



Policy and Performance Co-ordinating Committee

Date:	Thursday, 18 September 2014
Time:	6.00 pm
Venue:	Committee Room 1 - Wallasey Town Hall

Contact Officer: Shirley Hudspeth
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AGENDA

1. APOLOGIES FOR ABSENCE

To record any apologies for absence received.

2. 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.

3. CALL-IN OF A DELEGATED DECISION - CABINET MINUTE NO. 27 - FINANCIAL MONITORING 2014/15 (Pages 1 - 52)

A report by the Director of Public Health is attached.

4. URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)

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

5. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

RECOMMENDATION:

That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item(s) of business on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

6. URGENT BUSINESS APPROVED BY THE CHAIR (PART 2)

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

WIRRAL COUNCIL

POLICY AND PERFORMANCE CO-ORDINATING COMMITTEE

11 SEPTEMBER 2014

SUBJECT:	<i>CALL IN – FINANCIAL MONITORING 2014/15 MONTH 2 (MAY 2014)</i>
WARD/S AFFECTED:	<i>ALL</i>
REPORT OF:	<i>FIONA JOHNSTONE, DIRECTOR OF PUBLIC HEALTH</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>CLLR PHIL DAVIES</i>

1.0 EXECUTIVE SUMMARY

- 1.1 This report sets out the relevant documents in connection with the call in of a Cabinet decision relating to the Financial Monitoring Report 2014/15 Month 2 (May 2014). Members of the Co-ordinating Committee are requested to consider these documents as part of the call in process.

2.0 CALL IN PROCEDURE

- 2.1 The procedure for dealing with a call-in was agreed by the Co-ordinating Committee on 24 June 2013. The call-in procedure is included as Appendix 1 and sets out the framework for how evidence will be presented and the call in meeting will be conducted.

3.0 CALL IN DOCUMENTATION

- 3.1 The Form which sets out the signatories to the Call In is included as Appendix 2. This also indicates the reasons put forward by the signatories as to why the decision has been called in.
- 3.2 The decision called in was taken by Cabinet on 7 July 2014 and relates to part 5 of the Cabinet resolution in response to the Financial Monitoring Report. The Cabinet report plus two appendices that were provided to inform this decision are included as Appendix 3, 4 and 5 and the relevant Cabinet Minute is included as Appendix 6.

4.0 RECOMMENDATION

- 4.1 Members of the Co-ordinating Committee are requested to consider the documents provided along with the additional evidence submitted at the meeting to inform the scrutiny of this Cabinet decision.

CALL IN PROCEDURE

Chair's opening remarks (5 minutes)

The Chair will open the call in setting out the following procedure.

Explanation of the call in by the lead signatory (5 minutes)

The Chair will invite the lead signatory to set out the reasons for the call in.

Overview and explanation of the decision taken by the relevant Cabinet Member (5 minutes)

The Chair will invite the Cabinet Member to explain the reasons for the decision.

Evidence from call in witnesses

The Chair will invite the lead signatory to call the following witnesses. Members of the Committee will be invited to ask these witnesses relevant questions:

1. Mary Worrall, Senior Manager Parks and Countryside Services
2. Lisa Newman, Senior Manager Housing Strategy, Standards and Renewal

Evidence from Cabinet Member's witnesses

The Chair will invite the Cabinet Member to call the following witness. Members of the Committee will be invited to ask witness relevant questions:

1. Kevin Adderley, Strategic Director Regeneration and Environment
2. Fiona Johnstone, Director of Policy, Performance and Public Health
3. Mary Worrall, Senior Manager Parks and Countryside Services
4. Lisa Newman, Senior Manager Housing Strategy, Standards and Renewal

Summary of the lead signatory (5 minutes)

The Chair will invite the lead signatory to summarise the key points of evidence given in support of their case.

Summary of the Cabinet Member (5 minutes)

The Chair will invite the Cabinet Member to summarise the key points of evidence given in support of the initial decision.

Committee Debate

The Chair invites comments, observations and discussion from members of the committee.

Committee Decision

The Committee having considered the evidence and debate may:-

- Refer the decision back to the Cabinet Member setting out in writing the nature of its concerns.
- Refer the matter to full Council. Such a referral should only be made where the Coordinating Committee believes that the decision is outside the policy framework or contrary to or not wholly in accordance with the budget. The procedures set out in those rules must be followed prior to any such referral.
- Uphold the decision - If the Coordinating Committee agrees with the initial decision the relevant Senior Officer may implement it.

In the event of any political group not agreeing with the majority decision of the Coordinating Committee, it may prepare a written minority report for consideration by Council when the minutes of the Coordinating Committee are considered. Any such report must be handed to the Head of Legal and Democratic 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 and Council may discuss and vote for/or against such a report without prejudice to any decision already implemented.



**OVERVIEW AND SCRUTINY COMMITTEE CALL-IN PROCEDURE
(Standing Order 35)**

Decision of Cabinet to be called in:

Date of meeting	7 July 2014
Minute number	27
Subject	Financial Monitoring 2014/15

Reason(s) for call-in (use additional sheet if required):

To disagree with paragraph (5) of minute 27 (Cabinet 7th July 2014) - changes to Public Health grant funded projects identified in Annex 4 of Appendix A listed as "Health Outcomes Fund - Efficiencies and Stopping" Having regard to Cabinet's decision of 10th October 2013, which noted that progress and spend would be monitored by The Public Health Department on a regular basis, no information on the impact on the previously agreed outcomes for each project that it is proposed to curtail or stop was placed before Cabinet on the 7th July prior to making the decision. Particular areas of concern

- a. Forest Schools - The Forest Schools project has had 727 children from 14 schools attending so far with plans for 6 schools to take part from September. This decision will mean a reduction of participation of 50% of early years children able to take part and a reduction in children able to attend from schools from 30 to 15 per class. This results in schools being treated differently part way through the programme
- b. Healthy Homes - Fewer homes will be able to benefit from grant assistance in bringing houses up to acceptable healthy standards. The decision will mean, based on the average cost of cosyhomes grants processed to date of £2,564 a reduction in help for 21 households Cabinet should not therefore approve the changes to the projects identified in Annex 4 of Appendix A until Families and Wellbeing Policy and Performance Committee has had an opportunity to scrutinise in full the impact on the agreed outcomes for each project affected.

Monitoring information by the Public Health Department should be made available to the Families and Wellbeing Policy and Performance Committee to enable them to properly advise Cabinet, in due course, of the impact of the proposed reductions to enable a fully informed decision to be taken about each project.

With regards to the funding for the Forest Schools and Healthy Homes projects Cabinet is urged to reconsider its decisions and restore the original level of grant funding so that the projects can build on the levels of participation and uptake as originally envisaged.

APPENDIX 2

Called in by [signature(s) to be inserted]:

Councillor	Stuart Kelly
Councillor	Chris Carubia
Councillors:	
(1)	Phil Gilchrist
(2)	Pat Williams
(3)	Chris Blakeley
(4)	Dave Mitchell
(5)	Paul Hayes

***Received by:**

Signature:	Date	Time
On behalf of the Head of Legal and Member Services		

Referred to:

Policy and Performance Co-ordinating Committee	Date 7 August 2014
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*This form must be received by the Head of Legal and Member Services by **no later than 5.00 pm** on the fifth working day following notification that the minutes have been published.

STANDING ORDER 35

Calling in of decisions

(1) All decisions of:

- (i) the Executive Board,
- (ii) an individual member of the Executive Board or
- (iii) a committee of the Executive Board, and
- (iv) key decisions taken by an officer;

shall be published, and shall be available at the main offices of the Council normally within 2 days of being made. All members of the Council will be sent a copy of the decision.

(2) That Minute(s) will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented, unless the decision is called in for scrutiny by 5:00p.m. on the final day of the call-in period of five clear working days from the date of publication. (Adjusted by a maximum of one day if there is one or more Bank Holidays in that period)

(3) (a) During that period, the Chief Executive shall Call-In a decision for scrutiny by the Co-ordinating Committee if so requested by any six members of the Council who have given detailed reasons for the Call-In of the decision. The detailed reasons must be provided by the Lead signatory, by the Call In deadline. When a Call In is requested the Chief Executive shall liaise with the Member listed first on the Call-In schedule, to ensure there is sufficient information provided to enable the Call-In to proceed. As long as there is a clear reason given, the call-in should be allowed. He/she shall then notify the decision-taker of the Call-In. He/she shall call a meeting of the Committee on such date as he/she may determine, where possible after consultation with the Chair of the Co-ordinating Committee, and in any case within 15 working days of the decision to call-in.

(b) The relevant Chief Officer and all members will be notified of a call-in immediately and no action will be taken to implement the decision until the call-in procedure has been completed. A decision of the Cabinet, a committee of the Cabinet or individual Cabinet member may be called in only once.

(4) Having considered the decision, the Co-ordinating Committee may:-

- (i) refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns or;
- (ii) refer the matter to full Council. Such a referral should only be made where the Co-ordinating Committee believes that the decision is outside the

APPENDIX 2

policy framework or contrary to or not wholly in accordance with the budget. The procedures set out in those rules must be followed prior to any such referral.

- (5) If a decision is referred back to the decision making person or body it shall be reconsidered in the light of the written concerns of the Co-ordinating Committee before a final decision is made.
- (6) If following a call in, the Co-ordinating Committee does not refer the matter back to the decision making person or body and does not refer the matter to Council, the decision shall take effect on the date of the Co-ordinating Committee meeting. If the Co-ordinating Committee does not meet the decision shall take effect from the date when the Committee should have met.
- (7) If the matter is referred to full Council and the Council does not object to a decision which has been made, then the decision will become effective on the date of the Council meeting.
- (8) If the Council does object the Council may take a decision, which is outside the policy and budgetary framework. Otherwise the Council will refer any decision to which it objects back to the decision-making person or body, together with the Council's views on the decision. That decision making body or person shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where the decision was taken by the Executive Board as a whole or a committee of it, a meeting will be convened to reconsider within ten working days of the Council request. Where the decision was made by an individual, the individual will reconsider within ten working days of the Council request.
- (9) Call-in should only be used in exceptional circumstances where members have evidence which suggests that the decision was not made in accordance with the principles of decision making in the constitution.
- (10) Call-in and urgency
 - (a) The call-in procedure set out above shall not apply where the decision being taken by the Cabinet is urgent. A decision will be urgent if any delay is likely to be caused by the call-in process would seriously prejudice the Council's or the public's interest. The record of the decision and the notice by which it is made public shall state whether, in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. The Chief Executive must agree both that the decision proposed is reasonably in all the circumstances and to it being treated as a matter of urgency. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.
 - (b) The operation of the provisions relating to call-in and urgency shall be monitored annually, and a report submitted to Council with proposals for review if necessary.

WIRRAL COUNCIL

CABINET

7 JULY 2014

SUBJECT	FINANCIAL MONITORING 2014/15 MONTH 2 (MAY 2014)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

1.1 This report details the Monitoring position for Month 2 (ending 31 May 2014). There are separate appendices for Revenue and Capital.

2 BACKGROUND AND KEY ISSUES

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

3 RELEVANT RISKS

3.1 The possible failure to deliver the Revenue Budget is a risk which will be mitigated by a number of actions including regular review and reporting of progress against budget plans and use of a tracking system to monitor the delivery of savings.

3.2 The possible failure to deliver the Capital Programme will be mitigated by regular review by a cross directorate officer group.

4 OTHER OPTIONS CONSIDERED

4.1 No other options were considered.

5 CONSULTATION

5.1 No consultation has been undertaken relating to this report.

6 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

7 RESOURCE IMPLICATIONS

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

8 LEGAL IMPLICATIONS

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

9 EQUALITIES IMPLICATIONS

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

10 CARBON REDUCTION IMPLICATIONS

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

11 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

12 RECOMMENDATIONS

- 12.1 Revenue:
- (i) Cabinet is asked to note that at Month 2 (May 2014), the full year forecast projects a gross General Fund overspend of £3,137,000.
 - (ii) Cabinet is asked to note the increased commitment of £152,000 for Carbon Reduction Commitment allowances contained within the above figure
 - (iii) Cabinet is asked note the payment of New Homes Bonus grant of £242,253 which is a general grant received outside of directorate budgets.
 - (iv) Cabinet is asked to note the risks relating to non delivery of savings as detailed in paragraph 3.3 of appendix A and requirement for mitigation and actions to be identified
 - (v) Cabinet notes the mitigation actions being undertaken including capitalisation, reprofiling and use of public health budgets as per paragraph 3.5 (of Appendix A) and reductions to 2014/15 growth as detailed in paragraphs 5.2 and table 5 above (of Appendix A). Further mitigation action will be developed as appropriate during the year.

APPENDIX 3

- (vi) Cabinet approve the application of the additional New Homes Bonus grant against the Carbon reduction commitment and overall overspend to reduce the net overspend to £2,894,747.

12.2 Capital

That Cabinet is asked to note:

- (i) the spend to date at Month 2 of £1.3 million, with 16.7% of the financial year having elapsed;

That Cabinet is asked to agree:

- (i) the revised Capital Programme of £61.3 million (Table 1 at 3.1 of Appendix B);

13 REASONS FOR RECOMMENDATIONS

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

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APPENDICES

Appendix A Revenue Monitoring 2014/15 Month 2 (May 2014)
Appendix B Capital Monitoring 2014/15 Month 2 (May 2014)

SUBJECT HISTORY

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

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CABINET

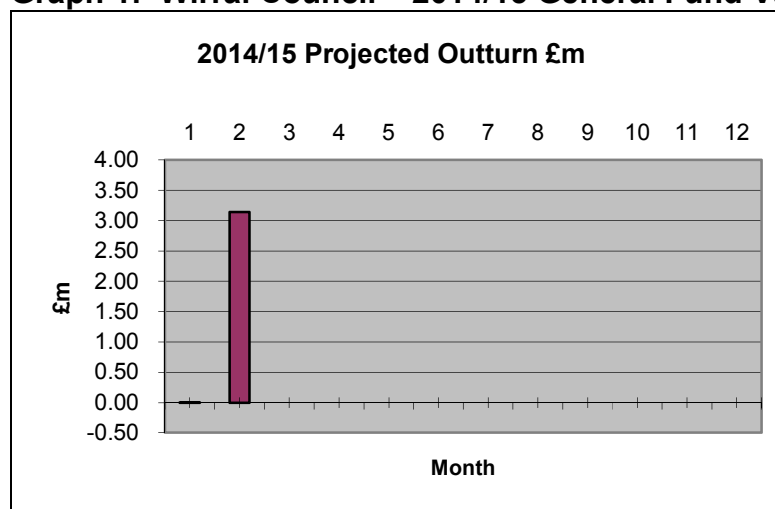
7 JULY 2014

SUBJECT	REVENUE MONITORING 2014/15 MONTH 2 (MAY 2014)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the revenue position for 2014/15, which at Month 2 (May 2014) shows a projected General Fund overspend of £3.14 million (1.1% of the net revenue budget). The major source of the variance relates to the savings programme delivery within the Families and Well Being Directorate. Processes are in place for rigorous monitoring which have early in the financial year identified pressures and will allow actions to be put in place to deal robustly with this matter. Management actions are being developed to address this issue which will be reported in future monitors. In addition the report flags up a number of corporate wide savings which will require careful monitoring and identification of mitigating measures to ensure savings are delivered in the year.
- 1.2 The report also details increased in year commitments relating to Carbon Reduction Commitment (CRC) allowances of £152,000 relating to street lighting and the receipt of additional New Homes Bonus monies of £242,253.

Graph 1: Wirral Council – 2014/15 General Fund Variance, by month



APPENDIX 4

2 CHANGES TO THE AGREED BUDGET

- 2.1 The 2014/15 Budget was agreed by Council on February 25, 2014 and is detailed in Annex 2; any increase in the Budget has to be agreed by full Council. Any changes to the budget occurring since it was set will be summarised in the table below.

Table 1: 2014/15 Original & Revised Net Budget by Directorate £000's

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 1-2	Revised Net Budget
Chief Executive	10,035	-	-	10,035
FWB - Adult Social Services	74,667	-	-	74,667
FWB – Children & YP, Schools & Safeguarding	82,877	-	-	82,877
FWB - Sport & Recreation	8,502	-	-	8,502
Regeneration & Environment	95,190	-	-	95,190
Transformation & Resources	20,199	-	-	20,199
Corporate Growth & Savings	-15,813	-	-	-15,813
Net Cost of Services	275,657	0	0	275,657

- 2.2 There have been no budget movements between directorates in the first two months of the year.

3 PROJECTIONS AND KEY ISSUES

- 3.1 The outturn position projected as at the end of period 2, key issues emerging and directorate updates are detailed below.

Projections

Table 2: 2014/15 Projected Budget variations by Directorate £000's

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 2	RAGBY Classification	Change from prev mnth
Chief Executive	10,035	10,187	152	A	-
FWB - Adult Social Services	74,667	77,662	2,995	R	-
FWB – Children & YP, Schools & Safeguarding	82,877	82,877	0	G	-
FWB - Sport & Recreation	8,502	8,513	11	G	-
Regeneration & Environment	95,190	95,190	0	G	-
Transformation & Resources	20,199	20,178	-21	G	-
Corporate Growth & Savings	-15,813	-15,813	0	G	-
TOTAL	275,657	278,794	3,137		0

The main report only comments on large variations (Red and Yellow items). The 'variations' analysis over 28 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)

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Table 3: Directorate Business Area Projected Budget variations

	Chief Exec	FWB	Rege & Environ	Trans & Res	Total
Red Overspend	0	1	0	0	1
Yellow Underspend	0	0	0	0	0

The full Table is set out at [Annex 3](#)

- 3.2 One business area is currently flagged as red rated. This is Delivery within Families and Well Being - Adult Social Services and relates mainly to the delivery of 2014/15 savings for which management actions will need to be identified.

Key Issues

- 3.3 The savings tracker contained within section 4 of this report contains an assessment of the 2014/15 savings programme. This shows £11.1m of savings rated as red (defined as high risk or not achieved) with a further £8.9m of options rated at amber (concerns).
- 3.4 The ratings are a result of robust assessment of progress to date against the original proposed budget options and identification of in year slippage against targets. Red rated options include a number relating to Adult Social Services options, savings on the library budget not yet implemented, corporate commissioning and procurement savings still to be identified and the Future Council initiative where slippage to a January implementation date is forecast to deliver half the 2014/15 planned saving, however mitigation is in place and being developed as set out below.
- 3.5 A number of identified mitigating actions are in place to assist the Future Council programme savings delivery and reduce the risks to the budget. These include continuation of the spending freeze, vacancy management, the voluntary redundancy offer, reviewing growth allocations and identification and control of other underspending directorate budgets. Mitigating actions will also deliver £3m from within public health. These measures include capitalisation of eligible schemes which, reduce commitments on the revenue budget, efficiencies, rephasing and review of Public Health Outcomes Funding and use of public health funding against other eligible directorate commitments
- 3.6 The impact of the above measures combined with the projections for the overall budget position reduces the forecast yearly overspend to £3m. Projections will be updated monthly and further mitigating measures identified as the year progresses.

Directorate Updates

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

Chief Executive's: No variances have been identified within the core budget area. A potential overspend of £152,000 is however currently forecast as a result of new in year commitments within asset management.

APPENDIX 4

The expected variance relates to additional street lighting Carbon Reduction Commitment (CRC) allowances. CRC street lighting requirements were announced by government after Council had agreed the 2014/15 budget. Additional allowances for street lighting at an estimated cost of £152,000 will require purchasing. Mitigation has not yet been identified from within the Directorate budget to cover this increased cost, but proposed mitigation for dealing with this is set out below.

In mid May government announced the New Homes Bonus allocation: returned funding grant determination with amounts for the 2014/15 financial year. This includes an additional grant element of £242,253 for Wirral which was not included in the 2014/15 budget as no decision that this return funding would be paid to local authorities had been made. The allocation is a general grant and could be used to offset the above increased Carbon Reduction Commitment in 2014/15.

Families and Well Being:

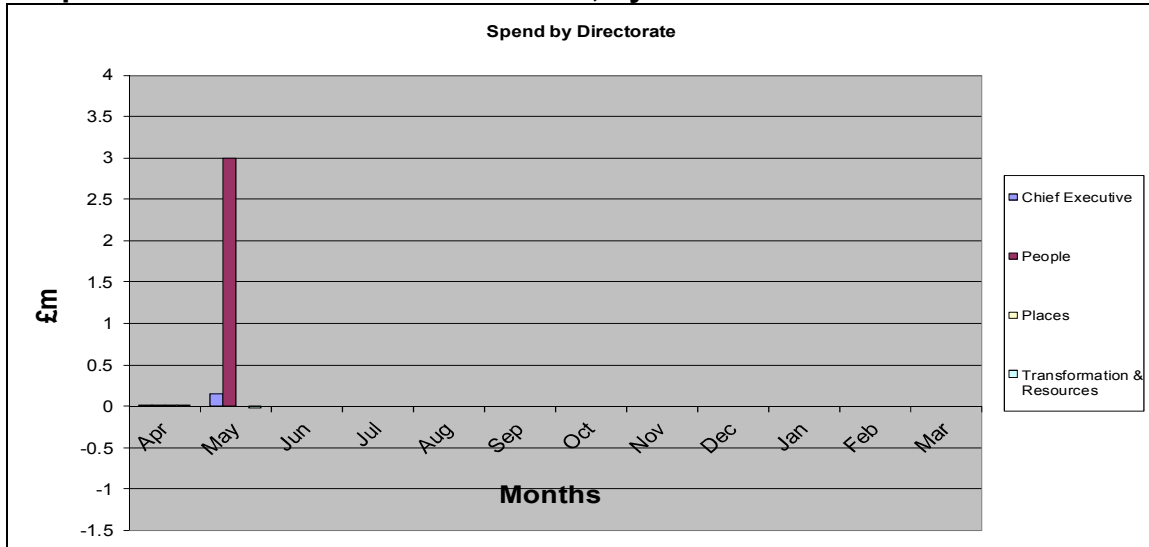
- Adults: Slippage against 2014/15 savings projects is £2.35m with further actions to be identified. The remaining variations cover a number of areas mainly within community care. Pressure within the Community Care budget is being addressed through management actions and savings projects. These areas have been highlighted by the DASS Transformation Board and are being reviewed with a view to identifying mitigating actions
- Childrens: No variances have been reported for childrens. Careful monitoring of savings progress will be required during the year.
- Schools, Safeguarding, Sport & Recreation: A minor variation of £11,000 is currently forecast for Sport and Recreation.

Regeneration and Environment: At this early stage of the financial year, there are no major budgetary issues to report within the Regeneration & Environment Directorate. The Directorate remains on course to meet its 2014-15 financial targets.

Transformation & Resources: An underspend of £21,000 is currently forecast for the directorate. The Library savings relating to changes agreed in 2013/14 for implementation in 2014/15 have not been implemented. These savings related to changes in opening hours and working arrangements and are being covered at the moment from vacant posts within the service.

Corporate Wide Budgets: A number of high value corporate wide savings options because of their size and complexity are currently classed as high risk. This includes savings from the Future Council initiative and Corporate Commissioning. These require close monitoring and will be further reported upon during the year.

Graph 2: 2014/15 Directorate Variance, by month



4 IMPLEMENTATION OF SAVINGS

4.1 The delivery of the agreed savings is key to the Council’s financial health and is tracked at both Council and Directorate level. The assumption is that, where there is slippage, the Strategic Director will implement replacement savings.

Table 4: Budget Implementation Plan 2014/15 whole Council (£000’s)

BRAG	Number of Options	Approved Budget Reduction	Amount Delivered at May	To be Delivered
B - delivered	39	9,054	9,054	0
G – on track	33	7,249	1,317	5,932
A - concerns	25	8,887	552	8,335
R - high risk/ not achieved	7	11,069	368	10,701
P – replacements for Red	0	0	0	0
Total at M2 May 14	104	36,259	11,291	24,968

Note: For 2014/15 the red rating definition has been amended from that used in 2013/14. Red is now classed as high risk or not achieved (in 2013/14 it was defined as failed)

4.2 As referred to in paragraph 3.4 above a number of savings options are currently red rated. The 2014/15 red rating definition has been broadened from that used in 2013/14 to now include high risk rather than only failed options.

4.3 The **spending freeze** for non-essential spending has been extended into the 2014/15 financial year and will continue until further notice. The purpose being to reduce any projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council.

4.4 The 2014/15 Budget includes a number of budget saving options profiled to produce benefits towards the end of the financial year. Details will be provided throughout the year within the report regarding any slippage in savings

APPENDIX 4

achievement and actions taken to bring savings on back on schedule, or to provide temporary compensatory funding where appropriate.

5 GROWTH

- 5.1 An allowance for the impact of demographic changes, inflation and other risks - that is outcomes that could be worse than assumed - was built into the budget 2014/15 as detailed at Annex 5. The assumptions which totalled £9.2m have been and are subject to ongoing review.
- 5.2 A review of the growth requests and assumptions made in February has taken place. This has identified approximately £0.9m of in year reductions which can be achieved. These are a result in receiving updated information on requirements and assessing the timing and commencement of commitments for new initiatives. The details of the adjustments are detailed in table 5 below

Table 5: Suggested Growth Reductions

	2014/15
Adults (Increased demand)	100
Ordinary Residence	200
Contract Inflation	85
Children's (Leasowe Millennium Centre)	50
Children's (Youth and Play)	76
Graduates	88
Selective Licensing Landlords	178
Economic Strategy Unit	100
Total Reduction	877

6 INCOME AND DEBT

- 6.1 Revenue and Income falls into the four broad areas shown below for reporting purposes:

Table 6: Amount to be collected in 2014/15 £000's

	2014/15	2014/15	
	Collectable	Collected	%
	£000	£000	
Council Tax	137,225	25,996	18.9%
Business Rates	71,328	12,867	18.0%
Fees and charges – Adults	10,415	11,242	107.9%*
Fees and charges – all other services	7,800	8,674	111.2%*

*A proportion of Fees income collected in 2014/15 will apply to debts raised pre April 2014, ie to debts in addition to those newly collectable in 2014/15 .

COUNCIL TAX

- 6.2 The Council Tax collection after two months of the year is comparable with the equivalent 2013/14 collection rate. No significant changes to Council Tax arrangements were implemented for 2014/15. This is now the second year of Local Council Tax Support scheme.

APPENDIX 4

- 6.3 Recovery from non Council Tax Support recipient debtors is continuing as normal. Action taken to recover from those of Working Age that previously received Council Tax Benefit is ongoing. Repayment plans offering weekly/fortnightly instalments were offered to those contacting the Council. Where possible attempts to collect by Attachment of Earnings and Benefits will be prioritised however inevitably in some cases this will not be possible and alternative methods including Bailiffs will need to be utilised.

BUSINESS RATES

- 6.4 Following changes implemented recently by central government, businesses can now have the option to pay Business Rates over 12 monthly instalments. Previously payment options had been over 10 instalments. Income collection to the end of May was 18.0%. This was lower than the 19.53% collected at the equivalent period in 2013/14. The most significant factor in this is the take up of 12 monthly instalment option which as a result of the extended payment time, means that the collection rate will not catch up until March 2015.

DEBTORS

- 6.5 Ongoing work has continued to improve collection and resolve outstanding debts and currently leaves a balance outstanding of £22,054,513 compared to last year which at the end of May 2013 was £26,461,856. Income receipts in April and May exceeded bills raised in the period and reflect a reduction in the net debt position.

7 RELEVANT RISKS

- 7.1 The possible failure to deliver the Revenue Budget is being mitigated by:
- Tracking system of savings to ensure delivery;
 - Future Council Project Governance arrangements including the regular review of in year and future savings by Chief Officers
 - 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;

8 OTHER OPTIONS CONSIDERED

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

9 CONSULTATION

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

10 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

APPENDIX 4

11 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

- 11.1 Cabinet 12 February 2014 agreed a 2014/15 General Fund balance risk calculation of a minimum of £17.3 million. The level of risk is forecast to reduce in future years with the General Fund balance requirement for 2015/16 calculated at £15.4 million. This will be reviewed during the year to reflect changing circumstances and any in year developments.

Table 7: Summary of the projected General Fund balances

Details	£m	£m
Balance 31 March 2015 when setting the Budget 2014/15		+17.3
Less: Potential overspend, at M2		-3.1
Add: Additional New Homes Bonus		+0.2
Projected balance 31 March 2015		+14.4

- 11.2 Earmarked Reserves excluding school balances total £66.1 million. These include reserves relating to the cost of Council remodelling, mitigation and specific project support and ongoing financial risks. Earmarked reserves will be reviewed during the year.

12 LEGAL IMPLICATIONS

- 12.1 The entire report concerns the duty of the Council to avoid a budget shortfall. The Chief Finance Officer has 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.

13 EQUALITIES IMPLICATIONS

- 13.1 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.

14 CARBON REDUCTION IMPLICATIONS

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

15 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

16 RECOMMENDATIONS

- 16.1 Cabinet is asked to note that at Month 2 (May 2014), the full year forecast projects a gross General Fund overspend of £3,137,000.
- 16.2 Cabinet is asked to note the increased commitment of £152,000 for Carbon Reduction Commitment allowances contained within the above figure

APPENDIX 4

- 16.3 Cabinet is asked note the payment of New Homes Bonus grant of £242,253 which is a general grant received outside of directorate budgets.
- 16.4 Cabinet is asked to note the risks relating to non delivery of savings as detailed in paragraph 3.3 and requirement for mitigation and actions to be identified
- 16.5 Cabinet notes the mitigating actions being undertaken including capitalisation, reprofiling and use of public health budgets as per paragraph 3.5 and reductions to 2014/15 growth as detailed in paragraphs 5.2 and table 5 above. Further mitigating action will be developed as appropriate during the year.
- 16.6 Cabinet approve the application of the additional New Homes Bonus grant against the Carbon reduction commitment and overall overspend to reduce the net overspend to £2,894,747.

17 REASONS FOR THE RECOMMENDATIONS

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

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ANNEXES

- Annex 1 Revenue Monitoring and Reporting Timetable 2014/15.
Annex 2 General Fund Revenue Budget for 2014/15 agreed by Council.
Annex 3 RAGBY Full Details
Annex 4 Mitigating Actions 2014/15
Annex 5 Growth and Risk
Annex 6 Income and Debt

SUBJECT HISTORY

Council Meeting	Date
Since September 2012, a monthly Revenue monitoring report has been submitted monthly to Cabinet. Budget Council	25 February 2014

APPENDIX 4

Annex 1 REVENUE MONITORING AND REPORTING TIMETABLE 2014/15

Period Number	Month	General Ledger Updated and Reports Available To Be Produced	Reports Available For The Executive Strategy Group	Reports Available For Cabinet
			Monthly	Monthly
1	April	N/A	N/A	N/A
2	May	Jun 6	Jun 17	Jul 7
3	June	July 7	Aug 26	Sep 11
4	July	Aug 8	Aug 26	Sep 11
5	August	Sep 5	Sep 23	Oct 9
6	September	Oct 7	Oct 21	Nov 6
7	October	Nov 11	Dec 16	Jan 15
8	November	Dec 12	Jan 20	Feb 10
9	December	Jan 8	Jan 20	Feb 10
10	January	Feb 6	Feb 24	Mar 12
11	February	Mar 6	TBC	TBC
12	Outturn (Provisional)	TBC	TBC	TBC

APPENDIX 4

Annex 2 GENERAL FUND REVENUE BUDGET 2014/15

AGREED BY COUNCIL ON 25 FEBRUARY 2014

Directorate/Service Area	Original Budget	Variances	Revised Budget
	£000	£000	£000
Expenditure			
Chief Executives	10,035	-	10,035
Families and Well Being		-	
Children and Young People, Schools and Safeguarding	82,877	-	82,877
- Adult Social Services	74,667	-	74,667
- Sports and Recreation	8,502	-	8,502
Regeneration and Environment	95,190	-	95,190
Transformation and Resources	20,199	-	20,199
Net Cost of Services	291,470	-	291,470
Corporate Growth	1,016	-	1,016
Corporate Savings	-16,829	-	-16,829
Budget Requirement	275,657	-	275,657
Income			
Local Services Support Grant			
New Homes Bonus	1,768	-	1,768
Revenue Support Grant	87,492	-	87,492
Business Rates Baseline	32,036	-	32,036
Top Up	40,513	-	40,513
Council Tax Requirement	112,214	-	112,214
Council Tax Freeze Grant	1,334	-	1,334
Contribution from G Fund Balances	300	-	300
Total Income	275,657	-	275,657
Statement of Balances			
As at 1 April 2014	17,300	-	17,300
Contributions from Balances	(300)	-	(300)
Forecast Balances 31 March 2015	17,000	-	17,000

Note: This table will be updated for agreed variances during the year

APPENDIX 4

Annex 3 - MONITORING FULL DETAILS

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 Directorate identifying the service in the Council Estimates (Green Book))

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Chief Executive's	5	0	1	4	0	0
Adult Social Services	2	1	0	1	0	0
Children & Young People, & Schools	5	0	0	5	0	0
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	1	0	0
Regeneration & Environment	5	0	0	5	0	0
Transformation & Resources	7	0	1	5	1	0
Corporate Growth & Savings	2	0	0	2	0	0
Total	28	1	2	24	1	0

Business Area Reds

	Chief Exec	People	Places	Trans & Res	Total
Red Overspend	0	1	0	0	1
Value £000s		3,727			3,727

Business Area Yellows

	Chief Exec	People	Places	Trans & Res	Total
Yellow underspend	0	0	0	0	0
Value £000s					

APPENDIX 4

Annex 4 - MITIGATING ACTIONS 2014/15

HEALTH OUTCOMES FUND – CAPITALISATION		£
Regeneration	Wirral Allotments Project	168,000
Regeneration	Start Active - Play Active - Stay Active	230,000
Regeneration	Wirral Way widening and safety improvements	130,317
Sport and Rec	Guinea Gap Centre - 2x 3G Football pitches	245,000
Sport and Rec	Fitness Suite facility at West Kirby Concourse	111,999
Total transferred to Capital Programme and borrowing		885,316
Less borrowing costs as previously revenue funded		-88,530
TOTAL FROM OUTCOMES FUND ONE-OFF SAVING		796,786

HEALTH OUTCOMES FUND – EFFICIENCIES AND STOPPING		£
Childrens	Connect for Wellbeing	34,374
Childrens	Children in Care (CiC) Council Project	26,067
Childrens	Substance Misuse	61,400
Childrens	Teenage Pregnancy	50,000
Regeneration	Healthy Homes	102,234
Regeneration	Forest Schools	35,991
Regeneration	Young Drivers	15,000
Regeneration	Proxy Purchasing Project	12,500
Regeneration	Pilot Scheme to encourage behaviour Change	16,735
Regeneration	FoCAL (Forest Community and Adult Learning)	75,438
Sport and Rec	Enhance and up skill Fitness Suite Staff	11,889
Sport and Rec	Youth Sports Nights	14,785
Sport and Rec	Positive Futures Programme Assistant	33,000
Sport and Rec	Training budget for 'Activators' courses	41,250
Sport and Rec	'Run in Wirral' and other outreach activities	22,500
Various	Other Schemes (below £10,000)	32,403
TOTAL FROM OUTCOMES FUND – EFFICIENCIES & STOPPING		585,566

PUBLIC HEALTH – REVENUE	£
Allocation against existing eligible activity releasing resources	1,600,000

GROWTH REDUCTION / REPHASING OF APPROVED GROWTH 2014/15

Directorate	Description	Growth £	Action	£
Adults	Inc demand Older People	1,139,000	Reduction agreed	100,000
Adults	Ordinary Residence	500,000	Reduction agreed	200,000
Adults	Contract inflation	835,000	Per increases agreed	85,000
Childrens	Leasowe Millennium Centre	76,000	Absorb in asset mgt	76,000
Childrens	Youth and Play Services	50,000	Absorb in Service	50,000
T&R	Graduate	88,000	Defer recruitment	88,000
Regeneration	Selective Licensing	356,000	Half-year to implement	178,000
Regeneration	Economic Strat. Unit	200,000	Half-year to implement	100,000
TOTAL FROM REDUCING / REPHRASING GROWTH 2014/15				877,000

Annex 5 GROWTH AND RISK

DIRECTORATE	OPTION TITLE	2014/15
		£000
FAMILIES		4,626
Demographic Growth	Childrens - Special Guardianship and Adoption numbers	240
	Adults - Demand (Young Adults with Learning Disabilities)	926
	Adults - Increased demand Older People	1,139
	Adults - Ordinary Residence	500
Other Growth	Childrens - Staying Put Policy	0
	Assets - Leasowe Millennium Centre	76
	Childrens - Youth and Play Services - refocus provision	50
	Adults - Care Bill implications	0
Inflation	Childrens - Increasing Fostering & Adoption Allowances	200
	Childrens - PFI Affordability Gap	190
	Childrens - Teacher Retirement Costs	80
	Childrens - Transport Contracts	80
	Childrens - Energy and CRC Allowances price increases	310
	Adults - Contract inflation	835
REGENERATION		1,784
Demographic Growth	Temporary Accommodation Budget	50
Other Growth	Housing /Homeless Prevention (presently from Community Fund)	0
	Car Parking Operations Income	350
	Increase to green waste processing gate fee	65
	Economic Strategy Unit	200
	United Utilities Standing Water Charges	0
	New System for administering Resident Parking Schemes	40
	Parking Income shortfall due to end of income agreement	68

APPENDIX 4

	Biffa Property Uplift	13
DIRECTORATE	OPTION TITLE	2014/15
		£000
	Selective Licensing of Landlords	356
	Homelessness Prevention Grant	221
	Prevention and support services (presently from Community Fund)	0
	Housing Standards and Renewal (presently from Community Fund)	0
Inflation	Highway Services Contract	48
	Contract for Parking Enforcement Services	10
	Urban Traffic Control Systems	20
	Biffa Contract Inflation	343
TRANSFORMATION		2,773
Other Growth	Graduate Trainee Programme	88
	Savings Profiling including Business Rates	900
	Council Tax Summonses	1,300
	Council Tax Support Scheme: Uprating in line with Housing Benefit	265
	IT Support	120
	Benefit Advice Services	100
	Elapsing of unpaid leave 3 year savings option	0

By Directorate	2014/15	By Type Of Growth	2014/15
	£000		£000
Families & Wellbeing	4,626	Demographic	2,855
Regeneration	1,784	Other Growth	4,212
Transformation	2,773	Inflation	2,116
Total	9,183	Total Growth	9,183

Since the budget was set a review of growth and assumptions has been undertaken. The following reductions which reflect changes in profile and phasing will assist mitigate pressures in the 2014/15 budget.

Annex 6

INCOME AND DEBT

The following shows the collection progress for Council Tax, Business Rates, Accounts Receivable and Benefits

Council Tax

The following statement compares the amount collected for **Council Tax** in the period 1 April 2014 to 31 May 2014 with the amount collected in the same period in 2012/13:

	Actual 2014/15 £000s	Actual 2013/14 £000s
Cash to Collect	137,225	135,419
Cash Collected	25,966	25,802
% Collected	18.9%	19.1%

Council Tax benefits have been abolished and replaced by Council Tax support and the numbers and awards as at 31 May 2014 are as follows:

Number of Council Tax Support recipients	37,633
Number of pensioners	15,956
Number of vulnerable (working age)	7,701
Number of working age	13,926

Council Tax Discretionary Policy as at 31 May;

21 awards granted totalling £3,676,
 6 cases adjourned,
 179 refused reason, requesting payment of 22% after maximum Council Tax Support.
 5 cases reason, moved to 100% CTS from 78%,
 4 cases reason, others/misc.
 17 cases outstanding.

APPENDIX 4

Business Rates

The following statement compares the amount collected for **National Non-Domestic Rates** in the period 1 April 2014 to 31 May 2014 with the amount collected in the same period in 2013/14:

	Actual 2014/15	Actual 2013/14
	£	£
Cash to Collect	71,328	70,396
Cash Collected	12,867	13,749
% Collected	18.0%*	19.53%

* 12 instalments introduced, adopted by at least 25% of accounts showing comparison.

Accounts Receivable

The table below shows the directorates and amount of debt at each recovery stage:

Directorate Description	Less than 10 days	1st reminder	2nd reminder	3rd reminder	Total at 31.05.14
Chief Executive	£54,930	£18,538	£8,514	£631,474	£713,456
Neighbourhood	£790	£2,310	£0	£30,413	£33,513
Transformation & Resources	£1,690,276	£2,889,231	£24,146	£927,266	£5,530,919
Families & Wellbeing	£4,330,898	£382,123	£368,360	£9,406,885	£14,488,266
Regeneration & Environment	£424,960	£283,036	£86,981	£818,376	£1,613,353
Policy & Performance	£158	£0	£0	£0	£158
Totals	£6,502,012	£3,575,238	£488,001	£11,814,414	£22,379,665

The above figures are for invoices in respect of the period up to the end of May 2014. Payments as well as amendments such as write-offs and debt cancellations continue to be made after this date on all these accounts. There is a further deduction of £325,152.00 to be made for unallocated payments leaving a balance of **£22,054,513**

BENEFITS

The following statement details the number of claimants in respect of benefit and the expenditure for Private Tenants and those in receipt of Council Tax Support up to 31 May 2014:

	2014/15	2013/14
Number of Private Tenant recipients	31,876	31,391
Total rent allowance expenditure	£22,966,814	

APPENDIX 4

Number under the Local Housing Allowance Scheme (<i>included in the above</i>)	12,304	11,965
	£9,829,429	
Number of Council Tax Support recipients	37,611	
	38,617	
Total Council Tax Support expenditure	£27,830,288	
Total expenditure on benefit to date	£50,797,102	

The following statement provides information concerning the breakdown according to client type as at 31 May 2014 and gives the early year numbers to show the shift in sector by benefit claimants during the year.

Claimants in the Private Rented Sector	14,080	14,531
Claimants in the Social Rented Sector	17,228	16,906
Owner Occupiers	10,060	10,118
Total claimants by age group		
- under 25 years old	2,486	2,504
- 25 – 60 years old	21,535	21,548
- over 60 years old	17,347	17,361

There are 41,368 benefit recipients in Wirral as at 31 May 2014.

Under Occupancy regulations

From 1 April 2013 property size criteria was introduced to working age tenants of social landlords (Registered Providers). Where a claimant is deemed to be occupying accommodation larger than they reasonably require Housing Benefit is restricted:-

- By 14% in 2,776 cases
- By 25% in 677 cases

The number of claims affected does fluctuate. The numbers above are a snapshot at 31st May 2014.

Housing Benefit Fraud and Enquiries – 1 April 2014 to 31 March 2014

New Cases referred to Fraud team in period	1,385
Cases where fraud found and action taken	115
Cases investigated, no fraud found and recovery of overpayment may be sought	507
Cases where fraud found and action taken:	
Administration penalty / caution	10
Successful prosecution	47
Included in total prosecutions	

Local Welfare Assistance Fraud Prosecution
Council Tax fraud prosecution

1
2

Discretionary Housing Payments

The table below profiles the position of Discretionary Housing Payment (DHP) administration and associated spend. DHP is not a payment of Housing Benefit and is funded separately from the main scheme. Since the introduction of Welfare Reform and associated impacts, additional funding has been made available.

The Government contribution for 2014/15 is £995,795 with an overall limit of £2,489,487 which the Authority must not exceed.

Month	Claims Considered			DHP Awards in Payment	Current Awards	% spent (committed) of total fund	Annual Total Cont. remaining
	Total considered	Awarded	Refused				
April	259	203	56	248	£93,371	10%	£902,424
May	464	361	103	816	£181,503	35%	£814,292
Totals	723	564	159				

Local Welfare Assistance

The Local Welfare Assistance Support Scheme (LWA), supported by a £1,345,925 Government Grant, gives assistance to those in immediate crisis or need through the provision of pre payment cards for food and fuel and direct provision of white goods. The number of applications continue to rise on a week by week basis.

LWA details for period from 07 April 2014 to 31 May 2014:

Number of awards granted for food	456	value	£21,311
Number of awards granted for fuel	613	value	£10,120
Number of awards granted for goods	1,497	value	£161,896
Total number of awards made	2,566	value	£193,327

This direct grant will be ended on 31 March 2015 and during 2014/15 the Authority will need to decide what, if any, provisions are made for 2015/16 in this area.

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CABINET

7 JULY 2014

SUBJECT	CAPITAL MONITORING 2014/15 MONTH 2 (MAY 2014)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

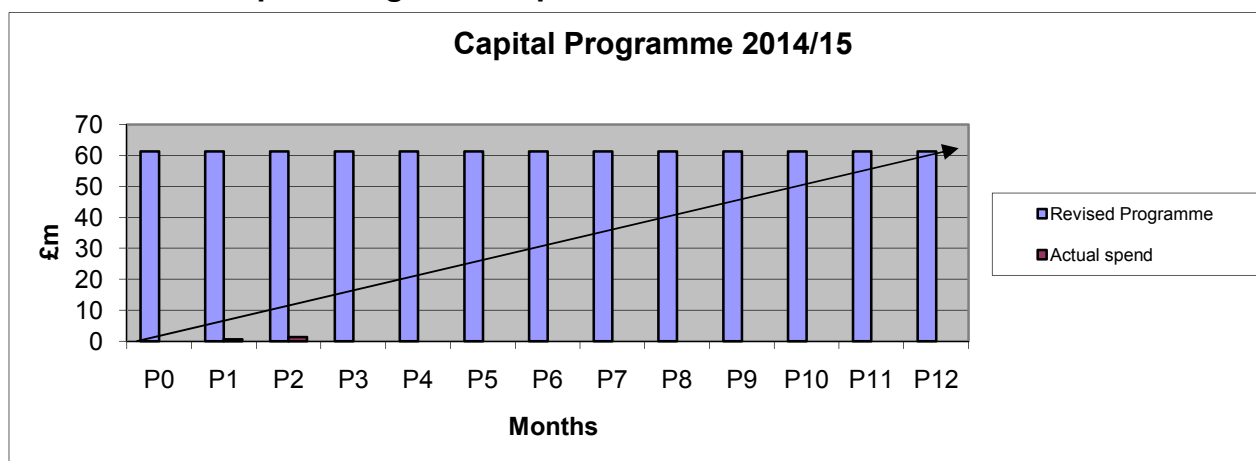
1 EXECUTIVE SUMMARY

1.1 This report sets out the capital position for 2014/15 at Month 2 (May 2014).

2 OVERALL POSITION AT PERIOD 2 (MAY 2014)

2.1 At this early stage of the year no variances have as yet been identified which impact upon the forecast year end outturn. The following tables provide information which outline the 2014/15 capital programme and the sources of financing.

Chart 1: Capital Programme spend below line of best fit



3 ORIGINAL AND PROPOSED CAPITAL PROGRAMME FOR 2014/15

3.1 The Programme for 2014/15 is subject to change. Period 2 reflects the Programme agreed by Cabinet on 12 February together with subsequent amendments. Broadly these reflect the re-profiling from 2013/14 as referred to in the Capital Outturn report, together with more up to date information regarding external financial support primarily latest grant notifications.

APPENDIX 5

- 3.2 Given the level of slippage from 2013/14's programme, in total £35 million, the programme will be subject to a rigorous review by the Capital Working Group during July with the intention of determining a deliverable programme in 2014/15.
- 3.3 To aid the monitoring process greater use will be made of the Concerto system with each scheme. This will show how schemes in the Capital Programme are progressing. Appendix 1 will in future contain information about which stage in the gateway process schemes have reached. The 5 gates currently in use are:

Conception
Approval
Start Up
Delivery
Completion

Table 1: Capital Programme 2014/15 at Period 2 (May) £000's

	Capital strategy	Re-profiling	Other changes to be noted	Revised Capital Programme	Actual Expenditure May 2014
Universal & Infrastructure	5,983	1,113	0	7,096	110
Families & Wellbeing – CYP	13,879	3,376	-2,877	14,378	502
Families & Wellbeing – Adults	3,611	1,173	0	4,784	155
Families & Wellbeing – Sport & Recreation	1,000	1,000	357	2,357	0
Regeneration & Environment – Environment & Regulation	7,850	1,715	1,203	10,768	73
Regeneration & Environment – Housing & Community Safety	5,972	2,682	0	8,654	297
Regeneration & Environment – Regeneration	5,479	474	3,400	9,353	123
Public Health	401	357	-758	0	0
Transformation & Resources	4,000	0	0	4,000	81
Total expenditure	48,175	11,890	1,325	61,390	1,341

Universal and Infrastructure Services

- 3.4 Tenders for Wallasey Town Hall are due back in June. Estimated at £0.275 million this work will enable alterations to ground floor areas.

APPENDIX 5

Phase 1, & 2 of Electrical Infrastructure and refurbishments works at Cheshire Lines are complete phase 3 is due to start 7th July for a 12 week contract. Phase 4 will commence October with all work complete by March 2015 at an estimated cost of £0.250 million. This will enable Birkenhead Municipal Building to be demolished and staff relocated to Cheshire Lines.

Works to Birkenhead Town Hall are complete and Acre Lane staff have started to relocate with all staff relocated and Acre Lane vacant by Sept.

Tender preparation work is underway for full refurbishment of Wallasey Town Hall North Annexe.

Cleveland Street Transport Depot, enabling works are underway refurbishing existing buildings to allow a phased move from, various Parks Depots that will reduce revenue implications and/or produce a Capital receipt.

Demolition work is due to commence end of July in preparation for construction of a New Salt Barn facility at the Cleveland Street site.

CYP Capital Allocations for 2014/15

3.5 DfE allocations for 2014/15 were announced on the 24th of January 2014. Details of the proposed CYP Capital programme for 2014/15 are attached as Annex 2 of this report. The programme includes a wide range of projects and these will promote the Council's corporate priorities. In drawing up the Capital Programme for 2014/15, the department has continued to follow similar strategies in previous years for enhancing premises, dealing with condition related works, improving student learning environments, community accessibility, safety and security compliance. The Capital Programme is made up of allocations from the DfE for Capital Maintenance, Basic Need and Universal Infant Free School Meal allocations plus Council Capital for specific high value projects and general pupil place planning. Whilst Capital allocations have not been ring-fenced to particular areas of need by the DfE, the principles followed are:

- (i) To undertake projects identified in the Asset Management Plan to enhance the Suitability and Condition of schools and enable a full range of curriculum activities.
- (ii) To undertake projects supporting the changing Primary and Secondary school pupil rolls across the Borough.
- (iii) To work with other Council departments to deliver the Strategic Asset Review, particularly in the co-location of services, early years childcare and forward planning for other regeneration projects.
- (iv) To enable inclusion within mainstream schools for pupils with physical and mental disabilities and to ensure that Special Schools are able to provide the care required for a range of disabilities.
- v) To identify those schools for which Basic Need and the Council's allocation for school place planning should be considered for the sufficiency of places; these are included within both the feasibility/design development section and the main schemes.

3.6 Current Programme

Good progress is being made by the in-house Asset Management and Design Teams on major projects included in the 2013/14 capital programme, at June 2014 there are 2 large contracts (over £500k) on site in addition to a range of smaller value projects and 15 large projects where detailed design work is taking place; these are at various stages of the design/conception phases.

3.7 Universal Infant Free School Meals

Following announcements in late 2013 to introduce a new entitlement for all pupils in years 1 and 2 details were received by Local Authorities in January giving more information of the initiative.

In Wirral this initiative will result in an expected pupil meal increase of 7,000 meals per day. Whilst there are a number of kitchens requiring extensive building work to enable capacity increase, many kitchens require new heavy equipment which need adequate ventilation systems, electrical supplies etc. Works will continue over the summer holiday to ensure kitchen production is ready for September. Due to the rolling-programme of investment in kitchens over the past few years Wirral was in a stronger position than many LA's to meet the new initiative. However, continuation of capital investment will be required to meet the increased meal numbers, to ensure that safety legislation is met and to replace old kitchen equipment.

3.8 Priority School Building Programme

Wirral was successful in its application to re-build 3 new schools under the PSBP (1), the first scheme to rebuild Foxfield Special School is on-site and construction is progressing quickly. The anticipated date for completion is early 2015 when the new school will move from its current site in Moreton to Woodchurch. Ridgeway High School and Bedford Drive School are also included in PSBP (1) but will follow a Private Finance Initiative route, the projects are progressing and the appointment of a preferred contractor will be announced shortly.

PSBP (2) has just been announced by the DfE and it is intended that further bids will be submitted for inclusion in this next round of this significant construction programme. The final submission date for bids is 21 July 2014 and all schools will be assessed against the criteria set by the Education Funding Agency and Condition data held by Asset Management.

3.9 School Basic Need and Sufficiency Requirements

Wirral received amounts of £512,000 in both 2013/14 and 2014/15 to meet the need for additional pupil places. Whilst the impact of pupil number growth has not had the impact as in many other Local Authorities in the country there have been pockets of higher pupil numbers in a few schools and as a result additional space has been provided.

The Capital Programme 2014/15 list attached identifies Fender Primary school for Basic Need allocation to meet the increase in pupils in the Woodchurch area. However, Council Capital contributions of £750,000 in 2014/15 and the indicative allocations for Basic Need in 2015/16 and 2016/17 which are in the region of £3m have not been allocated. Further discussions are required with curriculum leaders, pupil admissions, schools forum etc to agree the programme for increasing pupil

numbers in selected schools. Further reports to Cabinet will therefore be forthcoming.

Families and Wellbeing – Adults

- 3.10 The Integrated I.T. scheme (Liquidlogic) is progressing with over 50% of the scheme now completed.

The Learning Disabilities Extra Care Housing Scheme procurement was completed in early 2014 and a delivery plan agreed.

Environment and Regulation

- 3.11 The two major programmes relate to Highway Maintenance for which the annual programme has been drawn up with schemes now progressing and no significant issues are anticipated. As for the Bridges programme, most schemes will be completed as anticipated with two possible exceptions. The Dell underpass is subject to possible adjudication and work on National Rail bridges is subject to agreement of that organisation. There is therefore the possibility that these schemes may slip to 2015/16, in total £0.284 million.

Housing & Community Safety

- 3.12 Disabled Facilities Grants continue to be approved and the spend committed but the incurring of this spend is determined by the grant applicants which means that there will invariably be works approved but will not be completed until the following year.
- 3.13 The framework for the use of the £1.5m allocated to stimulate affordable housing building in Wirral was approved by this Committee in April.

Regeneration

- 3.14 The Council's Regional Growth Fund grant supports investment into the offshore renewable energy sector. With applications being approved the companies are only paid upon defrayment.

Transformation & Resources

- 3.15 The Council has embarked upon a substantial programme of investment into Information Technology which includes the Oracle System and is a key element in supporting the delivery of the Future Council project. The acquisition of equipment is in progress and should all be in place by the end of the financial year.

Table 2: Significant variations to the 2014/15 programme £000's

	Changes to be noted	Explanation (A) Policy (B) Items previously deferred (C) Funding (D) Re-profiling (E) Reduced requirement
Families & Wellbeing – CYP	-2,187	Condition/Modernisation – Allocation has been confirmed. (C).
	-690	6 schemes from the above allocation will not commence until 2015/16 (D).
Families & Wellbeing - Sport & Recreation	357	Transfer of responsibility for a number of Public Health funded schemes (A).
Regeneration – Environment & Regulation	802	Allocation of revised grant notifications (C).
	401	Transfer of responsibility for a number of Public Health funded schemes (A).
Regeneration – Housing & Community Safety	3,000	Estimate of potential Regional Growth funding from Local Enterprise Partnership (C)
Public Health	-758	Transfer of responsibility to Regeneration and Sport and Recreation for a number schemes (A)
Total Significant Variations	925	

4 FINANCING OF THE CAPITAL PROGRAMME

4.1 Table 3 summarises the financing sources for the original and latest programmes.

Table 3: Revised Capital Programme Financing 2014/15 £000's

Capital Programme Financing	Capital Strategy	Revised 2014/15 Programme
Unsupported Borrowing	20,717	19,972
Capital Receipts	3,000	10,900
Revenue and Reserves	290	694
Grants	24,168	29,824
Total Financing	48,175	61,390

APPENDIX 5

- 4.2 A number of schemes with a value of £0.9 million were originally to be funded from Public Health grant. These will now be funded from borrowing at a cost of £81,000 p.a. As a result the grant can now be allocated to revenue with an overall saving of £0.8 million.

5 PROJECTED LONGER TERM CAPITAL PROGRAMME

- 5.1 Funding for the forecast 2014/15 to 2016/17 capital programme is shown in Table 4 and reflects the 2014/17 capital programmes agreed by Budget Council and subsequent amendments.

Table 4: Capital Programme Financing 2014/15 to 2016/17 £000's

Capital Programme Financing	2014/15 Revised Estimate	2015/16 Original Estimate	2016/17 Original Estimate	Total Programme
Unsupported Borrowing	20,857	6,824	4,376	32,057
Capital Receipts	10,900	3,000	0	13,900
Reserve Reserves	694	0	0	694
Grant s	28,939	7,644	6,644	43,227
Total Financing	61,390	17,468	11,020	89,878

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

- 6.1 Based on the current cost of borrowing, £1 million of Prudential Borrowing would result in additional revenue financing costs of £90,000 per annum in the following year. As part of the Capital Strategy 2014/15 to 2016/17 the Council has included an element of prudential borrowing. At Period 2 there is a sum of £39.1 million of new unsupported borrowing included over the next three years, which will result in approximately £3.4 million of additional revenue costs detailed at Table 5, if there is no change in strategy.

Table 5: Unsupported Borrowing Forecasts & Revenue costs £000's

	2014/15	2015/16	2016/17	2017/18
New Unsupported borrowing	20,857	6,824	4,376	-
Cumulative		27,681	32,057	32,057
Cumulative Annual Revenue repayment costs		1,877	2,491	2,885

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 6: Analysis of Unsupported Borrowing

	2014/15	2015/16	2016/17	Total
Spend to save	6,684	6,050	750	13,484
Other borrowing	21,188	774	3,626	25,588

7 CAPITAL RECEIPTS POSITION

- 7.1 The Council has worked with the Local Government Association (LGA) to review the Council's Assets - a report was presented to Cabinet on November 7. This highlighted the Council could realise £20 million from asset disposals including Acre lane, former Rock Ferry High School and Manor Drive, Upton. The latest projections from Lambert, Smith, Hampton suggest a figure closer to £22 million, however the market is subject to fluctuations. It is now expected that the disposals for Acre Lane and manor Drive will occur in 2015-16 and that for Rock Ferry in 2016-17. Table 7 reflects these latest projections.
- 7.2 The Capital Programme is reliant on the Council generating capital receipts to finance future schemes. The Capital Receipts Reserve at 1 April 2014 contained £8.8 million of receipts. The table assumes the proposed spend, set out at 4.1 is agreed. At this stage the receipts and funding assumptions are only estimates

Table 7 Projected capital receipts position £000's

	2014/15	2015/16	2016/17
Capital Receipts Reserve	8,800	400	12,900
In - Receipts Assumption	2,500	15,500	8,000
Out - Funding assumption	-10,900	-3,000	TBA
Closing Balance	400	12,900	20,900

8 RELEVANT RISKS

- 8.1 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.
- 8.2 The generation of capital receipts could well be influenced by factors outside the authority's control e.g. ecological issues.
- 8.3 Capacity shortfalls are being addressed through the development of closer working with the Local Government Association (LGA) and Local Partnerships.

9 OTHER OPTIONS CONSIDERED

- 9.1 No other options have been considered.

10 CONSULTATION

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

11 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

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

12 RESOURCE IMPLICATIONS

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

13 LEGAL IMPLICATIONS

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

14 EQUALITIES IMPLICATIONS

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

15 CARBON REDUCTION IMPLICATIONS

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

16 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

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

17 RECOMMENDATIONS

17.1 That Cabinet is asked to note:

- a) the spend to date at Month 2 of £1.3 million, with 16.7% of the financial year having elapsed;

17.2 That Cabinet is asked to agree:

- a) the revised Capital Programme of £61.3 million (Table 1 at 3.1);

18 REASONS FOR RECOMMENDATIONS

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

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SUBJECT HISTORY

Council Meeting	Date
Capital monitoring reports, from September 2012, are being submitted monthly. Capital programme submitted to Council	25 February 2014

ANNEXES

Annex 1 Revised Capital programme and funding source
Annex 2 Families and Wellbeing – CYP Capital Allocations

APPENDIX 5

Annex 1 Revised Capital Programme

	Revised Programme £000	Actual £000	Council Resources	Grants	Revenue/ Reserves	Total
Universal and Infrastructure Services						
Building refurbishment to increase occupancy	1,172	27	1,172			1,172
Wallasey Town Hall	68	15	68			68
Strategic Asset Review	96	38	96			96
Fund to assist land assembly and re-sale	936		936			936
Cleveland St Transport Depot	1,000	30	1,000			1,000
Park depot rationalisation	1,310		1,310			1,310
Energy efficiency Initiatives	500		500			500
Energy schemes	497		497			497
Structural/Roofing works - West Kirby Concourse	344		344			344
Demolish Stanley Special	275		275			275
Demolish Bebington Town Hall and Liscard Municipal	378		378			378
Demolish former Rock Ferry High	400		400			400
Demolish Foxfield	120		120			120
	7,096	110	7,096	0	0	7,096
Families and Wellbeing - CYP						
Elleray Park Special School redevelopment	500		500			500
School remodelling and additional classrooms	1,336		800	536		1,336
Children's centres	206			206		206
Aiming Higher for Disabled Children	134	-9		134		134
Youth Capital	149		98	51		149
Birkenhead High Girls Academy	472			403	69	472
Vehicle Procurement	140				140	140
Condition/Modernisation	3,590	505		3590		3,590
Basic Need	100			100		100
Family Support Scheme	155		155			155
Formula Capital Grant	2,881			2881		2,881
Private Finance Initiative	150				150	150
Wirral Youth Zone	2,085	28	2085			2,085
Funding for 2 year olds	130	-22		130		130
Foxfield contribution to priority school	1,000		500	500		1,000
Somerville primary school mobile replacement	1,350		600	750		1,350
	14,378	502	4,738	9,281	359	14,378
Families and Wellbeing - DASS						
Citizen and Provider Portal for Social and Health Services	617			617		617
Transformation of Day Service	1,250			1250		1,250
Integrated IT	1,873	155	1000	873		1,873
Extra Care Housing	500			500		500
LD extra care housing	544		544			544
	4,784	155	1,544	3,240	0	4,784

APPENDIX 5

	Revised Programme £000	Actual £000	Council Resources	Grants	Revenue/ Reserves	Total
Families and Wellbeing - Sports & Recreation						
West Kirby/Guinea Gap/Europa Pools	2,000		2,000			2,000
Guinea Gap 3G football pitches	245		245			245
West Kirby Concourse fitness suite	112		112			112
	2,357	0	2,357	0	0	2,357
Regeneration and Environment - Environment & Regulation						
Road Safety	755	84	117	638		755
Congestion	358	-60	3	355		358
Active Travel	935	-29	505	430		935
Transportation	321	11	91	230		321
Local Sustainable Transport Fund	486	-89		486		486
Bridges	1,586	80	736	850		1,586
Highways Maintenance	3,069	-23	777	2,292		3,069
Street Lighting	288	39	88	200		288
Coast Protection	224	-23	201	23		224
Asset Management	84	-71		84		84
Parks Plant and Equipment	728	100	728			728
Parks vehicles replacement	988	26	988			988
Arrowe Park Changing pavilion	144	28	144			144
Landican Cemetery	71		71			71
Birkenhead Park Restoration Fees	97		97			97
Hoylake Golf Course	30		30			30
Park Outdoor Gyms	2			2		2
Reeds Lane Play Area	60			60		60
Royden Park	14			14		14
Allotments	168		168			168
Start Active, Play Active, Stay active	230		230			230
Wirral Way - widening and safety improvements	130		130			130
	10,768	73	5,104	5,664	0	10,768
Regeneration and Environment - Housing & Community Safety						
Aids, Adaptations and Disabled Facility Grants	3,503	189	1,873	1,630		3,503
Clearance Approved Cabinet	1,521	11	705	741	75	1,521
Home Improvement Approved Cabinet	707	65	506	201		707
Improvement for sale grants	200				200	200
Empty Property Interventions	230	13	170		60	230
Housing Renewal	698		478	220		698
New House Building Programme	1,500		1,500			1,500
Cosy Homes Heating	30	19	30			30
The Priory	265			265		265
	8,654	297	5,262	3,057	335	8,654

APPENDIX 5

	Revised Programme £000	Actual £000	Council Resources	Grants	Revenue/ Reserves	Total
Regeneration and Environment - Regeneration						
Business Investment Grants	508		508			508
Other Regional Growth Fund Schemes	4,697	123		4,697		4,697
LEP Regional Growth Fund Schemes - Targetted Assistance	3,000			3,000		3,000
New Brighton	1,111		1,111			1,111
Floral Pavilion Stage & Orchestra Pit	37		37			37
	9,353	123	1,656	7,697	0	9,353
Transformation & Resources						
I.T Development	4,000	81	4,000			4,000
West Kirby and Heswall OSSs	0					0
	4,000	81	4,000	0	0	4,000
	61,390	1,341	31,757	28,939	694	61,390

APPENDIX 5

Annex 2 Families and Wellbeing – CYP Capital Allocations

CAPITAL MAINTENANCE ALLOCATION £3,263,000 BASIC NEED ALLOCATION £512,464

NON SPECIFIC SCHOOL LOCATIONS	
School Access/DDA	£250,000
Boiler Renewal Programme	£250,000
Kitchen Ventilation Programme	£250,000
Sub-Total	£750,000

FEASIBILITY & DESIGN DEVELOPMENT	
Church Drive Primary - Capacity	£10,000
Town Lane Primary - Capacity	£10,000
Higher Bebington Primary - Capacity	£10,000
Hayfield Special School - Suitability	£20,000
Meadowside Special School – Pool area re-modeling	£20,000
Sub-Total	£70,000

LARGER SCHEMES	
Castleway Primary – internal classroom re-modeling and upgrade of fire detection	130,000
Devonshire Park – kitchen & dining re-modeling	200,000
Elleray Park - heating	250,000
Great Meols Primary – Sports Barn	130,000
Mosslands – structural/roof refurbishment	250,000
Riverside Primary – internal classroom refurbishment	150,000
Sandbrook primary – heating system conversion & internal refurbishment	150,000
St Georges Primary – toilets and access extension	130,000
Well Lane Primary – toilet & classroom re-design	150,000
Sub-Total	1,540,000

APPENDIX 5

MEDIUM / LOWER VALUE SCHEMES	
Barnston Primary – pupil toilet refurbishment	40,000
Bidston Avenue Primary – flat roof refurbishment	12,000
Bidston Village CE Primary – Flat roof refurbishment	25,000
Black Horse Hill Juniors – Front entrance/security/office remodeling	50,000
Brookdale Primary – Structural remedial works	5,000
Cathcart St Primary – roof/canopy refurbishment	10,000
Ganneys Meadow Early Years – pupil toilet refurbishment	20,000
Greasby Infants – flat roof renewal	70,000
Greasby Juniors - guttering	12,000
Higher Bebington Junior – front playground resurface and rear playing field boundary	90,000
Hillside Primary – boundary wall structural works	10,000
Kingsway Primary – fire alarm/smoke detector system	40,000
Lingham Primary – main entrance & internal re-modelling	100,000
Liscard Primary – school house safety and refurbishment	40,000
Mersey Park Primary – infant classroom re-modelling	60,000
Mount Primary – contribution to hall extension	10,000
Overchurch Infants & Juniors – boundary fencing	10,000
Portland Primary – fire alarm/smoke detector system	40,000
St Bridgets CE (VC) – flat roof renewal & boundary wall rebuild	40,000
St Georges (upper site) media room roof	50,000
Well Lane Primary – fire alarm/smoke detector	30,000
Wirral Hospital School – window installation	30,000
Sub-Total	794,000
BASIC NEED ALLOCATION:	
Fender Primary – Capacity additional classrooms & internal remodelling	600,000
Sub-Total	600,000
ALL TOTALS	3,754,000
UNALLOCATED	21,464

APPENDIX 5

OTHER CAPITAL	
COUNCIL CAPITAL ALLOCATIONS	
Family Support	100,000
Elleray Park – Suitability	500,000
Foxfield – Demolition	120,000
Foxfield – Contribution to PSBP	500,000
School Remodelling and Additional Classrooms	750,000
PFI	55,000
Somerville – Mobile Replacement	600,000
OTHER DfE ALLOCATIONS	
Universal Infant Free School Meals	623,802 (Community) 241,048 (Aided)
Devolved Formula Capital	649,752 (Community) 220,522 (Aided)
LCVAP – Aided Schools Capital Maintenance	1,067.154

- *The working Programme includes previously approved schemes allocated in previous years*
- *All new starts will consider the use of DFC as a contribution to the scheme*

Cabinet Meeting on 7 July 2014

Draft Minute

27. FINANCIAL MONITORING 2014/15

Councillor Phil Davies introduced a report by the Director of Resources which informed the Cabinet of the Monitoring position for Month 2 (ending 31 May 2014).

The monitoring reports for both the Revenue and Capital were attached as appendices to the report.

Councillor P Davies indicated that in relation to the pressures identified within Community Care, this had been identified early and measures had been put in place by the Department of Adult Social Services. At this point Councillor P.Davies invited the Director of Adult Social Services to inform the Cabinet of the department's plans.

Mr Hodkinson thanked Councillor Davies. He set out that there was a projected potential budget variance reported on behalf of Adult Social care in the finance report of £3M. This was following budget in year budget reductions reflecting the significant and stretching savings that were agreed in 2013 for 2014 totalling £11.7M.

The savings group into four key thematic areas;

Working Together	£1.741M
Delivering Differently	£4.388M
Managing the Money	£3.697M
Transforming the Business	£1.881M

Mr Hodkinson set out that the Department has a large number of projects to be delivered as part of the three year transformation programme agreed in 2013 to save £18M of DASS expenditure. Examples include day service transformation, changing support arrangements for people with disabilities, further integration with the NHS, improving systems and payments through Liquid Logic, ensuring that people that should be able to access NHS funding are able to, enabling people to be more independent, equalising charging processes across all services etc.

The figure of £3M that had been reported was not as yet an overspend. It was derived primarily from a financial perspective that all of the benefits of the projects may not be deliverable in year. He pointed out that the reported variance was due to specific concerns expressed in relation to a small number of the projects and outlined these briefly;

Transformation of Day Services.

Considerable progress had been made with regard to developing a Local Authority trading Company model. This was endorsed by cabinet earlier in the year. A challenge process had, however been put in place as some of the savings identified were based on previous assumptions such as reduced re-charges etc. The

challenge process had been set up to test the LATC model and the strategic business case.

NHS Continuing Care Review

It was reported that there had been considerable increased uptake of NHS Continuing care in Wirral during 2014. The CCG had seen demand increase by £1.5M in the first quarter. A project was set up to ensure that individuals were properly reviewed against the criteria, however at this point in time insufficient data had been gathered to show a clear transfer from LA funding. The Department was awaiting quarter 1 data. In addition to the above there was a specific piece of work to identify people that were independently re-claiming funding from the NHS through NHS Continuing Care. At this point the Department had been unable to access personal data regarding individuals due to NHS data sharing rules.

Managing Demand

A project was in place to ensure that people get support focussed upon enabling them to be as independent as possible. In order to ensure that this and other projects based on reviewing peoples needs were implemented an Independent Review Team was put in place in the Department last year. Progress in assistive technologies and other means to reduce risk were now available. Reviews were undertaken sensitively but can ensure that resources were used to best effect. The activity was happening however due to the variability of review outcomes data was required to specifically show reductions in care packages directly as a result of the review process.

In summary the range and nature of these projects was such that outcomes can be variable. The Department must always ensure that whilst challenging efficiency, processes are followed that are within the law and appropriate to peoples vulnerability. A number of enablers to maximise the benefit from projects such as the Independent Review Team already mentioned. In 2013 progress in relation to the project and financial delivery was monitored by the Transformation Board in DASS reporting progress directly to CESG using the Corporate PM system. Project or programme leads are called to account in relation to progress and any variance explained in detail. The same system had been employed for 2014.

RESOLVED: That

Revenue:

- (1) it be noted that at Month 2 (May 2014), the full year forecast projects a gross General Fund overspend of £3,137,000;**
- (2) the increased commitment of £152,000 for Carbon Reduction Commitment allowances contained within the above figure be noted;**
- (3) that the payment of New Homes Bonus grant of £242,253 which is a general grant received outside of directorate budgets be noted;**

- (4) the risks relating to non delivery of savings as detailed in paragraph 3.3 of appendix A and requirement for mitigation and actions to be identified be noted;**
- (5) the mitigation actions being undertaken including capitalisation, reprofiling and use of public health budgets as per paragraph 3.5 (of Appendix A) and reductions to 2014/15 growth as detailed in paragraphs 5.2 and table 5 above (of Appendix A). Further mitigation action will be developed as appropriate during the year;**
- (6) the application of the additional New Homes Bonus grant against the Carbon reduction commitment and overall overspend to reduce the net overspend to £2,894,747 be approved.**

Capital:

- (i) the spend to date at Month 2 of £1.3 million, with 16.7% of the financial year having elapsed be noted; and**
- (ii) the revised Capital Programme of £61.3 million (Table 1 at 3.1 of Appendix B) be approved.**

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