intentionally left blank

PERFORMANCE ACTION PLAN TEMPLATE

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

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

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

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

Who (will be responsible)	Peter Molyneux Financial Services Andrea Williams Human Resources
When (will results be realised)	31st October 2013.

WIRRAL COUNCIL

CABINET

11 JULY 2013

SUBJECT	REVENUE MONITORING 2013-14 MONTH 2 (MAY 2013)
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

1.1 This report sets out the revenue position for 2013-14 at Month 2 (May 2013) and actions to minimise risk.

2 RECOMMENDATIONS

Cabinet is asked to note:

2.1 at Month 2 (May 2013), the full year forecast projects a General Fund underspend of £41,000.

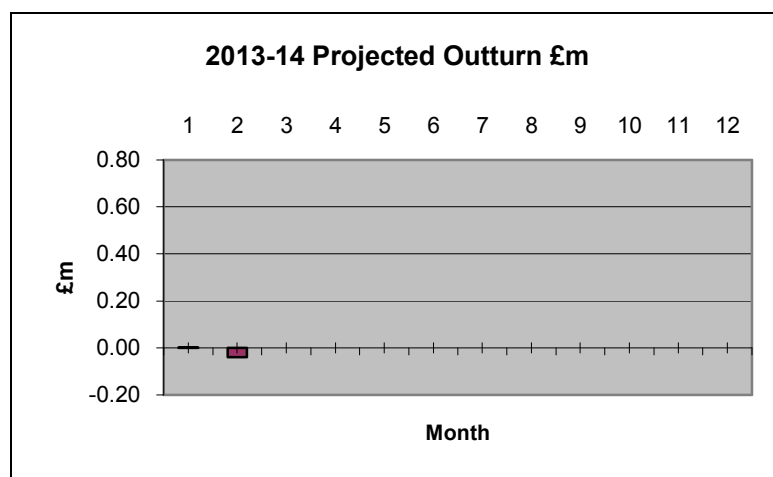
2.2 there were no rejected freeze items in the month;

2.3 that Strategic Directors are to find compensatory savings for budgetary issues (Annex 12) not covered from corporate resources for Month 3.

3 OVERALL POSITION AT MONTH 2 (MAY 2013)

3.1 The projected revenue forecast for the year at Month 2 shows a projected underspend General Fund position of £41,000. A number of departmental underspends have been earmarked against ongoing or emerging financial issues. An allocation of £1.8 million against the £2 million savings profiling account (page 7 of the Budget Book and Forecasts 2013/16) has been assumed based upon latest estimates of the delivery of staffing savings.

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 2	Revised Net Budget
Chief Executive	8,240	-4,602	-	3,638
People - Adult Social Services	82,951	-	-	82,951
People - Children & YP, & Schools	91,738	-1,180	-5,534	85,024
People – Asset Mgmt & Transport	-	-	5,534	5,534
People – Safeguarding	685	1,396	-	2,081
People – Sports and Recreation	8,904	-	-	8,904
Places - Environment & Regulation	79,651	-	-	79,651
Places – Housing & Comm Safety	15,342	-569	-	14,773
Places – Regeneration	5,134	-	-	5,134
Transformation & Resources	12,424	4,955	-	17,379
Corporate Growth & Savings	-3,252	-	-	-3,252
Net Cost of Services	301,817	0	0	301,817

- 4.2 A new council structure has been introduced for 2013/14. The Budget Book and forecasts 2013/16 was published with a number of assumptions regarding service splits which were to be refined. A number of changes have since been identified. To improve clarity, from Month 2, Infrastructure Services and Transport are shown separately from Children and Young People.
- 4.3 The main report will only comment on large variations (Red and Yellow items). The 'variations' analysis, over 27 budget areas, distinguishes between overspends and underspends. The 'risk band' classification is:
- Extreme: Overspends - **Red** (over +£301k), Underspend **Yellow** (over -£301k)
 - Acceptable: Amber (+£141k to +£300k), Green (range from +£140k to -£140k); Blue (-£141k to -£300k)

Table 2: Extreme Departmental Projected Budget variations

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Red Overspend	0	0	0	0	0	0.0%
Yellow Underspend	0	0	0	0	0	0.0%

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

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

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

Department	Revised Budget	Forecast Outturn	(Under) Overspend Month 2	RAGBY Classification	Change from prev mth
Chief Executive	3,638	3,638	0	G	-
People - Adult Social Services	82,951	82,951	0	G	-
People - Children & YP, & Schools	85,024	85,024	0	G	-
People – Asset Mgmt & Transport	5,534	5,534	0	G	-
People – Safeguarding	2,081	2,081	0	G	-

People – Sports and Recreation	8,904	8,904	0	G	-
Places - Environment & Regulation	79,651	79,651	0	G	-
Places – Housing & Comm Safety	14,773	15,064	291	A	-
Places – Regeneration	5,134	4,843	-291	B	-
Transformation & Resources	17,379	17,338	-41	G	-41
Corporate Growth & Savings	-3,252	-3,252	0	G	-
TOTAL	301,817	301,776	-41		-41

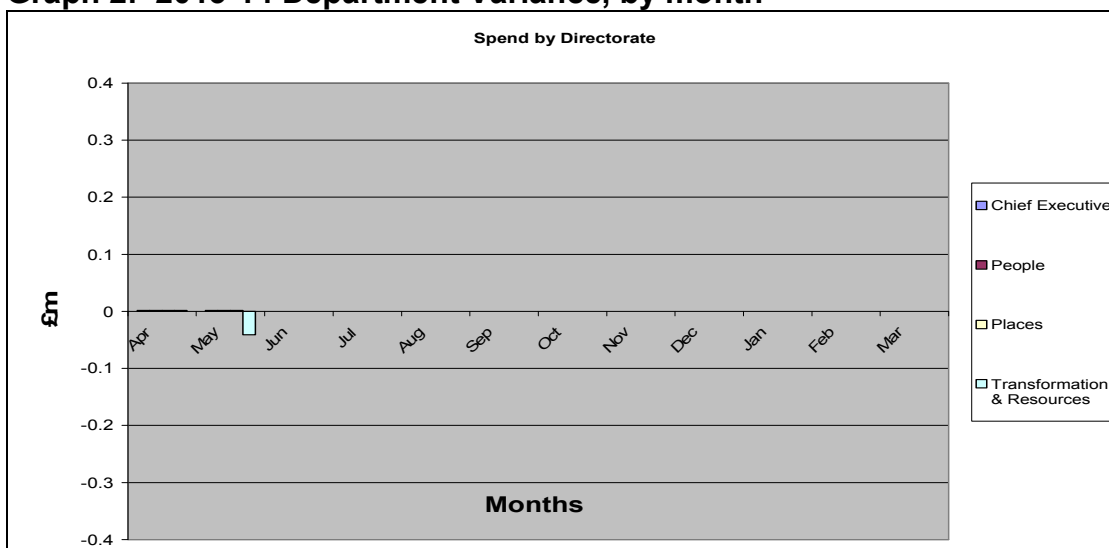
4.5 Within the various departments there have been the following developments:

- **Chief Executive:** No variations are forecast at present (no change from Month 1).
- **People:** No overall variance is forecast at present (no change from previous month). Early implementation in 2013/14 of some measures to repay one-off funding supporting the 2013/14 budget has occurred. These were originally scheduled to commence in 2014/15 and have enabled monies to be used as follows:
 - Adults: Monies have been earmarked to cover an adjustment to income of £2m to reflect the actual in year performance, and a further £0.5m has been earmarked against liabilities relating to past Social Services debt. A further £0.9m has been earmarked against repayment of the one-off funding provided in 2013-14.
 - Childrens: A number of variances are assumed covered by the corporate savings profiling account whilst £0.7 million has been earmarked against repayment of the one-off funding provided in 2013-14.

Month 2		Adults	Children	Total
Saving 2013-14		3.430	1.500	4.930
Use in 2013-14	-2.000			
Use in 2013-14	-0.500	-2.500	-0.800	-3.300
Carried forward to 2014-15		0.930	0.700	1.630

- **Places:** The Housing and Community Safety variance is mainly a result of a grant which has previously been incorporated into formula grant and is detailed in Annex 12. If not fixed, the variance will be covered on a temporary basis from the Regeneration business area.
- **Transformation & Resources:** A £41k underspend is currently forecast, due to insurance fund contract savings.

Graph 2: 2013-14 Department Variance, by month



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

Table 4: Projected Departmental Variations by Spend and Income

	Revised Budget	Forecast Outturn	Variance	RAGBY	Change from Previous
	£000	£000	£000	£000	£000
Gross Expenditure					
Employees	139,176	139,445	269	A	-
Premises	16,954	17,076	122	G	-
Transport	7,680	7,681	1	G	-
Supplies and Services	128,539	126,117	-2,422	Y	-40
Third Party Payments	122,242	122,342	100	G	-1
Transfer Payments	141,010	141,010	0	G	-
Support Services	73,778	73,799	21	G	-
Financing Costs	58,406	58,406	0	G	-
Schools Expenditure	211,961	211,961	0	G	-
Total Expenditure	899,746	897,837	-1,909		-41
Gross Income					
Schools Income	209,366	209,366	0	G	-
Government Grants	183,193	182,972	-221	A	-
Other Grants and Reimbursements	19,631	19,631	0	G	-
Customer/Client Receipts	47,695	45,904	-1,791	R	-
Interest	872	892	20	G	-
Recharge Other Rev A/c	137,172	137,296	124	G	-
Total Income	597,929	596,061	-1,868		-
Net Expenditure	301,817	301,776	-41		-41

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

- 4.8 Since agreeing the 2013/14 budget, a number of budgetary issues have arisen which may require further corrective action. Work is underway to verify the values concerned and where possible reduce their impact. A number of items have been dealt with within this monitor. Details of these issues are detailed in [Annex 12](#). Strategic Directors are currently identifying the funding of these items and this will be reported back in the Month 3 monitor.

5 IMPLEMENTATION OF 2013-14 SAVINGS – THREE TYPES

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

Table 6: Budget Implementation Plan 2013-14 whole Council (£000's)

BRAG	Number of Options	Approved Budget Reduction	Amount Delivered at May	To be Delivered
B - delivered	22	16,744	16,744	0
G – on track	32	19,813	2,630	17,183
A - concerns	16	11,788	0	11,788
R - failed	0	0	0	0
P – replacements for Red	0	0	0	0
Total at M2 May 13	70	48,345	19,374	28,971
<i>Total at M1 April 13</i>	<i>70</i>	<i>48,345</i>	<i>9,927</i>	<i>38,418</i>

Note: Budget Book page 56-58.

- 5.2 There are currently no savings options identified as red rated.
- 5.3 The **one-off funding** in 2013-14 for Adults and Children, requires that they identify equivalent savings (Type 2) during 2013-14 for 2014-15. It is expected that some of the savings will start in 2013-14. As this is identified, it will be presented in Table 7 below and detailed in Annex 6:

Table 7: Replacing £13.7m one-off 2013-14 funding (£000's)

BRAG	Brought forward from previous years	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	622	30	3,430	0	3,689	1,689	8,808
Children's 4.9	473	7	1,500	950	0	0	1,500
Use of 2013/14					1,630		1,630
Total 13.7	1,095	37	4,930	950	5,319	1,689	11,938

Note: Further proposals require identifying. Total proposals may end up being greater than target to allow for slippage. Any savings achieved in 2013/14 will reduce the agreed call on reserves in 2013/14. Assumed £1.6 million of 2013/14 savings can be used to fund 2014/15 target.

- 5.4 The **spending freeze** (Type 3) has been extended for April-June 2013, for the three reasons set out below:
- Risk.** The increased level of financial risk in 2013 included items that introduced change from April 2013 for which there was no evidence on which to judge that the risk had diminished, remained the same, or increased. Therefore the prudent response, whilst waiting for evidence to emerge, was to reign in expenditure;
 - Closedown.** The outturn for 2012-13 would not be available to Cabinet until June 13th. To cover the possibility that it could be worse than the M11 forecast, of an overspend of £7.4m, the prudent response was to continue the spending freeze;
 - Change.** The 2013-14 budget has built into a greater level of savings than has ever been attempted in the Council's history. Although reasonable assumptions have been made, there is the danger that a worse case could occur. Cover for that eventuality, via a spending freeze, would be prudent until there is evidence of successful implementation.

- 5.5 The detailed freeze items are set out at [Annex 7](#). The purpose of the exercise is to reduce any projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council, that is, all of its Members.
- 5.6 The 2013-14 Revenue Budget resolved a number of Bad Budgets that were identified during the year. This has been done in a number of ways:
- Base budgets were increased by £8.0 million;
 - One-off funding of £13.7 million (see paragraph 5.3 above);
 - Suppressing Demand by £3.4 million.

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

The remaining suppressed demand of £1.5million relates to DASS. Future monitors will detail actions being put into place to deliver this.

- 5.7 The 2013-14 budget includes a savings profiling account of £2 million and a Change Management Implementation Fund of £4 million. The majority of savings included within the budget were calculated on a full year basis. However it was known that a number of savings would only achieve a part year impact in 2013/14. This is particularly the case where staffing reductions were required. The delivery of savings is under constant review and Directorates are examining ways of funding any slippage before a call on central funding is requested. The latest forecast staffing savings slippage is estimated at £1.8 million and, should this not be financed internally by Directorates, will be earmarked against the Savings Profiling account (page 7 of the Budget Book and Forecasts 2013/16). This figure will be updated as the year progresses.

6 CONTROL OF GROWTH

- 6.1 The impact of demographic change and financial cover for risk - that is outcomes that could be worse than assumed - was built into the budget as set out in Tables 8 and 9, and is detailed at [Annex 8](#). It is important that estimates of growth for 2013-14, made in November 2012, are checked against actual demand so that any over-estimate is revised accordingly. Equally, the funding to cover risk can only be accessed for 2013-14 where evidence can be adduced for that funding.

Table 8: Growth £000's

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

Table 9: 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	1,000	3,400	5,400
Superannuation Revaluation	0		2,500	2,500
Change Management Implementation Fund	4,000		-	
Savings Profiling	2,000	1,800	-	
Price inflation unallocated				1,000
Growth unallocated			726	-
	7,700	2,800	6,626	8,900

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

7 INCOME AND DEBT

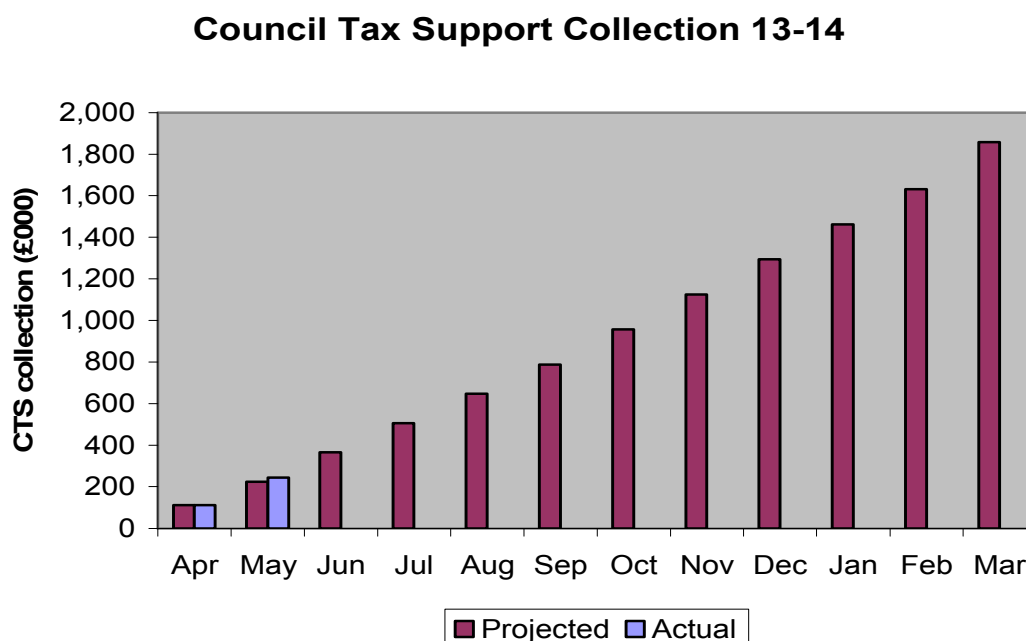
7.1 The Council's income arrangements with regard to non Council Tax and Business Rates were reviewed and reported to the May 23 Cabinet. Revenue and Income falls into the four broad areas shown below for reporting purposes, which will be developed:

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

	2013-14 Collectable	2013-14 Collected	%
Council Tax	135,419	25,680	19.0
Business Rates	70,396	13,749	19.5
Fees and charges – Adults	30,795	7,569	24.6
Fees and charges – all other services	21,464	11,980	55.8

7.2 There is a backlog of Accounts Receivable debt to be processed in the last two areas. Reporting will continue until a normal level of debt is reached. The detail is at [Annex 9](#).

7.3 A high risk income item is that required from residents who previously paid no Council Tax. The graph below will track collection performance against the budget assumption.

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

- 7.4 The council tax support scheme was introduced in April. As this involves billing a large number of properties who have not previously paid Council Tax, having previously received benefit at 100%, an overall collection rate of 75% generating £2.8 million has been assumed. The forecast is that £1.86 million (66%) will be collected by 31st March with recovery actions post 31st March increasing the collection to the target figure. At 31st May collection was slightly ahead of the profiled forecast
- 7.5 Recovery from non Working Age debtors is continuing as normal. Action taken to recover from those of Working Age that previously received 100% Council Tax Benefit was delayed by a month to allow for late payments or any queries caused by having to pay for the 1st time. 6,750 reminders were issued on 10th May, the response to which was low although in line with our forecast profile.
- 7.6 Repayment plans offering weekly/fortnightly instalments were offered to those contacting the Council. The 1st court hearing is due on 9th July, although a relatively low number of cases will be taken for this hearing. Assuming Liability Orders will be granted by the courts, we will look to apply for deduction of benefits or attachment of earnings wherever possible. For benefit claimants this allows for £3.65 per week to be deducted from the claimants benefit which, for a Band A property, will take in excess of 18 months to collect. It is inevitable some customers will refuse to engage with the Council, or deductions or an attachment is not possible, and we will have no alternative other than to use bailiffs to attempt to collect this debt. Discussions have been held with bailiffs explaining the circumstances that have led to the debt and likely collection profiles. These new debtors will be identified to the bailiff.
- 7.7 Issues regarding the collection of sundry debt were reported to Cabinet on 23 May 2013. The use of reserves had been earmarked to fund any increased need for debt write offs or increase to the bad debt provision. A significant amount of income has been received to reduce the level of debt and therefore the call on reserves. There is a need to fund the costs of severance and associated increased pension costs in the year of up to £5.5 million. It is proposed that any unused reserves will be used for this purpose.
- 7.8 The delivery of permanent savings on staffing budgets requires initial costs to be incurred for redundancy costs and where applicable pension. Provision of £5.5 million has been made for these costs and this remains the latest estimate for the implementation of the 2013/14 savings. Payments of £3.7 million have so far been incurred for these costs. The remaining costs will be incurred as staff leave the authority during 2013/14.
- 7.9 Business Rates income collection was 19.5% during May. This was approximately £760,000 less than at the equivalent period in 2012-13. Comparisons will fluctuate as some payments received early last year in respect of Health Authority payments amongst others are awaited this year. The timing of refunds may also skew the comparison. Recovery procedures have been tightened with debt being pursued earlier and the position is being closely monitored.

8 MANAGEMENT ACTIONS

- 8.1 The Departmental Directors and the Chief Executive's Strategy Team will seek to identify actions to keep spend within the Budget allocated – these actions are

detailed in Annex 10. The spending freeze agreed decisions are reflected within the tables above.

- 8.2 It is proposed that, as part of the budget architecture, prudent budget management is rewarded at the year-end, with the ability to carry forward underspends. Equally, less than prudent budget management will require that departments fund any overspending from the following year's budget. The detailed guidance will be presented for approval at Month 3.

9 CASHFLOW

- 9.1 As part of the development of monitoring, cost centre managers are embarking on the profiling of their budgets to reflect how spend actually occurs. Eventually we should be able to be proactive in deciding when spend will take place, and get income to arrive earlier to improve the Council's cashflow and earn more income from interest. This section will develop over the year.

10 RELEVANT RISKS

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

11 OTHER OPTIONS CONSIDERED

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

12 CONSULTATION

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

13 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

14 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

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

Table 11: 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 M2		0.04
Projected balance 31 March 2014		17.24

Note: these figures may be subject to change as the 2012/13 accounts were being finalised as this report was written.

- 14.2 The current levels of Earmarked Reserves are shown in Table 12 with a full listing included at Annex 11. Earmarked Reserves are currently forecast to be £64.9 million which compares to £86.2 million reported in the June 2012 Revenue Monitor.

Table 12: Earmarked Reserves 2013/14

	Balance at 1 April 2013 £000	Movement in year £000	Current Balance 31 May 2013 £000
Housing Benefit Reserve	10,155	-	10,155
Insurance Fund	7,820	-	7,820
Working Neighbourhoods Fund	761	-	761
Redundancy Fund	5,500	-	5,500
Grant Reserves	1,108	-	1,108
Management of other risks	25,898	-	25,898
School Balances and Schools Related	<u>13,684</u>	-	<u>13,684</u>
Total Reserves	64,926		64,926

Note: these figures are subject to change as the 2012/13 accounts were being finalised as this report was written.

15 LEGAL IMPLICATIONS

- 15.1 The entire report concerns the duty of the Council to avoid a budget shortfall as outlined at paragraph 5.5. This is not just an academic exercise in balancing the books. The Chief Finance Officer is under a personal duty under the Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.
- 15.2 If the Chief Finance Officer reports that there are insufficient resources to meet expenditure, the Council is prevented from entering into any new agreement which may involve the incurring of expenditure at any time by the authority, until the report is considered, and if the problem is ongoing until it is resolved. It is remarkably broad in its prohibition of new agreements, no matter what their scale. It would not only prevent the authority from hiring new staff or letting new construction contracts, but from ordering minor office supplies.

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
Head of Financial Control
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 are being submitted monthly.	
Budget Council	5 th March 2013

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	Reports Available For Council Excellence Overview & Scrutiny Committee
			Monthly	Monthly	Quarterly
1	April	May 8	May 28	June 13	-
2	May	Jun 7	June 18	July 11	-
3	June	Jul 5	Aug 13	Sept 5	01-Oct
4	July	Aug 7	Sept 24	Oct 10	-
5	August	Sept 6	Sept 24	Oct 10	-
6	September	Oct 7	Oct 22	Nov 7	27-Nov
7	October	Nov 7	Nov 26	Dec 12	-
8	November	Dec 6	Dec 17	Jan 16	-
9	December	Jan 8	Jan 21	Feb 11	26-Mar
10	January	Feb 7	Feb 25	Mar 13	TBC
11	February	Mar 7	TBC	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC	TBC

AGREED BY COUNCIL ON 5 MARCH 2013

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

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

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

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

	Original Net Budget	Approved Budget Virements Mth 1	Previous Freeze Decisions	Approved Budget Virements Mth 2	Revised Net Budget
	£000	£000	£000	£000	£000
Chief Executive	8,240	-4,602	-	-	3,638
People - Adult Social Services	82,951	-	-	-	82,951
People - Children & YP, & Schools	91,738	-1,180	-	-5,534	85,024
People – Asset Mgmt & Transport	-	-	-	5,534	5,534
People – Safeguarding	685	1,396	-	-	2,081
People – Sports and Recreation	8,904	-	-	-	8,904
Places - Environment & Regulation	79,651	-	-	-	79,651
Places – Housing & Comm Safety	15,342	-569	-	-	14,773
Places – Regeneration	5,134	-	-	-	5,134
Transformation & Resources	12,424	4,955	-	-	17,379
Corporate Growth & Savings	-3,252	-	-	-	-3,252
Freeze decisions	-	-	-	-	-
Net Cost of Services	301,817	0	0	0	301,817

Relating to the completion of the 2012-13 accounts

Cabinet	Items	£m

Variations to the approved budgets 2013-14

Cabinet	Items	£m
n/a	Corporate and Democratic Services to be grouped within the Transformation and Resources Directorate where Direct management control for these areas lies	4.639
n/a	The Anti-Social Behaviour team is part of the Families and Well Being Directorate - Children and Young People and the budget has therefore been transferred from Housing and community safety.	0.569
n/a	Quality Assurance and Family Group Conferencing have been transferred from Specialist Services in Children and Young People to the Joint Safeguarding unit where direct management control lies.	1.396
n/a	A support post has also been transferred from Transformation and Resources to the Chief Executive's Directorate.	0.037
n/a	A number of training and legal posts have been transferred from Children and Young People to Transformation and Resources	0.353
	OVERALL IMPACT OF THESE DECISIONS	0.0

Virements below level requiring Cabinet approval

Cabinet	Items	£m

Annex 4 - RAGBY FULL DETAILS

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Chief Executive	4	0	0	4	0	0
Adult Social Services	2	0	1	0	1	0
Children & Young People, & Schools	7	0	0	7	0	0
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	1	0	0
Environment & Regulation	2	0	0	1	1	0
Housing & Comm Safety	1	0	1	0	0	0
Transformation & Resources	7	0	0	7	0	0
Corporate Growth & Savings	2	0	0	2	0	0
Total	27	0	2	23	2	0

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	0	0	0	0	0.0%

Business Area Yellows

	Chief Exec	People	Places	Trans & Res	Total	Percent of total
Yellow underspend	0	0	0	0	0	0.0%

Subjective Area Reds

Expenditure

Customer/Client Receipts: The forecast of £1.8 million below budget is due to the £2m income adjustment referred to in paragraph 4.5 in the main report.

Subjective Area Yellows

Expenditure

Supplies and Services: The forecast £2.4 million underspend is a result of various savings within Adult Social Services, Children and Young People, and Regeneration and Environment.

Annex 5 SAVINGS TRACKER

1 Summary

BRAG	Number of Options	Approved Budget Reduction	Amount Delivered at May	To be Delivered
B - delivered	22	16,744	16,744	0
G – on track	32	19,813	2,630	17,183
A - concerns	16	11,788	0	11,788
R - failed	0	0	0	0
Total at M2 May	70	48,345	19,374	28,971
<i>Totals at M1 April</i>	<i>70</i>	<i>48,345</i>	<i>9,927</i>	<i>38,418</i>

P – replacements for R	0	0	0	0
------------------------	---	---	---	---

2 Detail

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

Families and Well Being - DASS

Details	£000	Comments / progress on implementation	BRAGP (see note below)
Community Meals	169	Contract to cease at the end of tenure in June 2013.	G
Charging for Non Residential Services	880	Implemented	G
Targeted Support through NHS Contracts	1,828	All clients no longer requiring double handling identified contract performance to be monitored. (£83k)	G
		Use of Social Fund Grant Allocation.(£800k)	A
		Service specifications and procurement schedule for re-ablement and domiciliary care in progress to enable contracts to be let from 1st October 2013. (£84k)	G
		Targets being prepared for residential placement numbers. Need to reflect the new neighbourhood structures. (£454k)	A
		Continuing Health Care – correct application of law and policy. (£377k)	A
Extra Care Housing/External Respite and Short-term Provision	300	Extra Care Housing Provider Negotiations continue.	G
		Revised Respite Policy to be produced and review the feasibility for block contracts for respite	A
Residential and Respite Care	160	Ongoing review of 4 clients transferring to supported living	G
Day Care and Day Services Transformation	750	Consultation completed and service proposals finalised	G

Review of Support for Carers	250	Letter issued and reviews planned for one-off payments, payments not related to client assessed need, and payments to related individuals	G
Assistive Technology	150	Charges to be introduced 1st July 2013	A
Review of VCF Sector Grants	705	Implemented	B
Review of Residential Care for Learning Disabilities	300	Overarching general framework, fee structures and outcomes approach agreed. Provider Consultation started	G
Review of Equipment Service	100	Revised S75 in place for 2013-14 with Community Trust. Discussions to commence with NHS re revised hosting arrangements	A
Modernisation of Leisure	429	Revised shift rotas to match programme changes at each of the Swimming Pools are expected to be fully implemented by July 2013. The initial delay in implementation is expected to result in slippage of £125k on this budget savings option.	A

Families and Well Being - Childrens

Details	£000	Comments / progress on implementation	BRAGP (see note below)
Education Psychology Service	80	This has been achieved through existing vacancies in the service.	B
Schools Budget	250	Reduction in Council contribution towards Schools PPM	B
School Improvement and Income from Schools	160	The review of the school improvement programme is on track, as is anticipated buy back of services from Academies.	G
Careers, Education and Advice	700	Contract renegotiation has achieved this saving for the full year.	B
Transport Policies	250	Implementation of changes in DASS transport delayed until after consultation on Day Care. DASS are taking the lead on this saving.	A
Area Teams for Family Support	200	Restructure is underway, but anticipated slippage of £30k.	A
Schools Music Service	21	Saving achieved.	B
Oaklands Outdoor Education Centre	23	Subsidy has been removed, saving has been achieved.	B
Foundation Learning	121	Reduced commissioning has achieved this saving	B
Commissioning of Parenting Services	700	Reduced commissioning has achieved this saving	B
Youth and Play Services	687	Restructure underway, but slippage of £100k is anticipated.	G
Youth Challenge	200	Reduced provision has achieved this saving	B

Children's Centres and Sure Start	1,576	Slippage in transfers and restructure is anticipated at 241k. However this figure may increase to 441k if procurement forecasts of a delay in completion to January prove accurate.	A
Short Breaks for Children with Disabilities	150	Reduced commissioning has achieved this saving	B
Child and Adolescent Mental Health Service	250	Restructure is underway, but anticipated slippage of £13k	A

Regeneration and Environment

Details	£000	Comments / progress on implementation	BRAGP (see note below)
Pre-Planning Advice	10	On target to be achieved	G
Home Insulation	926	Programme ended saving achieved	B
Pest Control	30	There is some of slippage on this budget saving due to a delay in the departure of an employee and the associated costs. It is expected that this slippage will be managed within existing budget resources.	G
Invest Wirral	352	This saving is on target - the funding related to economic activities that are no longer continuing.	G
Car Parking	281	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from an increase in income generated from the review of car parking charges. The income target will be closely monitored throughout the year and currently there are no problems envisaged to achieving this saving.	G
Garden Waste Collection	582	The garden waste subscription service starts from June and to date over 30,000 residents have signed up for the service. At present, there are no immediate concerns to achieving this budget saving.	G
Household Waste Collection	80	An increase in the charge for the ERIC service has been agreed and the budgeted income target increased accordingly. However, increasing the range of charges for replacement wheelie bins has not yet been implemented due to resource problems within the CRM. This delay in implementation creates £4k of slippage per month on this budget saving.	A

Apprentice Programme	420	Savings achieved	B
Handyperson Scheme	209	There is some slippage on this budget saving due to a delay in the departure of employees. It is expected that this slippage will be managed within existing budget resources. Services to the general public ceased trading in April/May after scheduled works had been completed. Any new referrals have been directed to the Local Authorities Approved Contracted List held by Trading Standards.	G
Trading Standards	71	This budget savings option involved the reduction of two posts within the section. One of these posts was already vacant and so the saving will be achieved. There will be some of slippage with the saving on the other post due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources.	G
Highway Maintenance	588	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the works plan of the service and will therefore be achieved.	G
Street Cleansing	1,000	A reduction in cleansing frequency has been negotiated with the Council's contractor. These changes take affect from July 2013. A July commencement date will result in £250K of the saving being delivered from 2014/15 onwards. This is in accordance with the plan which envisaged use of the Efficiency Fund or Savings Profiling budget to bridge the gap. Once formally agreed this will result in a green rating.	A
School Waste	180	An income target has been created which will be monitored throughout the year. Currently there are no problems envisaged to achieving this saving.	G
Street Lighting	265	There is a small amount of slippage on this budget saving due to a delay in the departure of an employee. It is expected that this slippage will be managed within existing budget resources. The bulk of this saving will be achieved from a reduction in maintenance works. This reduction has already been built into the works plan of the service and will therefore, be achieved.	G

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

Transformation and Resources

Details	£000	Comments / progress on implementation	BRAGP (see note below)
Efficiency Investment Fund	4,400	Cabinet 8 th November 2012 agreed to elimination of fund and growth and replacement by rolling fund	B
Local Council Tax Support Scheme	2,785	Scheme introduced and progress being monitored as per section 7.3 above	G
Reducing Council Management	5,000	Broken down as: £318k LHRAM Senior Mgmt – £23k slippage against the target due to people still in post until mid-May. £110k Regulatory Services – slippage of £21k against the target due to people still in post until mid-May.	G G
Reducing the numbers of Agency workers	500	A corporate saving. This is to be allocated to Directorates during the year.	A

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 £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.	G A G A
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
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
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
Procurement	320	This saving has not progressed as anticipated, but compensatory savings are expected to be made during the year.	A
Treasury Management	1,700	Built into budget to reflect the revised Capital Programme	B
Information Technology Service	210	Full savings for this budget option delivered in year one.	B
Better Use of Buildings	100	Details as to how this saving will be achieved are to be finalised as there are also savings that have rolled forward from previous years relating to assets.	A
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.	G
Revenues and Benefits	550	This saving has been built into the budget and staffing levels are in line with its achievement.	B
Marketing and Public Relations	167	Funding removed from budget	B
Tranmere Rovers Sponsorship	135	Sponsorship has ended.	B
Power Supplies - Contract Saving	11	A new supply contract is in place.	B
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

Workforce Conditions of Service	3,800	Negotiations with TUs are concluding. Target saving likely to be £3.7 million. Slippage depending upon agreement is likely	A
Area Forum Funding	391	Savings achieved	B
Libraries and One Stop Shops	391	Staff savings at the budget level are evident in April monitoring.	G
Housing Benefits – Maximisation of Grant	2,000	Saving has been incorporated into the budget and is expected to be achieved.	G
Council Tax Increase	2,600	Saving has been incorporated into the budget and is expected to be achieved.	B
Council Tax: Discounts and Exemptions	2,284	Saving has been incorporated into the budget and is expected to be achieved.	B
Council Tax: Court Costs	2,429	Saving has been incorporated into the budget and is expected to be achieved.	G

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

ADULTS

Details	Proposed 13-14 (£000)	Delivered 13-14 (£000)	Proposed 14-15 (£000)	Proposed 15-16 (£000)	Comments / progress on implementation
Live savings					
Service Reviews (for development and future discussion with members)	1,143		2,536	665	
Management action	2,340		1,714	1,004	
Total all categories	3,430		3,689	1,689	

Children

Details	Proposed 13-14 (£000)	Delivered 13-14 (£000)	Proposed 14-15 (£000)	Proposed 15-16 (£000)	Comments / progress on implementati on
Commissioning (saving achieved in advance)	250	250			Saving achieved in advance of 14-15 requirement
Connexions/CEIAG (saving achieved in advance)	300	300			Saving achieved in advance of 14-15 requirement
Transfer Pension costs to Schools Budget	100				Costs to be transferred as in 2012-13
Uncommitted Adoption Grant	200				As per cabinet report June 2013
Further reduction in PPM programme for schools	200				Reduction to be taken into account in the available programme
Springboard / School Readiness additional budget	400	400			Budget not committed
YOS bring forward service review	50				To be met from

					vacancies and spend controls
Total	1,500	950			

Annex 7 FREEZE OUTCOMES

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

Annex 8 GROWTH AND RISK

Growth £000's

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

Risk £000's

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

Annex 8 (Continued)

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

Annex 9 INCOME AND DEBT

Council Tax

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

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	135,419,165	125,899,000
Cash Collected	25,680,000	24,706,000
% Collected	19%	19.6%

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

Number of Council Tax Support recipients	38,660
Total Council Tax Support expenditure	£28,140,000
Number of pensioners	16,544
Number of vulnerable	6,141
Number of working age	15,975

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

Business Rates

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

	Actual 2013/14 £	Actual 2012/13 £
Cash to Collect	70,395,933	69,064
Cash Collected	13,748,993	14,514
% Collected	19.5%	21.02%

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	1 st Reminder	2 nd Reminder	3 rd Reminder	Total as at 31.05.13
Chief Executive	39,169	2,353	0	14,031	55,553
People	4,232,140	694,830	151,743	3,368,825	8,447,538
Places	1,000,064	107,559	156,345	2,565,775	3,829,743
Transformation & Resources	7,321,716	3,000,670	754,634	7,530,835	18,607,855
Total	12,593,089	3,805,412	1,062,722	13,479,466	30,940,689

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

BENEFITS

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

	2013/14	2012/13
Number of Private Tenant recipients	31,391	29,562
Total rent allowance expenditure	£22,937,159	
Number under the Local Housing Allowance Scheme (<u>included in the above</u>)	11,965	9,883
	£9,570,692	
Number of Council Tax Support recipients	38,660	
Total Council Tax Support expenditure	£28,140,000	
Total expenditure on benefit to date	£51,156,833	

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

Private Tenants

Claimants in the Private Rented Sector	14,584
Claimants in the Social Rented Sector	16,807
Owner Occupiers	10,668
Total claimants by age group	
under 25 years old	2,689
25 – 60 years old	21,754
over 60 years old	17,616

There are **42,059** benefit recipients in Wirral as at 31 May 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 & there are 3,247 households affected;
- Two or more spare bedrooms incurs a 25% reduction – the Wirral average is currently £21 weekly & there are 919 affected;
- Out of a total social sector HB caseload of 16,807; 4,166 are currently affected by this
- Cases that are deemed exempt from the reduction is 3,376

Housing Benefit Fraud and Enquiries - 1 April 2013 to 31 May 2013

New Cases referred to Fraud team in period	193
Cases where fraud found and action taken	6
Cases investigated, no fraud found and recovery of overpayment may be sought	77
Cases under current investigation	192
Surveillance Operations Undertaken	0
Cases where fraud found and action taken:	6
Administration penalty	0
Caution issued and accepted	1
Successful prosecution	5
Summons issued for prosecution purposes	7

Discretionary Housing Payments

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

The Government contribution for 2013/14 is £917,214 with an overall limit of £2,293,035 which the Authority must not exceed. These levels have increased significantly this year as part of central government's measures to help alleviate hardship resulting from the major welfare reforms, such as under occupancy as well as ongoing Local Housing Allowance issues. In April £27,093 was paid, however there were at month end 745 claims to be considered. These new applications are mainly due to those affected by the under occupancy sanctions and additional information has been sought to allow assessment to proceed. It is expected that Wirral will use up the full government contribution by year end.

Local Welfare Assistance

From April 2013, the discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund were abolished and replaced in Wirral by our new Local Welfare Assistance Support Scheme (LWA). For 2013/14 Wirral's scheme is supported by a £1,345,925 Government Grant. Wirral's scheme replaces cash

payments in favour of suitable alternatives where at all possible e.g. through the provision of pre payment cards for food and fuel and direct provision of white goods. The scheme is to be reviewed after six months to see how implementation has gone and for possible scheme alterations. The number of applications is rising on a week by week basis. LWA applications for May 2013 average 77 per week

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

Number of Awards Granted	594	£ 41,463
Number of Awards not qualifying	361	

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).	

Annex 11 EARMARKED RESERVES - GENERAL FUND £000's

	Balance 1 April 13 £000	Movement £000	Balance 31 May 13 £000
School Balances	11,937	-	11,937
Housing Benefit	10,155	-	10,155
Insurance Fund	7,820	-	7,820
Redundancy Fund	5,500	-	5,500
IT/Intranet	3,161	-	3,161
Local Pay Review	2,296	-	2,296
Community Fund Community Asset Transfer	2,146	-	2,146
Efficiency Investment Rolling Fund	2,000	-	2,000
One Stop Shop / Libraries IT Network	1,878	-	1,878
Worklessness Programme	1,084	-	1,084
Supporting People Programme	996	-	996
Stay, Work, Learn Wise	908	-	908
Intensive Family Intervention Project	871	-	871
Working Neighbourhoods Fund	761	-	761
Schools Harmonisation	668	-	668
Children's Workforce Development Council	559	-	559
Apprentice Programme Phases 2&3	546	-	546
Home Adaptations	518	-	518
Planned Preventative Maintenance	463	-	463
ERDF Match Funding	444	-	444
Schools Automatic Meter Readers	415	-	415
Schools Contingency	370	-	370
Child Poverty	350	-	350
Business Improvement Grant	342	-	342
Local Area Agreement Reward	322	-	322
Group Repair	307	-	307
Schools Service IT	294	-	294
Homeless Prevention	271	-	271
New Homes Bonus	260	-	260
Strategic Asset Review	251	-	251
Other Reserves	7,033	-	7,033
Total Reserves	64,926	-	64,926

Note: Figures are subject to change as at time of writing the 2012/13 accounts were being finalised

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
	Legal Fees ex CYP	Foster Care placements - with improved work routines, amenable to reduction.	100	50	0		Funding to be identified by Strategic Director
Places							
	RHP	Homeless Grant rolled into Formula Grant, but not taken out of budget. No solution.	221	221	221	221	Funding to be identified by Strategic Director
	Willowtree	Shortfall in accommodation budget; resolution depends on service and asset disposal	33	33	33	33	Agreed can be met from permanent budget reduction
Transformation							
	Market Supplements	Single Status is unimplemented. Until then, grade mismatches can only be 'fixed' by market factors. Estimated has reduced from £1m in M1 to £490k excluding any additional cover. Long-term option to resolve SS.	490	450	450	0	Reduced from £1m M1 Monitor based on latest estimates.
	2012-13 T&C's	Non-achievement; count as part of 2014-15 target	300	0	0	0	Funding to be identified by Strategic Director
	2012-13 Trans Bus S	Non-achievement; count as part of 2014-15 target	300	150	0	0	Funding to be identified by Strategic Director
	2013-14 T&Cs	Shortfall in achievement; count as part of 2014-15 target	90	0	0	0	Funding to be identified by Strategic Director
	Facilities Management	Shortfall in achievement on closure of buildings; count as part of 2014-15 target	250	0	0	0	Agreed can be met from permanent budget reduction
Totals			3,784	2,904	2,704	2,254	
Solutions			2013-14	2014-15	2015-16	2016-17	
	Agreed redns	Willowtree Facilities Management	-33 -250	-33	-33	-33	Agreed can be met from permanent budget reduction
	In M1 monitor	Adults income – in 2013-14 funded from unbudgeted income budgeted for in later years	-2,000				
Current additional resource required from savings			1,501	2,871	2,672	2,335	

**WIRRAL COUNCIL
CABINET**

11 JULY 2013

SUBJECT	CAPITAL MONITORING 2013-14 MONTH 2 (MAY 2013)
WARD/S AFFECTED	ALL
REPORT OF RESPONSIBLE PORTFOLIO HOLDER	INTERIM DIRECTOR OF FINANCE COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1. EXECUTIVE SUMMARY

This report sets out the capital position for 2013-14 at Period 2 (May 2013) and actions to minimise risk.

2. RECOMMENDATIONS

2.1 That Cabinet is asked to note:

a) the spend to date at Month 2 of £1.964m, with 16.7% of the financial year having elapsed.

2.2 The Cabinet is asked to agree:

b) the revised Capital Programme of £50.457m (Table 1 at 4.1);

c) the additional slippage from 2012-13 of £0.246m and the anticipated slippage of £1.150m into 2014-15;

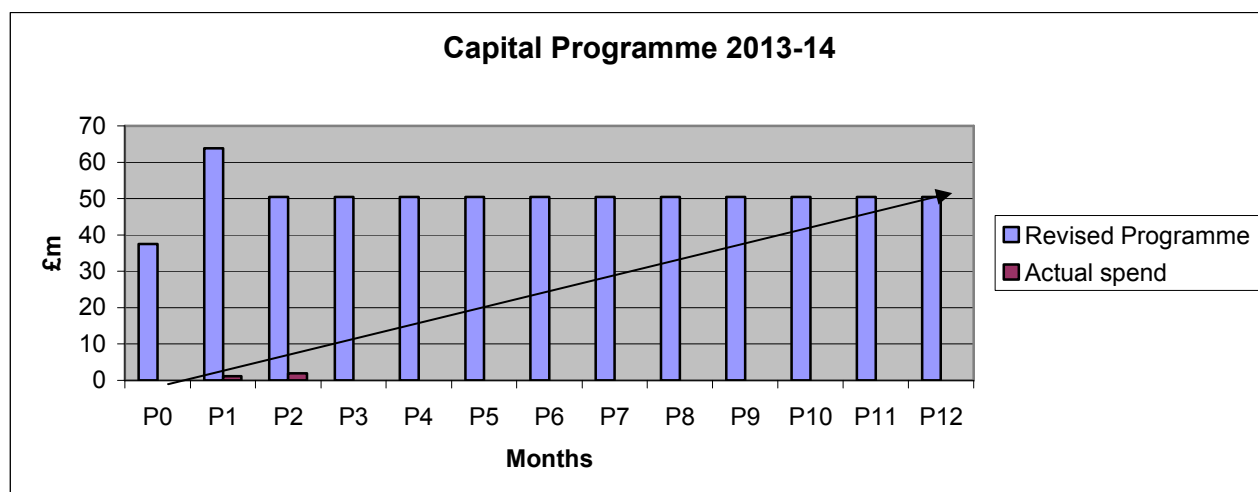
d) the re-profiling of two major schemes into 2014-15, totalling £12.6m; and

e) the receipt of additional Local Sustainable Transport grant of £0.100m.

3 OVERALL POSITION AT PERIOD 2 (May 2013)

3.1 The projected capital forecast for the year, at Month 2 shows a potential outturn of no overspend or underspend but includes the slippage and re-profiling referred to above. The issue of re-profiling has been introduced to try and more accurately reflect how major schemes are progressing compared to the newly introduced "Gateway" system for capital schemes. Feasibility studies have not been completed and such the first gateway has not been reached.

Chart 1: Capital Programme spend below line of best fit



4 ORIGINAL AND PROPOSED CAPITAL PROGRAMME FOR 2013-14

4.1 The capital budget for 2013-14 is subject to change. The Period 2 monitor shows the programme agreed by this Committee on 13th June. Further approval is requested for additional slippage (£1.150m) and re-profiling (£12.6m).

Table 1: Capital Programme 2013-14 at Period 2 (May) £000's

	Capital strategy	Changes approved by Cabinet	Slippage to be approved by Cabinet	Other changes to be approved	Revised Capital Programme
Invest to save	1,400	0	0	0	1,400
Bids to release assets	1,053	2,457	0	0	3,510
People - Adults	11,025	625	-1,150	-8,600	1,900
People - CYP	10,286	9,925	0	-4,000	16,211
Places - Regeneration	5,979	6,408	246	0	12,633
Places - Environment	7,196	5,772	0	100	13,068
Trans & Res -Finance	210	0	0	0	210
Trans & Res - Asset Mgt	315	1,210	0	0	1,525
Total expenditure	37,464	26,397	-904	-12,500	50,457

4.2 A summary of the variations to be approved by Cabinet for Period 2 is set out below.

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

	Changes to be Approved By Cabinet	Explanation (A) Policy (B) Items previously deferred (C) Additional funding (D) Slippage (E) Re-profiling
People – Adults	-750 -400 -8,600	The development of the transformation of day service programme was dependent on the outcome of the budget option report presented to this committee on 13th June. (D) The integrated I.T. Scheme is now expected to commence in September. (D) The L.D. Extra Care Housing scheme is currently at the planning stage involving discussions with housing and private sector providers of learning disability care. (E)
Places - Environment	100	Additional local sustainable transport grant has been received. (C)
People - Children's & Young People	-4,000	DFE capital maintenance allocation. The receipt of one year allocations will again result in the need to re-profile a number of schemes to allow for consultation, design, scoping and procurement before commencement. (E)
Places - Regeneration	246	Following the closure of the 2012-13 accounts there are a number of additional schemes that require additional slippage in order for them to progress e.g. New homes bonus and empty property interventions (D)
Total expenditure	-13,404	

4.3 The Council is awaiting the announcement of a Government scheme to 'capitalise' statutory redundancy costs. As there was no scheme in 2012-13, the amount held by the DCLG will be over-subscribed. There is no certainty that the Council will succeed in its bid. If the bid was successful it would add to the programmed spend, which would be funded from Capital Receipts.

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

5 PHASING OF THE PLAN – THE USE OF GATES

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

to have it working by end-July. Table 3 examples the Gates for the Capital Receipts programme.

Table 3: example of five Gates for Capital Receipts

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

- 5.2 The benefit of the system is that each scheme will be planned across the year(s), initially in Quarters, and progress can be tracked. Further, all the schemes can be 'added up', so we will have a predicted phasing for the whole capital programme, over three years.
- 5.3 Having this information will enable us to intervene where schemes are slipping, navigate around 'choke points' where everything is happening at once, and plan the funding of the programme, so we can manage to finer tolerances. For example, historically, the Council has always carried a high level of capital receipts, to cover risk, rather than using them.

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

- 6.1 Until the Concerto system is in place, we will continue to use the general measure of progress introduced last year. The actual capital expenditure at Period 2 is £1.964m with 16.7% of the financial year having elapsed. .

Table 4: Spend to date May (2/12 = 16.7%)

	Spend to date		Comments on variation RAG
	£000	%	
Invest to save	0	0	Green -acceptable
Bids to release assets	34	1.0	Green -acceptable
People - Adults	0	0	Green -acceptable
People - Children's & Young People	858	5.3	Green -acceptable
Places - Regeneration	579	4.6	Green -acceptable
Places - Environment	182	1.4	Green -acceptable
Trans & Res -Finance	99	47.1	Green -acceptable
Trans & Res - Asset Mgt	212	13.9	Green -acceptable
Total expenditure	1,964	3.7	

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

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

	Revised	Projected	Variation
	Budget	Outturn	
Invest to save	1,400	1,400	0
Bids to release assets	3,510	3,510	0
People - Adults	1,900	1,900	0
People - Children's & Young People	16,211	16,211	0
Places - Regeneration	12,633	12,633	0
Places - Environment	13,068	13,068	0
Trans & Res -Finance	210	210	0
Trans & Res - Asst Mgt	1,525	1,525	0
Total Expenditure	50.457	50,457	0

7 SCHEMES THAT ARE NOT KEEPING TO PLAN.

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

8 FINANCING OF THE CAPITAL PROGRAMME

8.1 Table 6 summarises the financing sources and changes made to Period 2. 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	10,764	-2,467	16,217
Capital Receipts	3,121	4,075	0	7,196
Revenue and Reserves	888	1,243	82	2,213
Grant – Education	8,786	7,746	-4,000	12,532
Grant – Integrated Transport	1,136	0	0	1,136
Grant – Local Sustainable Transport	695	295	100	1,090
Grant – Local Transport Plan	2,864	522	0	3,386
Grants – Other	12,054	1,752	-7,119	6,687
Total Financing	37,464	26,397	-13,404	50,457

9 PROJECTED LONGER TERM CAPITAL PROGRAMME

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

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

Capital Programme Financing	2013-14 Revised Estimate	2014-15 Revised Estimate	2015-16 Original Estimate	Total Programme
Unsupported Borrowing	16,217	5,327	1,300	22,844
Capital Receipts	7,196	2,838	1,000	11,034
Reserve Reserves	2,213	0	0	2,213
Grant – Education	12,532	5,607	357	18,496
Grant – Integrated Transport	1,136	1,155	0	2,291
Grant – Local Sustainable Transport	1,090	676	0	1,766
Grant – Local Transport Plan	3,386	2,699	0	6,085
Grants – Other	6,687	7,850	0	14,537
Total Financing	50,457	26,152	2,657	79,266

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

- 10.1 The cost of £1 million of Prudential Borrowing would result in additional revenue financing costs of £100,000 per annum in the following year. As part of the Capital Strategy 2013-14 to 2015-16 the Council has included an element of prudential borrowing. At Period 2 there is a sum of £22.8m of new unsupported borrowing included over the next three years, which will result in approximately £2.8m of additional revenue costs detailed at Table 8, if there is no change in strategy.

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

	2013/14	2014/15	2015-16	2016-17	Total
New Unsupported borrowing	16,217	5,327	1,300	-	22,844
Cumulative		21,544	22,844		
Cumulative Annual Revenue repayment costs		1,622	2,154	2,284	

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

Table 9: Analysis of Unsupported Borrowing

	2013/14	2014/15	2015-16	TOTAL
Spend to save	6,510	420	300	7,230
Other borrowing	9,707	4,907	1,000	15,614

11 CAPITAL RECEIPTS POSITION

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

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

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

	2013/14	2014/15	2015-16
Capital Receipts Reserve	8,100	2,404	7,016
In - Receipts Assumption	1,500	7,450	n/a
Out - Funding assumption	-7,196	-2,838	-1,000
Closing Balance	2,404	7,016	6,016

- 11.3 At the end of May the Council had received £0.823m usable capital receipts which are detailed in Annex 4.
- 11.4 Details of the schemes to be funded by capital receipts in 2013-14 can be found in Annex2.
- 11.5 Paragraph 4.3 noted the possibility of more spend - Redundancy costs – which would be funded from capital receipts.

12 RELEVANT RISKS

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

13 OTHER OPTIONS CONSIDERED

- 13.1 None.

14 CONSULTATION

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

15 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

16 RESOURCE IMPLICATIONS

- 16.1 The whole report is about significant resource implications.

17 LEGAL IMPLICATIONS

- 17.1 There are no legal implications.

18 EQUALITIES IMPLICATIONS

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

19 CARBON REDUCTION IMPLICATIONS

19.1 None.

20 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

20.1 None.

21 REASONS FOR RECOMMENDATIONS

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

REPORT AUTHOR: Reg Huyton
Finance Manager
Telephone: 0151 666 3403
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 th March 2013

Annexes:

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

CAPITAL MONITORING AND REPORTING TIMETABLE 2013/14

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

ANNEX 2 PROPOSED CAPITAL PROGRAMME AND FUNDING CABINET 11 JULY 2013

Department	Programme manager	Capital Strategy	Changes approved	Slippage to be approved	Re-profiling to be approved	Other changes to be approved	Total Programme	Borrowing	Receipts	Revenue / Reserves	Education Grants	Integrated Transport	Local Sustainable Transport	Local Transport	Other Grant	Total Funding
Invest to save or core efficiency																
Replace Integrated Childrens System	Mark Ellis	1,000					1,000	1,000								1,000
Energy schemes	Hazel Edwards	400					400	400								400
Invest to save or core efficiency Total		1,400	-	-	-	-	1,400	1,400	-	-	-	-	-	-	-	1,400
Bids that release redundant council assets																
Demolish Stanley Special	Mike Woosey	275					275	275								275
Demolish Bebington Town Hall and Liscard Municipal	Neil Corser	378					378	378								378
Demolish former Rock Ferry High	Mike Woosey	400					400	400								400
Strategic Asset Review	Jeff Sherlock		457				457	457								457
Fund to assist land assembly and re-sale			2,000				2,000		2,000							2,000
Bids that release redundant council assets Total		1,053	2,457	-	-	-	3,510	1,510	2,000	-	-	-	-	-	-	3,510
Transformation & Resources Finance																
West Kirby and Conway Centre OSS	Malcolm Flanagan	210					210			210						210
Transformation & Resources Finance Total		210	-	-	-	-	210	-		210	-	-	-	-	-	210
Transformation & Resources Asset Management																
The Priory	Gwenda Murray		25				25	25								25
Rock Ferry Centre	Gwenda Murray	315	141				456			456						456
Cultural Services Assets	Jeff Sherlock		220				220	220								220
Wallasey Town Hall	Gwenda Murray		810				810	810								810
Liscard Hall	Jackie Smallwood		14				14			14						14
Transformation & Resources Asset Management Total		315	1,210	-	-	-	1,525	1,055	-	470	-	-	-	-	-	1,525
People - Children & Young People																
Children's centres	Jeanette Royle		231				231				231					231
Aiming Higher for Disabled Children	Dawn Tolcher	240	267				507				507					507
Condition/Modernisation	Jeanette Royle	4,500	5,350		-4,000		5,850	407		21	5,422					5,850
Family Support Scheme	Simon Garner		115				115	115								115
Formula Capital Grant	Mike Woosey	2,000	535				2,535			42	2,493					2,535
Schools- Access Initiative	Jeanette Royle		66				66				66					66
Woodchurch One School Pathfinder	Jeanette Royle		132				132	21		8	103					132

Birkenhead High Girls Academy	Jeanette Royle		229			229			69	160					229	
Private Finance Initiative	Tom Quigley		205			205			150	55					205	
Pensby Primary School	Mike Woosey	1,510	267			1,777			85	1,692					1,777	
School Meals Uptake	Mike Woosey Matthew Humble		120			120				120					120	
Co-Location Fund			89			89				89					89	
SEN and Disabilities	Jeanette Royle		738			738				738					738	
Vehicle Procurement	Nancy Clarkson		158			158			158						158	
Park Primary	Jeanette Royle	-	180			180				180					180	
Rosclare Childrens Hotel	Mike Woosey		5			5			5						5	
Early years access	Jeanette Royle Lindsay Davidson		78			78				78					78	
Youth Capital			160			160	98			62					160	
School remodelling and additional classrooms	Mike Woosey	586				586	300			286					586	
Somerville primary school mobile replacement	Mike Woosey	450				450	200			250					450	
Wirral Youth Zone	Dawn Tolcher	1,000	1,000			2,000	567	1,433							2,000	
People - Children & Young People Total		10,286	9,925	-	-4,000	-	16,211	1,708	1,433	538	12,532	-	-	-	-	16,211
People - Adults																
Transformation of Day Service	Paula Pritchard	625	625	-750		500								500	500	
Integrated IT	Sandra Thomas Mike Houghton- Evans	1,400		-400		1,000								1,000	1,000	
LD extra care housing		9,000			-8,600	400	400								400	
People - Adults Total		11,025	625	-1,150	-8,600	-	1,900	400	-	-	-	-	-	-	1,500	1,900
Places Environment																
Congestion	Simon Fox	-	5			5	5									5
Road Safety	Simon Fox	1,155	103			1,258	83			1,136	39					1,258
Air Quality	Simon Fox	-	245			245	245									245
Local Sustainable Transport	Simon Fox	676	275			1,051					1,051					1,051
Transportation	Simon Fox	-	34			34	34									34
Street Lighting	Simon Fox	-	229			229	229									229
Bridges	Simon Fox	-	811			811	811									811
Highways Maintenance	Simon Fox	2,864	992			3,856	992					2,864				3,856
Additional Highways Maintenance Funding	Simon Fox		522			522						522				522
Asset Management	Shaun Brady	-	84			84								84		84
Coast Protection	Neil Thomas		186			186	186									186
Wheelie Bin Buyout	Tara Dumas	-	1,600			1,600	1,600									1,600
Parks Plant and Equipment	Bill Hancox Anthony Bestwick	1,498				1,498		1,498								1,498
Parks vehicles replacement		440				440		440								440
Park depot rationalisation	Mary Bagley	500				500		500								500

Landican Cemetery	Mary Bagley	-	82				82	82								82
Birkenhead Park Restoration Fees	Mary Bagley	-	97				97	97								97
Hoylake Golf Course	Mary Bagley	-	30				30	30								30
Park Outdoor Gyms	Jackie Smallwood	-	167				167						167			167
Reeds Lane Play Area	Jackie Smallwood	-	61				61						61			61
Eastham Country Park	Christine Smyth	-	36				36						36			36
Royden Park	Christine Smyth	-	20				20						20			20
Floral Pavilion Stage & Orchestra Pit	Kate Carpenter	-	37				37	37								37
Cemetery Improvements	Mary Bagley		80				80	80								80
Birkenhead Tennis Courts	Mary Bagley		90				90	90								90
Leisure Equipment	Damien Walsh	63	-14				49			49						49
Places - Environment Total		7,196	5,772	-	-	100	13,068	4,601	2,438	49	-	1,136	1,090	3,386	368	13,068
Places - Regeneration																
Think Big Investment Fund	Alan Evans		434				434	434								434
Clearance approved Cabinet	Alan Lipscombe		2,110	89			2,199	830	560	47					762	2,199
Home improvement approved Cabinet	Alan Lipscombe		1,057	65			1,122	573	390	159						1,122
Disabled Facilities – Adaptations	Greg Cooper	2,929	939	-35			3,833	1,904		300					1,629	3,833
Improvement for sale grants	Lisa Newman		200	180			380			380						380
Heather Thomas	Heather Thomas		107	-107			-									-
Wirral Healthy Homes	Ed Kingsley	250	149	-30			369	119	250							369
Cosy Homes Heating	Ed Kingsley	250	149	-30			369	119	250							369
Empty Property Interventions	Paul Jackson		297	37			334	121	125	60					28	334
New Brighton	David Ball		1,115	47			1,162	1,162								1,162
Maritime Business Park	Alan Evans	2,800					2,800	400							2,400	2,800
Places - Regeneration Total		5,979	6,408	246	-	-	12,633	5,543	1,325	946	-	-	-	-	4,819	12,633
Grand Total		37,464	26,397	-904	-12,600	100	50,457	16,217	7,196	2,213	12,532	1,136	1,090	3,386	6,687	50,457

Annex 3

Deferred Unsupported

Summary	2013-14	2014-15	2015-16	Totals
	£000	£000	£000	£000
Invest to save or core efficiency	0	0	0	0
Bids that release redundant council assets	0	0	0	0
DASS	0	0	0	0
Finance	0	0	0	0
CYP	680	700	0	1,380
Law, HR & Asset Management	1,025	1,500	1,500	4,025
Regeneration	2,080	1,250	300	3,630
Technical Services	2,405	2,119	397	4,921
Total	6,190	5,569	2,197	13,956
Detail				
Invest to save or core efficiency	0	0	0	0
Bids that release redundant council assets	0	0	0	0
DASS	0	0	0	0
Finance	0	0	0	0
CYP				
Schools Development Programme				
Woodchurch Rd primary Foundn 2 classrooms	80	700	0	780
Woodslee Primary school ***	600	0	0	600
	680	700	0	1,380
Law, HR & Asset Management				
Cultural Services Assets	1,000	1,500	1500	4,000
The Priory	25	0	0	25
	1,025	1,500	1500	4,025
Regeneration				
Think Big Investment Fund	300	300	0	600
Improvements to Stock ***	950	950	0	1,900
Wirral Healthy Homes	105	0	0	105
Empty Property Interventions ***	125	0	0	125
Hoylake	600	0	0	600
	2,080	1,250	300	3,630
Technical Services				
Street Lighting	200	0	0	200
Bridges	250	0	0	250
Capitalised Highways Maintenance	1,000	1,000	0	2,000
Coast Protection	47	55	0	102
Parks, Cultural Services and Roads				
Arrowe Park changing facilities	500	800	0	1,300
Birkenhead tennis court ***	90	7	0	97
Cemetery infrastructure and landscaping ***	50	50	0	100
Birkenhead Park drainage	238	57	0	295
Frankby cemetery extension ***	30	150	0	180
	2,405	2,119	397	4,921
Less schemes now approved	(1,845)	(207)		(2,052)
Funding type:				
Unsupported Borrowing	4,345	5,362	2,197	11,904

*** Represents schemes now included in the Capital Programme.

Annex 4**CAPITAL RECEIPTS AT MAY 2013****£000**

6, The Grove, Wallasey	10
Land at the Carr	12
Stringhey Road Car Park	19
Thurstaston Rangers Cottage	<u>309</u>
	350
Right to buy proceeds (WPH and BBCHA)	473
A. Total usable receipts	823

Policy: INFORM



Date of Meeting:

3 September 2013

Policy and Performance Coordinating Committee

Title:	Local Audit and Accountability Bill
Accountable Officer:	Joe Blott
Committee(s):	Transformation and Resources Co-ordinating Committee
Portfolio(s) Affected:	Governance and Improvement
Category:	New Legislation
Synopsis:	This bill will formally abolish the Audit Commission and replace it with a new local audit framework.
Key Points:	The main objectives are to reduce the cost of local audit and improve 'direct democracy' over Council Tax. The latter is achieved through giving local council taxpayers a veto to rises in council tax caused by bodies such as waste disposal authorities and integrated transport authorities. The bill will also cut down on the amount of council-funded newspapers produced.
Further Information:	A Local Government Information Unit briefing is available at: http://www.lgiu.org.uk/briefing/local-audit-and-accountability-bill-overview-and-update/
Implications:	Transformation and Resources will have a role in the development of a new local audit framework. Budget Strategy considerations may also be impacted by the changes to the Council Tax threshold for triggering a referendum.

Title:	Antisocial Behaviour Crime and Policing Bill
Accountable Officer:	Clare Fish
Committee(s):	Families and Wellbeing Co-ordinating Committee
Portfolio(s) Affected:	Neighbourhoods and Engagement
Category:	New Legislation
Synopsis:	This bill will include measures to tackle anti-social behaviour, forced marriage, dangerous dogs and illegal firearms.
Key Points:	The crime bill includes the new "community trigger", where police, councils and agencies would be forced to act if five households made a complaint about anti-social behaviour. The offence of being in charge of an out-of-control dog will be extended to cover private property, including people's houses. Forced marriage will become a criminal offence, as will a breach of a forced-marriage protection order. The police will be able to prosecute uncontested minor offences of shoplifting, and the witness-protection scheme will be extended to other vulnerable individuals. Magistrates will no longer have the power to reduce the victim surcharge by giving additional days in prison as a substitute. The police will also be reformed, with a new Police Remuneration Review Body replacing the Police Negotiating Board. This bill applies mainly to England and Wales,

with some provisions extending to the rest of the UK.

Further Information: A Local Government Information Unit briefing is available at:
<http://www.lgiu.org.uk/briefing/anti-social-behaviour-crime-and-policing-bill-2013/>

Implications: The Authority – through the Community Safety Partnership – will be affected by measures brought in to tackle anti-social behaviour. It is also likely that anti-social behaviour issues will be raised in the new Constituency Committees. The Council will have to ensure that mechanisms are in place to record and provide a unified response to these issues, with implications for the ASB team in Children's Services and Lifelong Learning.

Title: **Spending Review**

Accountable Officer: **Joe Blott**

Committee(s): Co-ordinating Committee
Transformation and Resources

Portfolio(s) Affected: Finance and Leader of the Council

Category: Government Announcement

Synopsis: On 26 June, the Chancellor of the Exchequer, George Osborne, delivered his Spending Review to parliament setting out departmental spending for 2015-16.

Key Points: **Headline figures**
Total government expenditure for 2015-16 will be £745bn

The Chancellor announced that £11.5bn of savings would be found from government budgets in order to continue along Britain's path to deficit reduction, with some £5 billion coming from efficiency savings.

Until 2017-18, the total amount of government spending will continue to fall in real terms at the same average rate as today
There will be a 1% cap on public sector pay rises. Automatic progression pay to be ended in civil service, schools, hospitals, prisons and the police but not the armed forces
Capital spending plans will increase by £3 billion a year from 2015-16 and by £18 billion over the next Parliament.
The Government will continue to protect funding for health and schools in real terms in 2015-16.
The Spending Round announces that the government will, for the first time, introduce a cap on the country's welfare spending from April 2015. The cap will improve spending control, support fiscal consolidation, and ensure that the welfare system remains affordable. This will not include the state pension.

Further Information: The LGA has produced a Future funding outlook for councils from 2010/11 to 2019/20:
http://www.local.gov.uk/web/guest/media-releases/-/journal_content/56/10171/4053260/NEWS-TEMPLATE

Implications: For Wirral, the figures produced by the LGA broadly mirror our own calculations which forecast that we will be required to make savings of between £13.5m and £24m during the period 2015 to 2018. This is on top of the £109m savings the Council has to make between 2012 and 2015.

Title: **Whole Place Community Budgets**

Accountable Officer: **Emma Degg**

Committee(s):	Co-ordinating Committee
Portfolio(s) Affected:	Neighbourhoods and Engagement
Category:	Guidance
Synopsis:	The Local Government Information Unit (LGIU) have produced a guide that brings together and updates a series of briefings on whole-place community budgets. The briefings set out the progress to date (up to 20 July 2013) with commentary and analysis.
Key Points:	<p>This guide considers the context in which WPCBs have developed, summarises the four original pilots, and analyses what has happened since October 2012. It reflects on the key themes that have emerged so far and looks to the future after the next spending review.</p> <p>Whole-Place community budgets have demonstrated new approaches to some of the major challenges facing local government. They have also been developing a suite of tools and techniques to support consistency of analysis and modelling to further build the case for service reforms and outcome achievement.</p>
Further Information:	<p>Link to the Local Government Information Unit's briefing guide: http://www.lgiu.org.uk/briefing/guide-to-whole-place-community-budgets-a-new-lgiu-essential-guide/</p>
Implications:	The LGiU briefing will be of interest to Members and Officers working towards the implementation of Community Budgets in Wirral: In the March 2013 budget the government announced the establishment of the Public Services Transformation Network (PSTN) to support new areas in taking a community budget approach. Wirral has been selected as one of nine areas that will be supported.

Title:	More Affordable Childcare
Accountable Officer:	Clare Fish
Committee(s):	Families and Wellbeing
Portfolio(s) Affected:	Children's Services
Category:	Government Announcement
Synopsis:	The Government has published plans to deliver more childcare that is both affordable and meets the needs of working parents.
Key Points:	The main barriers identified by the Government are cost, confusing regulations that hinder providers, the role of local authorities, lack of flexibility when childcare is available, and confusing information about available childcare. The report outlines the Government's solutions, including plans for a new tax-free childcare scheme and the childcare element of Universal Credit. Some aspects of the plans require amendment of primary legislation, regulations and statutory guidance.
Further Information:	<p>A Local Government Information Unit briefing is available at: http://www.lgiu.org.uk/briefing/more-affordable-childcare-dfe-statement-statutory-guidance-and-consultation/</p>
Implications:	The Government believes that deregulation and reducing bureaucracy for providers will encourage more providers to enter the market, while opening up schools will potentially allow providers to access cheaper premises and to operate across more than one site. The role of local authorities will be limited to supporting providers that require help and ensuring that those families who may benefit the most from early education and care are able to access provision.

Accountable Officer: Clare Fish

Committee(s): Families and Wellbeing
Transformation and Resources

Portfolio(s) Affected: Adult Social Care
Health and Wellbeing

Category: New Legislation

Synopsis: The Care Bill introduces major changes to Social Care sector; emphasising wellbeing, prevention, carers' rights, choice and personalisation.

Key Points: This bill will introduce a cap on the cost of social care, and give carers the legal right to support from their local council. Key changes relate to the way Councils deliver Public Health and the NHS structure as well as the LA role. It will provide protection to people whose care provider goes out of business and give everyone a legal entitlement to a personal care budget, which they can receive as a direct payment to spend as they wish. In light of the issues at Stafford Hospital, the bill will introduce an Ofsted-style rating system for hospitals and care homes and give new powers of intervention to the chief inspector of hospitals. It will create two new public bodies, Health Education England and the Health Research Authority. These will provide additional training and support for health professionals.

Further Information: A Local Government Information Unit briefing is available at:
<http://www.lgiu.org.uk/briefing/the-care-bill/>

Implications: Four key implications for the Council have been identified in collaboration with DASS:

- How is the cap to be resourced? The cap is likely to drive additional demand from people who would have been self funders. Wirral Council will need to forecast cost of implementation and build into financial projections as well as monitoring additional cost.
- Increasing focus on integration and a fully joined up health and social care system is required.
- Need to respond to new eligibility framework when published, no scope to review eligibility criteria in the short term.
- Safeguarding review of thresholds and need to focus on personalisation and prevention in addition to simply keeping people safe.

Title: Draft Deregulation Bill

Accountable Officer: Joe Blott

Committee(s): Transformation and Resources

Portfolio(s) Affected: Finance and Leader of the Council
Central Services

Category: New Legislation

Synopsis: This draft bill lays out how the government intends to reduce the amount of regulation with which businesses, individuals and public bodies have to comply.

Key Points: Measures include exempting from health-and-safety legislation people who are self-employed and whose work poses no risk of harm to other people, and removing the ability of employment tribunals to make wider recommendations in successful discrimination cases, which they were granted in the Equality Act 2010.

Further Information: A Local Government Information Unit briefing is available at:

<http://www.lgiu.org.uk/briefing/draft-deregulation-bill-what-next/>

Implications: In its current form, there may be indirect implications, such as in the area of procurement, that the Local Authority may wish to explore as the Bill is further debated and refined. There will also be direct implications in relation to employment tribunals.

Title: **Draft Consumer Rights Bill**

Accountable Officer: **Kevin Adderley**

Committee(s): Regeneration and Environment

Portfolio(s) Affected: Environment

Category: New Legislation

Synopsis: This proposed bill would update consumer-protection laws so they cover digital purchases such as downloaded music and e-books.

Key Points: Trading Standards will be granted new powers, such as being able to get a court to order a trader to pay compensation when consumer law is breached.

Implications: This draft bill will have provide Trading Standards with new powers and responsibilities. The impact on the existing work of the Trading Standards service may need to be explored as the Draft Bill develops through the legislative process.

Title: **Mortgages / Help to Buy**

Accountable Officer: **Kevin Adderley**

Committee(s): Regeneration and Environment

Portfolio(s) Affected: Neighbourhoods and Engagement

Category: Government Announcement

Synopsis: Announcement of two new schemes to boost the housing market.

Key Points: £3.5 billion 'Help to Buy' Shared Equity Scheme, aimed at people looking to own a new build home.

A 'Help to Buy Mortgage Guarantee' will also increase the availability of mortgages on new or existing properties for those with small deposits.

Implications: The Local Authority may wish to further explore the impact of this announcement.

Title: **Ofsted Early Years Good Practice: "Getting it right first time"**

Accountable Officer: **Clare Fish**

Committee(s): Families and Wellbeing

Portfolio(s) Affected: Children's Services

Category: Guidance

Synopsis: Ofsted's good practice report Getting it right first time: Achieving and maintaining high-quality early years provision identifies key features of high quality early years provision, drawing on evidence from visits to providers, case studies, Ofsted reports and research findings.

Key Points: The report, aimed to support those early years settings not improving at a fast enough rate, identifies the key features of settings providing good or outstanding early years provision. Strong and effective leadership is considered key.

Further Information: A Local Government Information Unit briefing is available at:

<http://www.lgiu.org.uk/briefing/getting-it-right-first-time-ofsted-early-years-good-practice-report/>

Implications: The report provides a useful insight into what makes an early years

setting good or outstanding. Strong leadership is seen as key, with such leaders having the vision and commitment to “get it right first time”. Their focus is on the quality of the interaction between adults and children as the main factor in children’s development. Consequently, it is also clear that well qualified staff and continued staff development are also crucial in securing improvement within a setting.

Title:	Department for Education Review on Efficiencies in Schools
Accountable Officer:	Clare Fish
Committee(s):	Families and Wellbeing
Portfolio(s) Affected:	Children's Services
Category:	Consultation
Synopsis:	The Department for Education published, alongside the Chancellor’s Spending Review, the Review of efficiency in the schools system. The report identifies a number of characteristics which are common to many of the more efficient schools and proposes a number of actions that schools and government can take to support greater efficiency.
Key Points:	Schools that are managed efficiently: Deploy the workforce effectively, with a focus on developing high quality teachers Make use of evidence to determine the right mix of teaching and education support staff Employ or have access to a skilled school business manager who takes on a leadership role Make good use of financial benchmarking information to inform the school’s own spending decisions Make use of school clusters, sharing expertise, experience and data, as well as accessing economies of scale when making shared purchases Manage down back office and running costs Have in place a strong governing body and leadership team that challenges the school’s spending
Further Information:	A Local Government Information Unit briefing is available at: http://www.lgiu.org.uk/briefing/dfereview-of-efficiency-in-the-schools-system/
Implications:	The findings of this Review will of interest to Members and Officers with responsibilities for education and schooling..

Title:	SEND Pathfinder Evaluation
Accountable Officer:	Clare Fish
Committee(s):	Families and Wellbeing
Portfolio(s) Affected:	Children's Services
Category:	Research
Synopsis:	The Children and Families Bill makes provision to change the way the needs of those with special educational needs and/or disabilities (SEND) are assessed and met. This report considers how effective pathfinder authorities have been in implementing the proposals made in the act and some of the difficulties they have encountered.
Key Points:	Thirty-one local authority areas became pathfinders to develop and trial some of the ideas published in the Children and Families Bill. These include an integrated assessment process, a single ‘Education, Health and Care Plan’; and personal budgets across education, social care, health, and adult special needs children and young people from birth to 25 years. The evaluation is based on self-reporting of progress by all

pathfinders and in-depth case study work in 10 selected areas.

The aims of the evaluation were to establish whether the pathfinders:

Increased real choice and control, and improved outcomes for families with disabled children and young people and those who have special educational needs

Made the current support system for disabled children and young people and those with SEN and their parents or carers more transparent, less adversarial and less bureaucratic

Introduced greater independence into the assessment process by using the voluntary sector

Demonstrated value for money, by looking at the cost of reform and associated benefits

Further Information: A Local Government Information Unit briefing is available at: <http://www.lgiu.org.uk/briefing/send-pathfinder-evaluation-process-and-implementation/>

Implications: The findings of this Review will be of interest to members and officers working with schools, children's services, health and disability teams.

Title: **OFSTED Consultation: "Single Inspection Framework for Children in need"**

Accountable Officer: **Clare Fish**

Committee(s): Families and Wellbeing

Portfolio(s) Affected: Children's Services

Category: Consultation

Synopsis: Ofsted is consulting (until 12 July 2013) on a single framework for the inspection of local authority child protection services and services for looked after children.

Key Points: The single framework will focus on local authority child protection services and services for looked after children., including those leaving (or who have left) care Inspection of services for children in need of help and protection, children looked after and care leavers.

This replaces previous plans to implement separate inspections for child protection (through a multi-agency joint inspectorate framework) and services for looked after children. The new framework is to be implemented from November 2013.

Further Information: Link to the Local Government Information Unit's briefing: <http://www.lgiu.org.uk/briefing/ofsted-consultation-single-inspection-framework-for-children-in-need-of-help-etc/>

Implications: The findings of this Review will of interest to Members and Officers with responsibilities for Child protection and Children in need.

Title: **Local Enterprise Partnerships (LEPs)**

Accountable Officer: **Kevin Adderley**

Committee(s): Regeneration and Environment

Portfolio(s) Affected: Economy

Category: Guidance

Synopsis: The Government has now set out the guidance and a timetable for the production of Strategic Economic Plans, which will determine the allocation to local Enterprise Partnerships (LEPs) of the Single Local

Key Points: Growth Fund (now referred to as the Local Growth Fund, or LGF). They can use this from April 2013 to build the capacity and capability they will need to develop their Investment Strategies. LEPs are considered to be key strategic drivers. They will:

- Work with local partners to decide which projects to support
- Help to identify match funding
- Oversee arrangements for selecting projects or for using co-financing organisations to procure European Structure Funds (ESF) provision, in discussion with Managing Authorities
- Deliver the milestones and results agreed in their strategy, including making sure that enough money is spent each year to meet annual spend targets
- Involve local partners across the spectrum.

Further Information: The Local Government Information Unit have recently produced a 'State of LEPs' briefing:
<http://www.lgiu.org.uk/briefing/the-state-of-leps/>

Implications: Local authority commitment to the Strategic Economic Plans is a key component of their acceptability and hence the allocation of LGF to LEPs. It is expected that local authority members of LEPs will put economic development at the heart of all they do and work collaboratively across the LEP area.

This guidance will be of interest to Members and Officers with particular interests and responsibilities for economic development, planning, and regeneration.

Title: Neighbourhood Planning Areas

Accountable Officer: Kevin Adderley

Committee(s): Regeneration and Environment

Portfolio(s) Affected: Environment

Category: Guidance

Synopsis: Neighbourhood Planning Regulations were introduced as part of the Localism Act and took effect in April 2012. Their purpose is to give communities the power to set the priorities for local development.

Key Points: Neighbourhood planning can be taken forward by two types of body - town and parish councils or 'neighbourhood forums'. Neighbourhood forums are community groups that are designated to take forward neighbourhood planning in areas without parishes. It is the role of the local planning authority to agree who should be the neighbourhood forum for the neighbourhood area.

The Government attempted to keep the criteria for establishing neighbourhood forums as simple as possible to encourage new and existing residents' organisations, voluntary and community groups to put themselves forward.

Neighbourhood forums and parish councils can use new neighbourhood planning powers to establish general planning policies for the development and use of land in a neighbourhood. These are described legally as 'neighbourhood development plans'.

Further Information: The Local Government Information Unit (LGIU) has issued a briefing that compiles best practice examples from a number of Neighbourhood Planning Areas.

<http://www.lgiu.org.uk/briefing/policy-in-practice-neighbourhood-planning/>

Implications: The findings of this Review will be of interest to members and officers supporting and developing Neighbourhood Plans. In Wirral this is being progressed in four neighbourhoods: Devonshire Park Neighbourhood Forum; Hoylake Community Planning Forum; Central Liscard Area Residents Association and Greasby Community Association.

Title: **Consultation on Paying for Care**

Accountable Officer: **Graham Hodgkinson**

Committee(s): Families and Wellbeing

Portfolio(s) Affected: Adult Social Care

Category: Consultation

Synopsis: The Department of Health (DH) is consulting on how to implement major reforms to adult social care.

Key Points: The consultation covers:

how to manage the large increase in demand from people who pay for their own care and support
major changes to social care practices and systems including assessment and charging.

Further Information: A Local Government Information Unit briefing is available:
<http://www.lgiu.org.uk/briefing/consultation-on-reforming-how-people-pay-for-their-care-and-support/>

Further Information: The Consultation can be found here:
<https://www.gov.uk/government/consultations/caring-for-our-future-implementing-funding-reform>

Implications: The consultation is focused on how practical details of the changes to social care should be managed. It has three types of question - views, evidence and implementation, and runs until 25th October 2013.

Further Information:

Contact: Wirral Council Policy Unit
Telephone: 0151 691 8030
Email: policy@wirral.gov.uk

This page is intentionally left blank

WIRRAL COUNCIL

REGENERATION AND ENVIRONMENT POLICY AND PERFORMANCE COMMITTEE

10 JULY 2013

SUBJECT:	DECISIONS TAKEN UNDER DELEGATED POWERS
WARD/S AFFECTED:	VARIOUS
REPORT OF:	ASSISTANT CHIEF EXECUTIVE / HEAD OF UNIVERSAL & INFRASTRUCTURE SERVICES
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to inform Members, in accordance with the Approved Scheme of Delegation, of any instances where delegated authority has been used by the Assistant Chief Executive/Head of Universal & Infrastructure Services with respect to the appointment of Contractors pursuant to Contract Procedure Rule 14.4. In this instance the delegated authority was used on behalf of the former Director of Law, HR and Asset Management. The function of Corporate Asset Management is now within the remit of the Assistant Chief Executive/Head of Universal & Infrastructure Services.

2.0 BACKGROUND AND KEY ISSUES

2.1 The following tenders have been accepted since the last such report to the meeting of the Sustainable Communities Overview & Scrutiny Committee on 12 March 2013.

Project Title: Comprehensive Lift Maintenance
Contract 2013-2015
Contract Sum: £21,536.28 per annum
Contractor: Knowsley Lift Services Ltd
Funded from: Law, HR & AM Repairs & Maintenance Revenue

Project Title: Birkenhead Town Hall
Power/Lighting
Contract Sum: £77,430.53
Contractor: Cottrell Electrical Services Ltd
Funded from: Capital Reserves

Project Title: Asbestos Surveying & Sampling
Schedule of Rates Contract 2013-2016
Contract Sum: 0% Increase/Reduction to Base Rates
Contractor: Apec Environmental Ltd
Funded from: Law, HR & AM Repairs & Maintenance Revenue

Project Title: Water Hygiene
Risk Assessment & Monitoring 2013-2014
Contract Sum: 41.5% Reduction to Base Rates
Contractor: Hertel (UK) Ltd
Funded from: Law, HR & Asset Management PPM

2.2 The above listed tenders were the lowest/most economically advantageous received.

3.0 RELEVANT RISKS

3.1 There are no risks in relation to this report.

4.0 OTHER OPTIONS CONSIDERED

4.1 There are no other options to be considered in relation to this report.

5.0 CONSULTATION

5.1 There are no consultation issues in relation to this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are no implications directly arising from this report.

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

7.1 Funding for these projects is as detailed above. There are no other resource implications as a result of this report.

8.0 LEGAL IMPLICATIONS

8.1 There are no legal implications as a direct result of this report.

9.0 EQUALITIES IMPLICATIONS

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

(b) No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no carbon reduction implications as a direct result of this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are no implications as a result of this report.

12.0 RECOMMENDATION/S

12.1 That the report be noted.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To advise members in accordance with the Approved Scheme of Delegation.

REPORT AUTHOR: Robin Stratton
Assistant Projects Manager
telephone: (0151) 606 2340
email: robinstratton@wirral.gov.uk

APPENDICES

None.

REFERENCE MATERIAL

None.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

This page is intentionally left blank