

## **WIRRAL COUNCIL**

**CABINET  
22 FEBRUARY 2010**

**COUNCIL  
1 MARCH 2010**

### **COUNCIL BUDGET 2010/11**

#### **REPORT OF THE DIRECTOR OF FINANCE**

##### **1. EXECUTIVE SUMMARY**

- 1.1 This report and appendices forms part of the financial planning process in that it provides Members with the information upon which to consider the Council budget for 2010/11. Members are asked to agree the Council budget and Council Tax levels for 2010/11.

##### **2. BACKGROUND**

- 2.1 The annual Council budget is an integral part of the overall financial management of the Council. The Medium Term Financial Strategy for 2010/14 was agreed by Cabinet on 24 September 2009 and considers issues at a strategic, rather than a departmental or operational, level. Covering a four year period it is subject to an annual review whilst Cabinet receive regular updates throughout the year on issues affecting the financial projections contained within the Strategy. By the 10 March each year the Council has to agree a budget and set Council Tax levels for the following financial year.
- 2.2 Under Section 25 of the Local Government Act 2003 I must present a written report on each budget proposal which addresses the robustness of the proposed budget with particular reference to :-
- a) The adequacy of General Fund balances and reserves.
  - b) The achievability of any savings included within the budget.
  - c) The impact upon any future years' budget.

##### **3. INTRODUCTION**

- 3.1 The financial projections for the period 2010/14 have been regularly updated and reported to Cabinet throughout the current financial year and Members are now requested to agree the budget for 2010/11. As the Government Comprehensive Spending Review and the Local Government Finance Settlement will cover three years Cabinet will shortly be asked to consider indicative budgets for future financial years.

- 3.2 The Base Estimate for 2010/11 consolidates the budgets of individual services and the savings considered by Cabinet. Where formal notification has been received regarding the proposed levies these have also been incorporated. More detailed information on outstanding precepts should be available for the meeting.
- 3.3 The budgets have again been prepared at out-turn prices. In accordance with the decision of Cabinet on 5 November 2009 no inflation has been included for general prices and contracts and pay awards due to be settled for 2010/11 have been included at 1% for all employees. 3% has been included for income.
- 3.4 Collection of outstanding Council Tax is continuing. Having taken into account previous experience and current collection rates the irrecoverable position has been estimated at 1.5% for 2010/11 which is the same as for 2009/10. Consequently the tax base has been adjusted by the estimated collection rate of 98.5%.
- 3.5 Regular reports have been presented to Cabinet throughout the financial year highlighting the projected financial position for 2010/11 with the most recent being submitted to Cabinet on 5 November 2009. The present position as detailed in the Summary of General Fund Estimates is:-

	<b>£000</b>
Budget Requirement	333.2
Income before any Council Tax rise	330.1
Difference between requirement and income	3.1

- 3.6 The Government has again stated that it expect to see Council Tax increases at a 16 year low and this was re-affirmed on the announcement of the Local Government Finance Settlement. Capping action has already been initiated against three police authorities to limit their increase to around 3%.
- 3.7 Estimated General Fund balances at 31 March 2011 are £11.1 million and the Council will be expected to set a budget for 2010/11 leaving a minimum of £6.5 million in balances. This figure being the minimum level deemed necessary having regard to the financial position of, and the pressures facing, the Council as highlighted in the Medium Term Financial Strategy.

#### **4. FINANCIAL YEAR 2009/10**

- 4.1 Since setting the budget for 2009/10 Cabinet agreed to increase spending primarily on libraries and winter maintenance(funded from balances) and the Wirral Apprentice scheme (funded from additional grant) whilst the decisions to reduce budgets following the 2009 pay award and the revised energy contracts saw a reduction in spending. The net effect is a reduction in the contribution from balances of £1 million.

4.2 Otherwise the changes in departmental budgets reflect transfers between departments including the consolidation of all administrative buildings under the Department of Law, HR & Asset Management, the transferring of schemes from the capital programme and associated Treasury Management financing and the re-allocation of the treasury management budget and capital, buildings and support services charges, all of which do not impact upon the overall level of Council spend.

4.3 A summary of the main changers from the Base Estimate for 2009/10 to the Current Estimate for 2009/10 are as follows:-

<b>Details</b>	<b>£million</b>	<b>£million</b>
Base Estimate 2009/10		312.1
Increased expenditure/reduced income		
Apprentice Scheme (from grant)	0.8	
Libraries	0.8	
Winter maintenance and other	<u>0.5</u>	+2.1
Reduced expenditure / increased income		
Employees Pay	1.5	
Energy Contracts	<u>0.7</u>	-2.2
Impact on balances		
Reduced contribution / increase in balances		+1.0
Current Estimate 2009/10		313.0

4.4 The latest projections for the current financial year, based upon the position at 31 January 2010 are included within the Summary of General Fund Estimates. Efforts continue to contain spend within the departmental budgets as detailed in Appendix A. No adjustments have been agreed in respect of the following potential variations which, if they do occur will reduce balances by £2.9 million:-

<b>Department / potential variation</b>	<b>£million</b>
Adult Social Services	+2.5
Essentially pressures on community care services	
Technical Services	+0.8
Income shortfalls and cost of winter maintenance	
Regeneration	+0.3
Shortfall in income	
Treasury Management	-0.7
Management of cash flow and increased interest receipts	

## 5. FINANCIAL YEAR 2010/11

5.1 A summary of the main changes from the Base Estimate for 2009/10 to the Base Estimate for 2010/11 are:-

Details	£million	£million
Budget Requirement 2009/10		312.1
Adjustments for		
One-off use of balances	+3.2	
One-off other contributions	+1.6	
Bridging finance for Asset Review	- 1.8	
Employees Pay 2009/10	- 1.5	
Policy Options 2009/10 only	<u>- 0.8</u>	<u>+0.7</u>
Revised Budget Requirement		312.8
Increased requirements		
Area Based Grant-funded spend	10.3	
Capital financing	2.9	
Personal Care at Home	2.6	
Efficiency Investment Budget	2.6	
Libraries / One Stop Shops	2.3	
Inflation – pay and pensions	1.8	
Housing Benefits	1.5	
Private Finance Initiative	1.2	
Merseytravel Levy	1.0	
Waste Disposal Authority Levy	0.6	
Increased requirements	<u>0.6</u>	+27.4
Reduced requirements		
Energy Contracts	1.5	
Efficiencies	1.4	
Inflation – prices	1.0	
Insurance	<u>0.4</u>	-4.3
Use of Bridging finances / balances		-2.7
Budget requirement 2010/11		333.2

\* The transfer of further education responsibilities from the Learning & Skills Council has increased Council spending by £17.2 million from 2010/11 with this spend being matched by the receipt of a specific grant.

5.2 The Efficiency Investment Budget is allocated by Cabinet towards those schemes that will assist in the delivery of efficiencies and comprise both 'one-off' items as well as permanent changes to departmental budgets. The items approved by Cabinet in the 2009/10 financial year are detailed in Appendix A.

5.3 The Policy Options agreed for the 2009/10 financial year only when setting the 2009/10 Budget that have been deleted from the Base Estimate 2010/11 are detailed in Appendix A.

## 6. LOCAL GOVERNMENT FINANCE SETTLEMENT

6.1 Whilst the Government Comprehensive Spending Review 2007 set out the intentions at a high level for the next three years the Local Government Finance Settlement identifies the Government grant support over this period for individual authorities. The Department for Communities and Local Government (DCLG) announced the three year Local Government Finance Settlement on 24 January 2008.

6.2 The Provisional Settlement for 2010/11 was announced by the DCLG on 26 November 2009 and the Final Settlement, confirming the earlier announcement, on 20 January 2010. With 2010/11 being the third year of the three year programme this essentially re-affirmed the grant allocations notified to authorities in January 2008.

6.3 The allocation of the grant (Formula Grant) is through a 'four block model':-

- Relative Needs Block – This is based upon formulae that cover seven areas and seek to reflect the relative needs of individual authorities in providing services.
- Relative Resources Block – This is a negative figure as areas that can raise more income locally require less Government support. It aims to recognise differences in the amount of local income that individual Councils have the potential to raise.
- Central Allocation – After the Relative Needs and Relative Resources have been assessed the balance of the grant is distributed on a per capita basis.
- Floor Damping Block – The mechanism for damping grant changes seeks to provide authorities with a minimum year on year grant increase.

6.4 As detailed in the reports to Cabinet on 9 December 2009 and 4 February 2010 the Local Government Finance Settlement included for Wirral:-

Components	2009/10	2010/11
	£ million	£ million
Relative Needs	125.4	128.5
Relative Resources	-25.3	-25.1
Central Allocation	60.2	61.8
Floor Damping	-7.6	-7.3
Final Grant	152.7	157.9

- 6.5 The Government incorporate a notional adjustment to the previous year's Formula Grant to reflect any new burdens and transfers of functions applicable to local authorities. There were no significant changes for 2010/11. The annual increase for 2010/11 represents an increase in grant of 3.4%. As previously reported this grant increase compares favourably with the national average and resulted in Wirral, for many years in receipt of additional support to reach the minimum floor increase now being above the floor and contributing to ensure that others received the floor increase.
- 6.6 The Government has no definitive capping principles but the statement by the Parliamentary Under-Secretary of State gave an indication of Government intentions. Excessive Council Tax increases will be capped; there should not be a presumption that there would be no capping even if the principles of 2009/10 are not breached (budget requirement increase of more than 4% and a band D increase of more than 5%) and there is an expectation that the average band D increase will fall to a 16 year low. Capping action has already been initiated against three police authorities in advance of 2010/11 to limit their increase to around 3%.
- 6.7 The continuing commitment to reduce the number of grants allocated for specific purposes saw the Government introduce the Area Based Grant from 2008/09. As with the Formula Grant authorities are able to use the resource as they deem appropriate although the Government have indicated which grants have been incorporated. For Wirral this grant is worth £41 million for 2010/11 a rise of over £10 million on 2009/10 as Supporting People grant is now included. Cabinet on 14 January 2010 agreed that the 2010/11 grant be allocated on the basis indicated by the Government.

## **7. COLLECTION FUND**

- 7.1 The Collection Fund is a separate fund for the collection and distribution of amounts in respect of Council Tax and National Non-Domestic Rates. The anticipated collection rate is 98.5% and collection above this rate generates a surplus for distribution whilst any under-performance has to be recovered from the Council and precepting authorities.
- 7.2 The Collection Fund for the year ending 31 March 2010 is estimated to be in a balanced position. The collection rate is in line with the 2008/09 performance and is on target although I continue to monitor collection performance in light of the national economic situation. As a consequence of the balanced position no surplus or deficit will be received by, or charged to, the General Fund during the 2010/11 financial year.
- 7.3 The reported deficit for 2008/09 was forecast to be £0.8 million and this was recovered from the precept bodies during 2009/10. This included the sum of £687,400 being the Wirral Council element which was reflected in the 2009/10 Budget. The actual deficit at 31 March 2009 was less than anticipated. Any additional funds in 2009/10 will be utilised to increase the Collection Fund provision for bad debts which follows a recommendation from the Audit Commission audit of the 2008/09 accounts.

## 8. TAX BASE

- 8.1 The tax base is the number of properties in Bands A-H in the Borough expressed as an equivalent number of Band D units. The distribution of the Formula Grant takes into account the council tax base of an authority.
- 8.2 The tax base used in the calculation was reported to Cabinet on 9 December 2009. The tax base of 106,283.8 is adjusted by the estimated collection rate of 98.5% to give an adjusted tax base of 104,690. It is this figure that is used in calculating the Council Tax and the 2010/11 figure shows an increase of 0.4% upon the 2009/10 figure.

Council Tax Band		Properties	Discounted Dwellings	Band Ratio	Band D Equivalent
A	Up to £40,000	58,641	47,574.25	6/9	31,716.2
B	£ 40 - £ 52,000	30,900	26,997.50	7/9	20,998.1
C	£ 52 - £ 68,000	27,203	24,401.25	8/9	21,690.0
D	£ 68 - £ 88,000	13,006	11,827.50	9/9	11,827.5
E	£ 88 - £120,000	8,047	7,403.00	11/9	9,048.1
F	£120 - £160,000	4,278	3,954.50	13/9	5,712.1
G	£160 - £320,000	3,102	2,872.75	15/9	4,787.9
H	Over £320,000	269	225.25	18/9	450.5
		145,446			106,230.4
Add : contributions for Government dwellings					2.0
Add : Band A Disabled Relief Band D equivalent					51.4
Total Council Tax Base 2010/11					106,283.8
Estimated Collection Rate					x 98.5%
Adjusted Council Tax Case 2010/11					104,690
Adjusted Council Tax Base 2009/10					104,276

## 9. BALANCES

- 9.1 The budget for 2009/10 was set leaving £6 million in balances and the anticipated balances at 31 March 2010 can be summarised below: -

	<b>£million</b>
Actual Balances at 1 April 2009	8.5
Adjustment for 2008/09 year end accounts	(0.2)
Contributions from	
VAT recovery	3.1
Housing Benefit Reserve / Provision	1.5
Other Reserves / Provisions	0.8
Contributions to	
Supporting Services	(2.2)
Projected Balances at 31 March 2010	11.5

- 9.2 Of the Projected Balances at 31 March 2010 Cabinet have agreed to use £0.5 million to support the delivery of the Strategic Asset Review.

- 9.3 Having regard to the statutory guidance and the management, control and risks associated with Council finances the general balance should be set at 2% of the net revenue budget. Whilst £6 million was deemed appropriate for 2009/10 the sum of £6.5 million is the acceptable level of balance for 2010/11 reflecting the changes to Government funding. Other resources are set aside for specific purposes as provisions and reserves and these are established and used in accordance with the purposes intended. All provisions and reserves are reviewed at least twice a year.

## **10. BUDGET SUSTAINABILITY AND PROJECTED BUDGETS**

- 10.1 The Council Medium Term Financial Strategy refers to the pressures being faced at both national and local level as the Council seeks to deliver the objectives as set out in the Corporate Plan. The Government has introduced three year Settlements and the Council Corporate Plan and underpinning strategies already reflect this period. The future year budget projections are regularly updated and reported to Cabinet to enable the continued meeting of the objectives within the available resources.
- 10.2 When setting previous budgets reference has been made to the pressures faced through the demands for adult and child care services, meeting the waste agenda, responding to climate change and the increasing need to identify, and deliver, efficiencies. Last year this included responding to the impact of the recession and whilst the national and global economic situation is improving the Chancellor of the Exchequer in his Pre-Budget Statement outlined the forecast economic projections. These promise to put further pressure upon the financial position of the Council.
- 10.3 The Council continues to identify efficiencies and savings, often requiring difficult decisions, with the Council now better placed financially to face the future. The Government has set the public sector a target of achieving 4% efficiencies for the final year of the Comprehensive Spending Review 2008/11 which authorities are able to re-invest in service delivery. Authorities must demonstrate that the efficiencies have been identified and re-invested. The economic situation will require authorities to find substantially greater efficiencies in future years. The overall position, and actions required, will form part of the next Medium Term Financial Strategy and Cabinet will continue to be updated on a regular basis as these actions are developed.

## **11. CORPORATE, DEPARTMENTAL AND FINANCIAL PLANS**

- 11.1 The Corporate Plan 2008/11 was agreed on 21 April 2008 and aims to deliver the Vision for Wirral approved by Council on 17 December 2007. The Plan details the strategic objectives, medium term aims and the immediate priorities for improvement alongside a framework for delivery.



11.2 The Plan provides the strategic direction for departments which are responsible for delivering the objectives through the departmental plans. This continues the further integration of Service and Financial Planning and alignment with other strategies as contained in the report on the Medium Term Financial Strategy presented to Cabinet on 24 September 2009.

11.3 The Corporate Plan priorities for 2010/11 were confirmed by Cabinet on 24 September 2009 and these informed the updated Corporate Plan and Departmental Service Plans reported to Cabinet on 14 January 2010.

## 12. RISK ASSESSMENT

12.1 The management of risk helps in the achievement of the Council objectives, improves services and delivers value for money. In considering the annual budget the main financial risks are:-

Risk	Actions	Category
Efficiencies / savings are not delivered	Appraisal of issues at start Regular monitoring Use of balances	High
Service spend under-estimated (impact of demand lead areas)	Regular monitoring of volatile budget areas Use of balances	Medium
Balances are insufficient	Set at recommended level Regular monitoring and twice yearly review	Medium
Government grant funding is not as expected	Lobbying of Government Three year Settlements	Medium
Inflation levels vary from those projected	Pay awards predicted Regular review Use of balances	Low
Income from Council Tax below expected levels	Annual review of tax base Monitoring of collection rates	Low

12.2 The economic situation referred to within this report continues to be a risk to the delivery of a number of the Council's objectives as set out in the Vision for Wirral and the Corporate Plan. In terms of the budget the following continue to be kept under consideration:-

Risk	Actions	Category
Increase in worklessness	Housing Benefit caseload and budget reviewed and increased	Medium
Impact on health and well-being	Fees and charges policies reviewed to remain affordable	Medium
Asset sales not realised	Capital programme projections for capital receipts reviewed	Medium
Investment returns not realised	Treasury management income projections reduced for 2009/10	Low
Income projections not realised	Further use of Direct Debit Review provisions for potential bad debts	Low

### **13. REVENUE ESTIMATES**

- 13.1 This Budget report identifies the latest position regarding the draft Budget for 2010/11 including the implications of the Local Government Finance Settlement, agreed growth and savings. The position is reflected in the Summary of General Fund Estimates - Gold Sheet.
- 13.2 Appendix A contains the departmental revenue estimates that show the main departmental variations together with an analysis of the budget by activity and by type of expenditure and income.
- 13.3 Capital Programme  
This is detailed in Appendix B and was presented to Cabinet on 9 December 2009 and subsequently approved by Council on 14 December 2009. Included is updated information relating to confirmation of government grant funding especially that relating to the Local Transport Plan.
- 13.4 Insurance Fund  
Appendix C provides details of the Insurance Fund budget that was agreed by Cabinet on 14 January 2010.
- 13.5 Schools Budget  
Based upon the Dedicated Schools Grant and the Area Based Grant allocation for school activities the Schools Budget is detailed in a separate report to this Cabinet from the Director of Children's Services.
- 13.6 Treasury Management and Investment Strategy  
A requirement under the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in the Public Services this Strategy is on this agenda.
- 13.7 Carbon Budget  
One of the Council's key aims is to reduce the Council's carbon footprint the first Carbon Budget has been prepared by the Director of Technical services and is on this agenda.

### **14. RECOMMENDATIONS**

- 14.1 That Members consider the Council Budget for 2010/11 and determine the levels of Council Tax for 2010/11.
- 14.2 That following the agreement of the Council Budget for 2010/11 a report be brought to Cabinet updating the financial projections for 2011/14 to further support the Council in planning over the medium term.

IAN COLEMAN  
DIRECTOR OF FINANCE

## WIRRAL COUNCIL

### SUMMARY OF GENERAL FUND ESTIMATES

	<b>BASE ESTIMATE 2009/10 £</b>	<b>CURRENT ESTIMATE 2009/10 £</b>	<b>BASE ESTIMATE 2010/11 £</b>
<b>EXPENDITURE</b>			
Adult Social Services	86,097,900	85,363,900	86,936,500
Children and Young People	77,249,900	77,509,000	77,811,900
Schools	663,700	665,600	493,200
Corporate Services	5,649,400	5,876,700	5,663,300
Finance	28,833,800	21,123,600	27,789,300
Law, HR and Asset Management	2,479,500	8,226,000	8,318,300
Regeneration	46,511,700	47,578,500	56,671,000
Technical Services	41,921,500	43,003,300	43,110,800
<b>Departmental budgets</b>	<b>289,407,400</b>	<b>289,346,600</b>	<b>306,794,300</b>
Merseytravel	26,305,000	26,305,000	27,344,000
Local Pay Review	1,177,100	1,204,700	1,130,800
Contribution to / (from) balances	(3,193,000)	(2,222,800)	(500,000)
LABGI grant	(200,000)	(200,000)	(200,000)
LAA grant	(1,400,000)	(1,400,000)	(1,400,000)
<b>BUDGET REQUIREMENT</b>	<b>312,096,500</b>	<b>313,033,500</b>	<b>333,169,100</b>
<b>INCOME</b>			
Revenue Support Grant	28,643,000	28,643,000	20,016,300
National Non Domestic Rate	124,094,400	124,094,400	137,844,200
Area Based Grant	31,038,000	31,975,000	42,725,000
Council Tax Income	129,008,500	129,008,500	129,520,000
Collection Fund Surplus	(687,400)	(687,400)	0
<b>TOTAL INCOME</b>	<b>312,096,500</b>	<b>313,033,500</b>	<b>330,105,500</b>
<b>STATEMENT OF GENERAL BALANCE</b>			
General Balance at 1 April	8,507,400	8,507,400	11,561,000
Adjustment (following 2008/09 outturn)	0	(224,000)	0
Budgeted contribution	(3,193,000)	(2,222,800)	(500,000)
Contribution from Reserves	687,400	2,358,400	0
VAT Reimbursement	0	3,142,000	0
<b>GENERAL BALANCE AT 31 MARCH</b>	<b>6,001,800</b>	<b>11,561,000</b>	<b>11,061,000</b>



# **APPENDIX A**

## **WIRRAL COUNCIL**

### **DRAFT REVENUE ESTIMATES**

**2010/11**

## WIRRAL COUNCIL

### REVENUE ESTIMATES 2010/11

#### INTRODUCTION

The following pages have been prepared to enable Members to consider the formulation of the Current Estimate for 2009/10 and the Base Estimate for 2010/11. They provide, for each General Fund Service, a revision of the 2009/10 Base Estimate to the Current Estimate, a summary of the Base Estimate 2010/11 and a subjective and objective analysis.

The estimates have been prepared at out-turn prices with pay awards due to be settled for 2010/11 included at 1% for all employees. No provision has been included for inflation on general prices and contracts whilst 3% is included for income.

The table below includes the decisions of Council up to, and including, the recommendations from Cabinet on 4 February 2010.

<b>DEPARTMENT EXPENDITURE</b>	<b>Base Estimate 2009/10</b>	<b>Current Estimate 2009/10</b>	<b>Base Estimate 2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Adult Social Services	86,097,900	85,363,900	86,936,500
Children & Young People	77,249,900	77,509,000	77,811,900
Education – Schools	663,700	665,700	493,200
Corporate Services	5,649,400	5,876,700	5,663,300
Finance	28,833,800	21,123,600	27,789,300
Law HR, Asset Management	2,479,500	8,226,000	8,318,300
Regeneration	46,511,700	47,578,500	56,671,000
Technical Services	41,921,500	43,003,300	43,110,800
	<b>289,407,400</b>	<b>289,346,600</b>	<b>306,794,300</b>

## WIRRAL COUNCIL

### EFFICIENCY INVESTMENT BUDGET

The Efficiency Investment Budget is allocated by Cabinet towards those schemes that will assist in the delivery of efficiencies and comprise both 'one-off' items as well as permanent changes to departmental budgets. The following were approved by Cabinet in the 2009/10 financial year:-

<b>Department and scheme</b>	<b>2009/10 £</b>
<b>Adult Social Services</b>	
Reform Team	518,000
<b>Corporate Services</b>	
Equality	68,000
<b>Finance</b>	
Change, Procurement and Customer Services Teams	2,154,000
Merseyside Procurement	11,000
VAT recovery	629,000
Operational Efficiency Programme	5,000
<b>Law, HR and Asset Management</b>	
Asset Management – Land Registry	30,000
Children's Services solicitor	92,000
<b>Regeneration</b>	
Parks/Countryside Gateway Review	160,000
<b>Technical Services</b>	
Energy Efficiency Street Lighting	137,000
Automatic meter reading equipment	100,000
<b>Unallocated</b>	<b>1,396,000</b>
<b>Total Budget</b>	<b>5,300,000</b>

## WIRRAL COUNCIL

### POLICY OPTIONS 2009/10

The following were agreed for the 2009/10 financial year only when setting the 2009/10 Budget and have been deleted from the Base Estimate 2010/11.

<b>Department and scheme</b>	<b>£</b>
<b>Children and Young People</b>	
Residential Care	280,000
<b>Corporate Services</b>	
You Decide	260,000
Support for micro-businesses	50,000
<b>Regeneration</b>	
Community Asset Transfer	50,000
<b>Technical Services</b>	
Street lighting energy contract	180,000
<b>Total</b>	<b>£820,000</b>



<b>ADULT SOCIAL SERVICES</b>	<b>Current Estimate 2009/10</b>	<b>Base Estimate 2010/11</b>	
<b>BUDGET CHANGES</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>BASE ESTIMATE 2009/10</b>	-	<b>86,097.9</b>	-
<u>Adjustments To Base</u>			
Pay Inflation 1% in 2009/10	(347.3)	(347.3)	
		<b>(347.3)</b>	<b>(347.3)</b>
<u>Transfers Between Departments</u>			
Finance – CADT Posts	-	40.2	
Law, HR, Asset Mgt – Admin Buildings 2010/11	-	-	
		-	<b>40.2</b>
<u>Inflation</u>			
Pay	-	403.7	
Income	-	(609.3)	
		-	<b>(205.9)</b>
<u>Increased Expenditure</u>			
Personal Care at Home	-	2,600.0	
Reform Team from Social Care Grant	-	350.0	
Learning Disabilities	173.0		
Insurance	-	50.1	
Local Pay Review	288.9	292.7	
Area Based Grant-funded spend	-	32.0	
Support Services	5.0	-	
		<b>466.9</b>	<b>3,324.8</b>
<u>Reduced Expenditure</u>			
Capital Charges	(718.5)	(718.5)	
In-House Supported Living	-	(347.0)	
Energy Contracts	(130.7)	(261.4)	
Transport Services	-	(180.0)	
Support Services	-	(112.5)	
Administrative Buildings	(4.4)	(3.8)	
		<b>(853.6)</b>	<b>(1,623.2)</b>
<u>Increased Income</u>			
Social Care Reform Grant	-	(350.0)	
		-	<b>(350.0)</b>
<b>ESTIMATE 2009/10 and 2010/11</b>		<b>85,363.9</b>	<b>86,936.5</b>

<b>ADULT SOCIAL SERVICES</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>SUBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Employees	30,902,300	32,644,200	32,564,900
Premises	1,941,800	1,660,800	1,170,200
Transport	2,568,300	2,696,600	2,543,800
Supplies and Services	82,176,400	80,906,200	83,965,100
Third Party Payments	3,463,300	3,500,100	3,500,100
Transfer Payments	104,500	104,500	104,500
Support Services	15,228,700	19,637,300	25,061,200
Financing Costs	1,902,500	3,974,500	1,181,300
	<b>138,287,800</b>	<b>145,124,200</b>	<b>150,091,100</b>
<u>LESS Income</u>			
Government Grants	(41,000)	(4,297,900)	(1,918,000)
Other Grants and Reimbursements	(9,732,700)	(11,010,000)	(11,010,000)
Customer and Client Receipts	(20,646,600)	(20,450,300)	(21,236,900)
Recharge to Other Revenue Accounts	(21,769,600)	(24,002,100)	(28,989,700)
	<b>(52,189,900)</b>	<b>(59,760,300)</b>	<b>(63,154,600)</b>
<b>ADULT SOCIAL SERVICES TOTAL</b>	<b>86,097,900</b>	<b>85,363,900</b>	<b>86,936,500</b>

<b>ADULT SOCIAL SERVICES</b>	<b>Base Estimate 2009/10</b>	<b>Current Estimate 2009/10</b>	<b>Base Estimate 2010/11</b>
<b>OBJECTIVE SUMMARY</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>FINANCE AND PERFORMANCE</u></b>			
Management	-	-	-
Property Management	316,700	55,400	48,700
Savings	(3,770,800)	-	-
Finance Support	-	-	-
Service Manager	983,400	-	-
Westminster House	-	-	-
<b><u>INTEGRATED COMMUNITIES &amp; WELLBEING</u></b>			
I C and W Support	-	95,500	95,800
Service Manager	-	-	-
Assessment and Care Management	1,080,800	1,071,800	1,075,700
Community Care	3,732,100	4,490,100	4,542,400
<b><u>REFORM TEAM</u></b>			
Reform Team Support	-	-	-
<b><u>ACCESS &amp; ASSESSMENT</u></b>			
Service Manager	-	-	-
Bebington and West Wirral Locality	18,822,600	17,360,100	17,859,100
Birkenhead Locality	16,710,100	15,428,100	15,959,100
Wallasey Locality	11,616,400	10,761,100	11,426,000
Mental Health	5,986,700	5,564,100	5,610,800
Learning Disabilities	9,845,800	9,897,600	9,997,800
Equipment and Adaptations	1,428,200	1,283,900	1,286,700
Home Care	-	419,600	425,500
Emergency Duty Team	129,700	314,800	358,700
Other Services	772,300	684,600	694,000
<b><u>DIRECT LOCALITY SUPPORT SERVICES</u></b>			
Service Manager	-	-	-
Day Care	6,168,500	6,733,300	6,642,200
Residential Homes	9,339,300	7,938,600	7,962,700
Supported Employment	834,700	974,600	973,400
Supported Living	2,101,400	2,290,700	1,977,900
Transport	-	-	-
<b>ADULT SOCIAL SERVICES TOTAL</b>	<b>86,097,900</b>	<b>85,363,900</b>	<b>86,936,500</b>

<b>CHILDREN &amp; YOUNG PEOPLE DEPT</b>	<b>Current Estimate 2009/10</b>		<b>Base Estimate 2010/11</b>	
<b>BUDGET CHANGES</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>BASE ESTIMATE 2009/10</b>		<b>77,249.9</b>		<b>77,249.9</b>
<u>Adjustment To Base</u>				
Pay Inflation 1% in 2009/10	(312.3)		(312.3)	
		<b>(312.3)</b>		<b>(312.3)</b>
<u>Transfers Between Departments</u>				
Law, HR and Asset Mgt – Solicitor	(30.0)		(30.0)	
Finance – Multi Systemic Therapy	-		(7.0)	
Law, HR, Asset Mgt – Admin Bldgs 2010/11	-		-	
Finance – Schools Maintenance	850.0		850.0	
Finance – CADT Posts	-		75.3	
Corporate Services – Area Forums	10.0		10.0	
		<b>830.0</b>		<b>898.3</b>
<u>Inflation</u>				
Pay	-		448.0	
Income	-		(23.4)	
		-		<b>424.6</b>
<u>Increased Expenditure</u>				
Further Education - Learning and Skills Council	-		17,237.9	
Private Finance Initiative	-		1,221.6	
Local Pay Review	174.4		176.5	
Area Based Grant-funded spend	29.1		-	
Support Services	8.6		-	
		<b>212.1</b>		<b>18,636.0</b>
<u>Reduced Expenditure</u>				
Energy Contracts	(61.2)		(122.4)	
Area Based Grant-funded spend	-		(404.3)	
Capital Charges	(404.3)		(404.3)	
Residential Care Option 2009/10	-		(280.0)	
Support Services	-		(495.6)	
Administrative. Buildings	(5.2)		(40.0)	
Insurance	-		(65.5)	
		<b>(470.7)</b>		<b>(1,842.1)</b>

<u>Increased Income</u>			
Further Education – Grant	-	-	(17,237.9)
Support Services to Schools	-	-	(34.6)
		-	<b>(17,272.5)</b>
<b>ESTIMATE 2009/10 and 2010/11</b>		<b>77,509.0</b>	<b>77,811.9</b>

<b>CHILDREN &amp; YOUNG PEOPLE</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>SUBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Employees	38,861,800	39,861,400	40,160,300
Premises	1,275,000	2,091,900	1,632,300
Transport	3,937,500	3,886,000	3,947,200
Supplies and Services	24,490,000	24,384,700	24,097,600
Third Party Payments	8,217,200	8,238,700	26,768,200
Transfer Payments	2,121,600	2,493,400	2,418,600
Support Services	19,751,900	19,937,300	18,574,800
Financing Costs	13,146,400	16,053,000	15,740,300
	<b>111,801,400</b>	<b>116,946,400</b>	<b>133,339,300</b>
<u>LESS Income</u>			
Government Grants	(7,511,100)	(10,623,100)	(12,061,000)
Other Grants and Reimbursements	(4,690,600)	(5,351,000)	(21,164,200)
Customer and Client Receipts	(688,800)	(815,200)	(1,044,700)
Recharge to Other Revenue Accounts	(21,661,000)	(22,648,100)	(21,257,500)
	<b>(34,551,500)</b>	<b>(39,437,400)</b>	<b>(55,527,400)</b>
<b>CHILDREN &amp; YOUNG PEOPLE TOTAL</b>	<b>77,249,900</b>	<b>77,509,000</b>	<b>77,811,900</b>

<b>CHILDREN &amp; YOUNG PEOPLE</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>OBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>CHILDREN'S SERVICES</u></b>			
Looked After Child Educational Services	207,100	222,600	227,300
Adoption Services	928,800	924,400	926,500
Assessment and Care Management	24,132,200	24,048,100	23,550,800
Childrens Fund	1,206,900	1,205,400	1,276,000
Childrens Homes	2,651,000	2,583,000	2,594,000
Family Centres	2,781,300	2,759,600	2,764,000
Foster/Family Placements	1,586,000	1,578,600	1,571,600
Home Care	556,900	556,900	556,900
Leaving Care	1,042,900	1,037,400	1,003,700
Service Manager	144,100	127,400	466,400
Youth Offending Service	1,273,600	1,219,900	1,223,400
Carers Grant	373,100	373,100	396,400
Multi Disciplinary Area Teams	467,300	464,800	540,900
Aiming Higher for Disabled Children	-	-	-
<b><u>LEA SCHOOL COSTS</u></b>			
Regulation	2,625,100	2,625,100	2,699,300
Premature Retirement Costs	3,515,700	3,515,700	3,518,700
Other SEN Costs	119,900	119,900	228,500
School Improvement	4,464,300	4,464,300	3,686,500
Asset Management	2,676,800	3,525,800	4,747,700
Home to School Transport	4,937,500	4,924,000	5,019,000
Pupil Support	5,700	5,700	5,700
Oaklands Centre	81,200	72,500	59,600
Social Welfare Service	870,600	861,200	893,500
Psychology Service	1,301,400	1,292,000	1,338,300
Curriculum Advice	210,800	204,100	215,400
<b><u>MANAGEMENT &amp; SUPPORT SERVICES</u></b>			
Inspect & Advisory Service	(12,000)	91,200	(378,700)
Building Cleaning DSO	-	(8,400)	-
Hamilton Building	-	(17,800)	-
Solar Building	-	(4,200)	-
Debt Management	11,367,600	11,013,400	11,005,600
Professional Development Centre	(2,500)	(7,800)	(3,000)

NON SCHOOL COSTS

Adult & Community Learning	105,300	99,800	106,000
Student Support	321,300	339,500	311,500
Youth Service	2,563,800	2,549,500	2,466,600
Community Services	577,500	576,000	582,200
Positive Activities for Young People	-	582,400	827,800
Instrumental Music Services	-	(10,300)	-
LEA Initiatives	84,400	92,300	84,600
Merseyside Connexions	4,084,300	3,501,900	3,299,200
<b>CHILDREN &amp; YOUNG PEOPLE TOTAL</b>	<b>77,249,900</b>	<b>77,509,000</b>	<b>77,811,900</b>



<b>CORPORATE SERVICES</b>	<b>Current Estimate 2009/10</b>		<b>Base Estimate 2010/11</b>	
<b>BUDGET CHANGES</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>BASE ESTIMATE 2009/10</b>	-	<b>5,649.4</b>	-	<b>5,649.4</b>
<u>Adjustments To Base</u>				
Pay Inflation 1% in 2009/10	(32.3)		(32.3)	
		<b>(32.3)</b>		<b>(32.3)</b>
<u>Transfers Between Departments</u>				
Finance – West Wirral Schemes	200.0		200.0	
Children – Area Forums	(10.0)		(10.0)	
		<b>190.0</b>		<b>190.0</b>
<u>Inflation</u>				
Pay	-		38.4	
Income	-		(0.4)	
		-		<b>38.0</b>
<u>Increased Expenditure</u>				
Local Pay Review	15.9		15.9	
Area Based Grant-funded spend	22.5		114.0	
Capital Charges	29.5		29.5	
Support Services	1.7		17.4	
		<b>69.6</b>		<b>176.8</b>
<u>Reduced Expenditure</u>				
You Decide Option 2009/10	-		(260.0)	
Support for Micro Businesses Option 2009/10	-		(50.0)	
Insurance	-		(46.4)	
Administrative. Buildings	-		(2.2)	
		-		<b>(358.6)</b>
<b>ESTIMATE 2009/10 and 2010/11</b>	-	<b>5,876.7</b>	-	<b>5,663.3</b>

<b>CORPORATE SERVICES</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>SUBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Employees	3,198,700	3,172,500	3,161,800
Premises	24,700	224,700	224,700
Transport	25,900	25,900	25,900
Supplies and Services	1,041,100	1,323,700	997,900
Third Party Payments	694,600	834,800	774,500
Transfer Payments	398,600	398,600	398,600
Support Services	1,215,100	1,216,800	1,326,300
Financing Costs	412,100	441,600	441,600
	<b>7,010,800</b>	<b>7,638,600</b>	<b>7,351,300</b>
<u>LESS</u> Income			
Government Grants	-	(250,300)	(139,900)
Other Grants and Reimbursements	(209,300)	(209,300)	(209,300)
Customer and Client Receipts	(200)	(200)	(200)
Interest	(3,000)	(3,000)	(3,000)
Recharge to Other Revenue Accounts	(1,148,900)	(1,299,100)	(1,335,600)
	<b>(1,361,400)</b>	<b>(1,761,900)</b>	<b>(1,688,000)</b>
<b>CORPORATE SERVICES TOTAL</b>	<b>5,649,400</b>	<b>5,876,700</b>	<b>5,663,300</b>

<b>CORPORATE SERVICES</b>	<b>Base Estimate 2009/10 £</b>	<b>Current Estimate 2009/10 £</b>	<b>Base Estimate 2010/11 £</b>
<b>OBJECTIVE SUMMARY</b>			
<u>CENTRAL SERVICES</u>			
Central Support Administration	-	-	-
<u>CORPORATE POLICY</u>			
Grants to Voluntary Bodies	550,300	540,300	540,300
Performance Management & Consultation	1,420,400	1,404,400	1,205,300
Merseyside Information Service	101,600	101,600	101,600
<u>STRATEGIC DEVELOPMENT</u>			
Economic & Strategic Development	2,190,200	2,216,200	2,187,200
West Wirral Schemes	-	200,000	200,000
<u>TOURISM AND MARKETING</u>			
Graphics / PR / Tourism	1,270,500	1,297,800	1,312,500
Tourism Events	116,400	116,400	116,400
Tourism ERDF	-	-	-
<b>CORPORATE SERVICES TOTAL</b>	<b>5,649,400</b>	<b>5,876,700</b>	<b>5,663,300</b>

<b>FINANCE</b>	<b>Current Estimate 2009/10</b>		<b>Base Estimate 2010/11</b>	
<b>BUDGET CHANGES</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>BASE ESTIMATE 2009/10</b>		<b>28,833.8</b>		<b>28,833.8</b>
<u>Adjustments To Base</u>				
Pay Inflation 1% in 2009/10	(258.3)		(258.3)	
		<b>(258.3)</b>		<b>(258.3)</b>
<u>Transfers Between Departments</u>				
Corporate Services – West Wirral Schemes	(200.0)		(200.0)	
Regeneration – Cultural Services Works	(300.0)		(750.0)	
Law, HR, Asset Mgt – Planned Maintenance	(1,610.0)		(1,710.0)	
Children - Schools Maintenance	(850.0)		(850.0)	
Technical Services – Highways Maintenance	(1,000.0)		(1,000.0)	
Law, HR, Asset – Corporate Management	(2,062.3)		(2,154.5)	
Law, HR, Asset – External Audit	(659.7)		(673.0)	
Law, HR, Asset – Democratic Representation	(2,671.0)		(2,731.5)	
Law, HR, Asset – Admin Buildings 2010/11	-		-	
Children & Adults - CADT Posts	-		(115.5)	
Various Departments – Rates and Postage	(151.5)		(151.5)	
All Departments – Local Pay Review	(1,250.0)		(1,250.0)	
Children - Multi Systemic Therapy	-		7.0	
		<b>(10,754.5)</b>		<b>(11,579.0)</b>
<u>Inflation</u>				
Pay	-		343.3	
Income	-		(20.8)	
		-		<b>322.5</b>
<u>Increased Expenditure</u>				
Efficiency Investment Budget	-		2,600.0	
Housing Benefits	-		1,470.0	
One Stop Shops Maintenance	-		300.0	
Capital Finance Costs	-		2,900.0	
Local Pay Review	107.0		107.0	
Discretionary Rate Relief	80.0		80.0	
		<b>187.0</b>		<b>7,457.0</b>

<u>Reduced Expenditure</u>			
Efficiency Investment Budget – To Depts	(125.8)	(290.9)	
Software Management Staffing	-	(170.0)	
Procurement Savings	-	(700.0)	
Energy Contracts	(56.7)	(113.4)	
Support Services	(72.0)	-	
Administrative Buildings	(3.2)	(4.7)	
Insurance	-	(6.8)	
	<b>(257.7)</b>		<b>(1,285.8)</b>
<u>Increased Income</u>			
Recharge to Pension Fund	-	(42.4)	
		-	<b>(42.4)</b>
<u>Reduced Income</u>			
Capital Charges	3,373.3	3,373.3	
Support Services	-	967.9	
	<b>3,373.3</b>		<b>4,341.2</b>
<b>ESTIMATE 2009/10 and 2010/11</b>	<b>21,123.6</b>		<b>27,789.3</b>

<b>FINANCE</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>SUBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Employees	28,893,000	29,172,600	28,853,000
Premises	1,389,800	1,187,600	726,300
Transport	188,200	179,700	179,700
Supplies and Services	6,824,300	6,713,600	6,112,800
Third Party Payments	10,173,900	9,980,600	9,848,700
Transfer Payments	133,013,100	147,776,900	148,182,600
Support Services	21,456,700	15,174,000	18,583,700
Financing Costs	27,766,900	24,398,200	26,377,700
	<b>229,705,900</b>	<b>234,583,200</b>	<b>238,864,500</b>
<u>LESS</u> Income			
Government Grants	(130,940,600)	(145,970,000)	(145,476,300)
Other Grants and Reimbursements	(794,100)	(795,400)	(709,200)
Customer and Client Receipts	(2,911,700)	(2,911,700)	(2,894,200)
Interest	(1,260,000)	(1,260,000)	(700,000)
Recharge to Other Revenue Accounts	(64,965,700)	(62,522,500)	(61,295,500)
	<b>(200,872,100)</b>	<b>(213,459,600)</b>	<b>(211,075,200)</b>
<b>FINANCE TOTAL</b>	<b>28,833,800</b>	<b>21,123,600</b>	<b>27,789,300</b>

<b>FINANCE</b>	<b>Base Estimate</b>	<b>Current Estimate</b>	<b>Base Estimate</b>
<b>OBJECTIVE SUMMARY</b>	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>BENEFITS, REVENUES &amp; CUSTOMER SERVICES</u></b>			
Benefits	8,632,700	8,542,700	10,490,800
Call Centre	-	-	-
Council Tax	4,602,000	4,676,400	4,830,200
Customer Services Development	255,100	249,800	261,000
Income	354,200	354,300	349,600
One Stop Shops	130,700	100,000	400,000
<b><u>CHANGE MANAGEMENT</u></b>			
Change Management	676,400	671,300	675,800
<b><u>FINANCIAL SERVICES</u></b>			
Financial Services	-	-	-
<b><u>INTERNAL AUDIT</u></b>			
Internal Audit	-	-	-
<b><u>IT SERVICES</u></b>			
Administrative Buildings	-	-	-
Business Architecture	-	-	-
Central Telephones	-	-	-
Infrastructure	-	-	-
IT Services	-	-	750,000
IT Quality Services	-	(141,300)	-
IT Technical Support Services	-	-	-
Printing	-	-	-
Superstructure	-	-	-
<b><u>OTHER OPERATIONS</u></b>			
Efficiency Fund	5,307,000	1,886,000	5,300,000
Pensions and Funding Costs	3,298,300	4,571,900	3,545,600
<b><u>PENSION FUND</u></b>			
Pension Fund	-	-	-

SUPPORT SERVICES

Central Administration	-	-	-
Information Management	499,200	493,700	539,300
Management	-	-	-
Pay & Tax Control	-	-	-
Procurement	30,000	41,300	-

TREASURY MANAGEMENT

Former Treasury Management	5,336,900	-	-
Treasury Management	(288,700)	(322,500)	647,000

<b>FINANCE TOTAL</b>	<b>28,833,800</b>	<b>21,123,600</b>	<b>27,789,300</b>
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<b>LAW, HR, ASSET MANAGEMENT</b>	<b>Current Estimate 2009/10</b>	<b>Base Estimate 2010/11</b>	
<b>BUDGET CHANGES</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>BASE ESTIMATE 2009/10</b>		<b>2,479.5</b>	<b>2,479.5</b>
<u>Adjustments To Base</u>			
Pay Inflation 1% in 2009/10	(72.8)	(72.8)	
		<b>(72.8)</b>	<b>(72.8)</b>
<u>Transfers Between Departments</u>			
Finance – Planned Maintenance	1,610.0	1,710.0	
Finance – Corporate Management	2,062.3	2,154.5	
Finance – External Audit	659.7	673.0	
Finance – Democratic Representation	2,671.0	2,731.5	
Children – Solicitor	30.0	30.0	
Finance – Rates and Postage	30.5	30.5	
Technical – Managed Properties	-	8.4	
All – Admin Buildings 2010/11	-	-	
		<b>7,063.5</b>	<b>7,337.9</b>
<u>Inflation</u>			
Pay	-	101.5	
Income	-	(35.2)	
		-	<b>66.3</b>
<u>Increased Expenditure</u>			
Efficiency Investment Budget Reallocation	55.8	95.5	
Local Pay Review	38.8	38.8	
Area Based Grant-funded spend	2.0	2.0	
Support Services	5.1	-	
		<b>101.7</b>	<b>136.3</b>
<u>Reduced Expenditure</u>			
Capital Charges	(1,280.1)	(1,280.1)	
Energy Contracts	(65.2)	(130.4)	
Administrative. Buildings	(0.6)	-	
Insurance	-	(45.4)	
		<b>(1,345.9)</b>	<b>(1,455.9)</b>
<u>Increased Income</u>			
Support Services	-	(173.0)	
		-	<b>(173.0)</b>
<b>ESTIMATE 2009/10 and 2010/11</b>		<b>8,226.0</b>	<b>8,318.3</b>

<b>LAW, HR, ASSET MANAGEMENT</b>	<b>Base Estimate</b>	<b>Current Estimate</b>	<b>Base Estimate</b>
<b>SUBJECTIVE SUMMARY</b>	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Employees	7,742,200	7,781,600	8,337,600
Premises	1,079,100	2,648,400	5,521,400
Transport	72,200	72,200	73,200
Supplies and Services	1,778,800	2,613,500	2,658,000
Third Party Payments	685,300	861,700	836,800
Support Services	3,413,300	7,736,800	7,884,900
Financing Costs	1,856,400	604,400	1,159,800
	<b>16,627,300</b>	<b>22,318,600</b>	<b>26,471,700</b>
<u>LESS Income</u>			
Government Grants	(60,400)	(60,400)	(60,400)
Other Grants and Reimbursements	(121,200)	(121,200)	(121,200)
Customer and Client Receipts	(2,251,300)	(2,251,300)	(2,514,400)
Interest	(10,000)	(10,000)	(10,000)
Recharge to Other Revenue Accounts	(11,704,900)	(11,649,700)	(15,447,400)
	<b>(14,147,800)</b>	<b>(14,092,600)</b>	<b>(18,153,400)</b>
<b>LAW, HR , ASSET MGT TOTAL</b>	<b>2,479,500</b>	<b>8,226,000</b>	<b>8,318,300</b>

<b>LAW, HR, ASSET MANAGEMENT</b>	<b>Base Estimate</b>	<b>Current Estimate</b>	<b>Base Estimate</b>
<b>OBJECTIVE SUMMARY</b>	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>ASSET MANAGEMENT</u></b>			
Administrative Buildings	-	-	-
Corporate Assets	1,371,700	35,500	35,500
Disabled Access	-	100,000	100,000
Estates Management	515,700	558,600	550,000
Managed Properties	(654,400)	(638,300)	(692,600)
Property Maintenance	-	1,510,000	1,610,000
<b><u>CENTRAL SERVICES</u></b>			
Central Support Administration	-	-	-
Wallasey Complex Management	46,400	4,200	90,800
<b><u>HUMAN RESOURCES</u></b>			
Human Resources	48,500	51,200	-
<b><u>LEGAL &amp; DEMOCRATIC</u></b>			
Coroners	436,900	435,900	437,500
Electoral & Member Services	467,400	466,000	455,600
Legal Services	46,400	88,600	-
Registrar	200,900	198,100	154,400
<b><u>CORPORATE AND DEMOCRATIC CORE</u></b>			
Corporate Management	-	3,282,300	3,415,600
Democratic Representation and Management	-	2,133,900	2,161,500
<b>LAW, HR, ASSET MGT TOTAL</b>	<b>2,479,500</b>	<b>8,226,000</b>	<b>8,318,300</b>

<b>REGENERATION</b>	<b>Current Estimate 2009/10</b>		<b>Base Estimate 2010/11</b>	
<b>BUDGET CHANGES</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>BASE ESTIMATE 2009/10</b>		<b>46,511.7</b>		<b>46,511.7</b>
<u>Adjustment To Base</u>				
Pay Inflation 1% in 2009/10	(297.5)		(297.5)	
		<b>(297.5)</b>		<b>(297.5)</b>
<u>Transfers Between Departments</u>				
Finance – Cultural Services Works	300.0		750.0	
Finance – Rates	100.0		100.0	
Law, HR, Asset Mgt – Admin Bldg 2010/11	-		-	
		<b>400.0</b>		<b>850.0</b>
<u>Inflation</u>				
Pay	-		361.1	
Income	-		(255.6)	
		<b>-</b>		<b>105.5</b>
<u>Increased Expenditure</u>				
Area Based Grant-funded spend	807.0		10,548.3	
Libraries	830.0		830.0	
Libraries- Maintenance			1,200.0	
Efficiency Investment Budget Reallocation	70.0		90.0	
Local Pay Review	585.2		586.5	
Support Services	40.1		55.1	
		<b>2,332.3</b>		<b>13,309.9</b>
<u>Reduced Expenditure</u>				
Strategic Asset Review			(1,835.0)	
Energy Contracts	(336.4)		(672.8)	
Capital Charges	(1,081.4)		(1,081.4)	
Administrative. Buildings	(5.3)		(84.1)	
Insurance	-		(55.2)	
Community Asset Transfer Option 2009/10	-		(50.0)	
		<b>(1,423.1)</b>		<b>(3,778.5)</b>
<u>Increased Income</u>				
Floral Pavilion - Income adjustment	-		(85.1)	
		<b>-</b>		<b>(85.1)</b>

Reduced Income

West Kirby – Invest to Save Scheme	55.0		55.0	
		<b>55.0</b>		<b>55.0</b>
<b>ESTIMATE 2009/10 and 2010/11</b>		<b>47,578.4</b>		<b>56,671.0</b>

<b>REGENERATION</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>SUBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Employees	29,719,100	30,176,800	30,594,300
Premises	11,259,400	7,986,900	9,012,800
Transport	1,707,400	1,173,300	1,169,800
Supplies and Services	16,825,200	18,619,300	17,761,500
Third Party Payments	9,035,400	9,105,400	9,124,200
Transfer Payments	(377,800)	613,600	(1,129,500)
Support Services	11,674,400	12,000,000	11,979,900
Financing Costs	6,693,900	21,320,700	21,286,500
	<b>86,537,000</b>	<b>101,016,000</b>	<b>99,799,500</b>
<u>LESS</u> Income			
Government Grants	(13,735,200)	(29,185,200)	(18,844,200)
Other Grants and Reimbursements	(1,017,000)	(1,017,000)	(1,028,600)
Customer and Client Receipts	(10,561,700)	(11,809,100)	(12,139,600)
Interest	(1,500)	(1,500)	(1,500)
Recharge to Other Revenue Accounts	(14,709,900)	(11,404,800)	(11,114,600)
	<b>(40,025,300)</b>	<b>(53,417,600)</b>	<b>(43,128,500)</b>
<b>REGENERATION TOTAL</b>	<b>46,511,700</b>	<b>47,578,400</b>	<b>56,671,000</b>

<b>REGENERATION</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>OBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>HOUSING AND REGENERATION SERVICES</u></b>			
Housing Market Renewal Initiative	179,900	200,400	235,900
Housing Strategy	649,900	649,200	660,300
Private Sector Housing	747,200	242,600	249,100
Regeneration Implementation	1,132,900	655,200	676,400
Rehousing Services	844,700	822,000	868,500
Supporting People	1,378,200	1,713,800	12,074,900
Tranmere Together	350,000	350,000	350,000
Working Neighbourhoods Fund	9,909,200	10,713,000	10,117,600
<b><u>REGULATORY SERVICES</u></b>			
Community Safety	2,105,900	2,116,600	2,086,700
Environmental Health	2,801,500	2,720,400	2,722,800
Licensing	67,700	63,600	53,300
Neighbourhood Nuisance	217,600	242,300	303,100
North Western and North Wales Sea Fisheries Committee	45,000	45,000	45,000
Port Health Authorities	128,500	128,500	128,500
Trading Standards & Consumer Advice	894,100	893,800	894,900
<b><u>CULTURE &amp; HERITAGE</u></b>			
Art Galleries and Museums	987,500	970,000	960,500
Theatre, Arts and Culture	1,253,100	1,149,400	1,007,600
Tramway	173,800	163,500	156,800
<b><u>LIBRARY SERVICE</u></b>			
Bebington Complex Management Halls	-	(17,900)	-
Halls	724,900	713,900	701,000
Libraries	6,625,800	6,637,700	7,729,000
<b><u>PARKS &amp; OPEN SPACES</u></b>			
Allotments	44,300	43,500	42,700
Beach Lifeguards	323,100	350,600	352,300
Birkenhead Park	548,600	535,900	533,500
Cemeteries and Crematorium	154,900	205,200	40,800
Golf	(76,200)	(71,200)	(95,800)
Parks and Open Spaces	5,074,200	4,583,000	4,631,600
Ranger Service	910,000	876,900	900,000

**SPORT & RECREATION**

Health & Sports Grant Funded Initiatives	9,400	14,300	16,000
Sports Centres	7,943,900	8,143,400	7,844,400
Sports Development	237,900	256,800	260,000

**COMMUNITY SERVICES**

Community Services	1,627,700	1,573,900	1,546,500
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**SUPPORT SERVICES**

Support Services	-	300,000	750,000
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**AGREED SAVINGS**

Strategic Asset Review	(637,000)	354,400	(1,388,700)
Service Re-Engineering	(777,100)	(777,100)	(777,100)
Vacancy Control	(89,400)	15,800	(7,100)

<b>REGENERATION TOTAL</b>	<b>46,511,700</b>	<b>47,578,400</b>	<b>56,671,000</b>
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<b>TECHNICAL SERVICES</b>	<b>Current Estimate 2009/10</b>	<b>Base Estimate 2010/11</b>	
<b>BUDGET CHANGES</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>BASE ESTIMATE 2009/10</b>		<b>41,921.5</b>	<b>41,921.5</b>
<u>Adjustments To Base</u>			
Pay Inflation 1% in 2009/10	(126.8)	(126.8)	
		<b>(126.8)</b>	<b>(126.8)</b>
<u>Transfers Between Departments</u>			
Finance – Highways Maintenance	1,000.0	1,000.0	
Finance - Rates	21.0	21.0	
Law, HR, Asset Mgt – Admin Buildings 2010/11	-	-	
Law, HR, Asset Mgt – Managed Properties		(8.4)	
		<b>1,021.0</b>	<b>1,012.6</b>
<u>Inflation</u>			
Pay	-	159.2	
Income	-	(90.7)	
			<b>68.5</b>
<u>Increased Expenditure</u>			
Waste Disposal Authority Levy	-	565.0	
Office Waste Collection	-	70.0	
Efficiency Investment Budget Reallocation	-	100.0	
Local Pay Review	43.6	44.2	
Area Based Grant-funded spend	-	7.0	
Capital Charges	83.8	81.5	
Support Services	15.5	-	
Administrative. Buildings	16.8	49.6	
Winter Maintenance	250.0		
		<b>409.7</b>	<b>917.3</b>
<u>Reduced Expenditure</u>			
Street Lighting Contract Option 2009/10	(180.0)	(180.0)	
Insurance	-	(210.6)	
Energy Contracts	(42.1)	(156.7)	
Support Services	-	(225.7)	
		<b>(222.1)</b>	<b>(773.0)</b>
<u>Reduced Income</u>			
Waste Infrastructure Grant		-	<b>90.7</b>
<b>ESTIMATE 2009/10 and 2010/11</b>		<b>43,003.3</b>	<b>43,110.8</b>

<b>TECHNICAL SERVICES</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>SUBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<u>Expenditure</u>			
Employees	10,252,300	11,165,800	11,111,500
Premises	10,105,000	10,031,000	8,521,400
Transport	1,632,900	1,661,000	1,636,300
Supplies and Services	2,446,300	2,641,300	2,433,400
Third Party Payments	30,456,700	30,456,700	31,087,400
Transfer Payments	8,400	33,400	33,400
Support Services	8,374,600	9,090,400	8,591,700
Financing Costs	3,025,200	3,399,400	3,356,100
	<b>66,301,400</b>	<b>68,479,000</b>	<b>66,771,200</b>
<u>LESS Income</u>			
Government Grants	(50,000)	(11,000)	(11,000)
Other Grants and Reimbursements	(312,700)	(351,700)	(261,000)
Customer and Client Receipts	(10,801,700)	(12,145,300)	(11,959,000)
Recharge to Other Revenue Accounts	(13,215,500)	(12,967,700)	(11,429,400)
	<b>(24,379,900)</b>	<b>(25,475,700)</b>	<b>(23,660,400)</b>
<b>TECHNICAL SERVICES TOTAL</b>	<b>41,921,500</b>	<b>43,003,300</b>	<b>43,110,800</b>

<b>TECHNICAL SERVICES</b>	<b>Base</b>	<b>Current</b>	<b>Base</b>
<b>OBJECTIVE SUMMARY</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>2009/10</b>	<b>2009/10</b>	<b>2010/11</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>PLANNING &amp; BUILDING DESIGN</u></b>			
Building Control	595,800	615,100	590,100
Design Consultancy	-	(24,000)	134,400
Planning Development	316,700	332,500	312,000
<b><u>TRANSPORT</u></b>			
Transport	20,000	20,000	20,000
<b><u>ENGINEERS</u></b>			
Car Parks	(1,759,400)	(1,745,100)	(1,845,300)
Drainage & Sea Defences	871,200	813,700	802,200
Emergency Planning	472,700	480,800	438,900
Highway Maintenance	7,509,400	8,520,900	8,058,300
Levies & Financing	153,700	153,700	153,700
Street Lighting	2,625,600	2,639,600	2,635,100
Traffic	2,087,000	2,096,500	1,994,800
<b><u>SUPPORT SERVICES</u></b>			
Administration & Management	-	-	-
Administrative Buildings	-	-	-
<b><u>WASTE &amp; ENVIRONMENTAL SERVICES</u></b>			
Waste Disposal Authority Levy	16,479,500	16,479,500	17,044,500
Waste & Environmental Services	12,549,300	12,620,100	12,772,100
<b>TECHNICAL SERVICES TOTAL</b>	<b>41,921,500</b>	<b>43,003,300</b>	<b>43,110,800</b>



# **APPENDIX B**

## **WIRRAL COUNCIL**

### **CAPITAL PROGRAMME**

**2009/13**

## **WIRRAL COUNCIL**

### **CAPITAL PROGRAMME 2009/13**

#### **SUMMARY**

The Capital Programme for 2009/13 is included on the following pages and incorporates the resolution of Cabinet on 9 December 2009 that was approved by Council on the 14 December 2009.

#### **CABINET 9 DECEMBER 2009**

##### **Minute 225 - CAPITAL PROGRAMME AND FINANCING**

A report by the Director of Finance set out a draft Capital Programme for 2009/13 for consideration by the Cabinet and referral to the Council for approval. It also included the related capital financing requirements based upon the prudential indicators that inform the Treasury Management Strategy.

Resolved – That it be recommended to Council:

- (1) the new submissions, as detailed in section 7.2 of the report by the Director of Finance, be approved.
- (2) the re-allocation of schemes to revenue, with any associated funding, as detailed in section 7.3.1 of the report be approved.
- (3). the removal from the programme of the schemes, detailed in section 7.3.2, be approved.
- (4) if the changes are approved, the capital financing requirements be reflected in the Projected Budget.
- (5) the Prudential Indicators be noted and reported as part of the Treasury Management Strategy in February 2010.
- (6) update reports on the progress of the programme be presented in accordance with the Performance and Financial Monitoring reporting cycle.
- (7) a report be presented to the Cabinet at its meeting on 14 January 2010 on building maintenance requirements to include the review of Regeneration - Cultural Services facilities.
- (8) the options for funding building maintenance be presented to the Cabinet at its meeting on 14 January 2010.

## **COUNCIL 14 DECEMBER 2009**

At its meeting on 14 December 2009 the Council approved the Capital Programme as required by the Constitution.

### **UPDATE ON THE CAPITAL PROGRAMME 2009/13**

The revenue implications of the agreed capital programme, including those from Invest-to-Save schemes and the transfer of schemes to revenue, are reflected in the budget projections over the period of the programme.

Further to Council approval of the programme in December 2009 the Government issued the Local Government Finance Settlement which incorporated announcements on the support towards the Council Capital Programme. This was referred to in reports to Cabinet on 14 January 2010 including the Local Transport Plan Programme 2010/11 and this approval has been reflected in the programme.

Central Government support is known as Supported Capital Expenditure (SCE) with revenue support for capital borrowing (SCE(R)) paid to the Council as part of Formula Grant. The support for 2009/10-2010/11 remains as per the earlier notifications from Government with 2011/12 assumed at 2010/11 levels:-

	2009/10	2010/11	2011/12
	£000	£000	£000
Children & Young People	4,355	1,859	1,859
Non Trading Transport	2,992	3,441	3,441
Total SCE(R)	7,347	5,300	5,300

Grant support from Government Departments and agencies has been included based upon the latest notifications and now includes the North West Development Agency support for the New Brighton Development Phase 2 and the Government support for the Mersey Heartlands Growth Point scheme.

**WIRRAL COUNCIL**

**CAPITAL PROGRAMME 2009/13**

**POSITION AS AT 31 JANUARY 2010**

<b>SUMMARY</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Adult Social Services	3,533	471	141	0
Children & Young People	47,759	43,527	17,643	10,743
Corporate Services	3,048	2,050	300	300
Law, HR & Asset Management	1,842	1,600	1,500	1,500
Regeneration	23,385	19,802	17,612	17,612
Technical Services	12,222	11,145	9,702	8,735
<b>Total Expenditure</b>	<b>91,789</b>	<b>78,595</b>	<b>46,898</b>	<b>38,890</b>
<b>Resources</b>				
General Resources	11,873	12,040	8,636	7,669
Supported Borrowing	10,092	5,300	5,300	5,300
<b>General Resources</b>	<b>21,965</b>	<b>17,340</b>	<b>13,936</b>	<b>12,969</b>
Grants – Education	38,922	41,300	15,466	8,566
Grants – HMRI	7,265	7,485	7,485	7,485
Grants - Regional Housing Pot	5,241	4,577	4,577	4,577
Grants - Local Transport Plan	3,515	4,243	4,243	4,243
Grants – Other	14,381	3,300	891	750
Revenue, reserves contributions	500	350	300	300
<b>Specific Resources</b>	<b>69,824</b>	<b>61,255</b>	<b>32,962</b>	<b>25,921</b>
<b>Total Identified Resources</b>	<b>91,789</b>	<b>78,595</b>	<b>46,898</b>	<b>38,890</b>

<b>General Resources</b>	£000	£000	£000	£000
<u>Borrowing</u>				
Supported Capital Expenditure	10,092	5,300	5,300	5,300
Unsupported Capital Expenditure	7,873	9,040	5,636	4,669
<u>Capital Receipts</u>	4,000	3,000	3,000	3,000
<b>Total General Resources</b>	<b>21,965</b>	<b>17,340</b>	<b>13,936</b>	<b>12,969</b>



<b>ADULT SOCIAL SERVICES</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Information Management	127	134	141	0
Mental Health Single Capital Pot	348	173	0	0
Social Care Single Capital Pot	328	164	0	0
Extra Care Housing facility	2,730	0	0	0
<b>Total Expenditure</b>	<b>3,533</b>	<b>471</b>	<b>141</b>	<b>0</b>
<b>Resources</b>				
General Capital Resources	0	0	0	0
Grant Other	3,533	471	141	0
<b>Total Identified Resources</b>	<b>3,533</b>	<b>471</b>	<b>141</b>	<b>0</b>

<b>CHILDREN &amp; YOUNG PEOPLE</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Children's Centres - Phase 3	1,390	178	0	0
City Learning Centres	527	0	0	0
Early Years Quality & Access	2,367	1,239	0	0
Aiming Higher - Disabled Child	252	359	0	0
Condition / Modernisation	8,238	2,479	3,679	3679
Formula Capital	5,833	4,592	4,592	4592
Extended Schools	783	301	301	301
Schools - Access Initiative	623	611	611	611
Schools - Harness Technology	2,581	1,310	1,310	1310
Schools - Property Works	580	0	0	0
Building Schools For The Future	19,373	7,454	0	0
Birkenhead High Girls Academy	450	11,370	0	0
Oaklands Centre	574	0	0	0
Private Finance Initiative	50	50	0	0
Primary Reorganisation - Surplus	250	250	250	250
Primary Schools Programme				
- Park Primary School	600	5,839	0	0
- Pensby Primary School	100	4,000	900	0
- Our Lady & St Edwards	406	0	0	0
School Meals Uptake & Quality	200	254	0	0
Practical Cooking Spaces	1,045	200	0	0
Co-Location Fund	168	759	0	0
Music Service	86	0	0	0
Playbuilder Programme	531	0	0	0
Play Lottery	100	100	0	0
Old Final Accounts	18	0	0	0

SEN and Disabilities	0	2,000	6,000	0
Youth Capital Fund	634	182	0	0
<b>Total Expenditure</b>	<b>47,759</b>	<b>43,527</b>	<b>17,643</b>	<b>10,743</b>

#### **Resources**

General Capital Resources	1,537	318	318	318
Supported Borrowing	7,100	1,859	1,859	1,859
Grant – Education	38,922	41,300	15,466	8,566
Revenue, reserves, contributions	200	50	0	0
<b>Total Identified Resources</b>	<b>47,759</b>	<b>43,527</b>	<b>17,643</b>	<b>10,743</b>

<b>CORPORATE SERVICES</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000

#### **Expenditure**

Think Big Investment Fund	442	300	300	300
West Wirral Schemes	206	0	0	0
Destination West Kirby	1,100	150	0	0
Wirral Country Park	1,300	1,600	0	0
<b>Total Expenditure</b>	<b>3,048</b>	<b>2,050</b>	<b>300</b>	<b>300</b>

#### **Resources**

General Capital Resources	1,698	1,050	300	300
Grant – Other	1,350	1,000	0	0
<b>Total Identified Resources</b>	<b>3,048</b>	<b>2,050</b>	<b>300</b>	<b>300</b>

<b>FINANCE</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000

#### **Expenditure**

Strategic Asset Review – IT	1,500	1,500	1,500	1,500
One Stop Shops	242	0	0	0
<b>Total Expenditure</b>	<b>1,742</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>

#### **Resources**

General Capital Resources	1,742	1,500	1,500	1,500
<b>Total Identified Resources</b>	<b>1,742</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>

<b>LAW/HR/ASSET MGT</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Microregeneration	100	100	0	0
<b>Total Expenditure</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>Resources</b>				
General Capital Resources	40	40	0	0
Grant – Other	60	60	0	0
<b>Total Identified Resources</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>

<b>REGENERATION</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Improvement to Stock	3,385	3,380	3,380	3,380
Clearance	8,721	8,682	8,682	8,682
Disabled Facilities - Adaptations	2,390	1,550	1,550	1,550
Adaptations - DFGs	0	500	0	0
Bidston Stream	250	0	0	0
Mersey Waterfront Reg Park	280	0	0	0
Working Wirral – SRB	1,600	0	0	0
Landican Mercury Abatement	1,500	1,983	0	0
Hoylelake Golf Course	450	0	0	0
Cultural Services Assets	0	2,000	4,000	4,000
CCTV / IT Project	0	530	0	0
Oval Centre - Artificial pitches	0	160	0	0
Europa Pool - Heating system	0	200	0	0
Mersey Heartlands Growth Pt	909	817	0	0
New Brighton Phase 2	3,900	0	0	0
<b>Total Expenditure</b>	<b>23,385</b>	<b>19,802</b>	<b>17,612</b>	<b>17,612</b>
<b>Resources</b>				
General Capital Resources	2,736	5,873	4,500	4,500
Grant – HMRI	7,265	7,485	7,485	7,485
Grants - Regional Housing Pot	5,241	4,577	4,577	4,577
Grants – Other	7,843	1,567	750	750
Revenue, reserves, contributions	300	300	300	300
<b>Total Identified Resources</b>	<b>23,385</b>	<b>19,802</b>	<b>17,612</b>	<b>17,612</b>

<b>TECHNICAL SERVICES</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
LTP – Accessibility	150	150	150	150
LTP - Air Quality	1,500	950	950	950
LTP – Congestion	425	605	605	605
LTP - Roads, bridges, lighting	3,534	4,529	4,529	4,529
LTP - Road Safety	980	980	980	980
LTP - Transportation	579	470	470	470
Highway Structural	500	500	0	0
Street Lighting Columns	300	300	0	0
Coast Protection	55	55	55	55
Marine Lake	1,660	0	0	0
Highways Works	1,000	1,000	1,000	1,000
Bidston Viaduct (contribution)	615	1,304	967	0
Energy Schemes	186	0	0	0
Asset Management	85	0	0	0
Waste Infrastructure	653	202	0	0
Wirral Traffic Model (contribution)	0	100	0	0
<b>Total Expenditure</b>	<b>12,222</b>	<b>11,145</b>	<b>9,702</b>	<b>8,735</b>
<b>Resources</b>				
General Capital Resources	4,120	3,259	2,018	1,051
Supported Borrowing	2,992	3,441	3,441	3,441
Grants - Local Transport Plan	3,515	4,243	4,243	4,243
Grant – Other	1,595	202	0	0
<b>Total Identified Resources</b>	<b>12,222</b>	<b>11,145</b>	<b>9,702</b>	<b>8,735</b>

## **WIRRAL COUNCIL**

### **CABINET**

**9 DECEMBER 2009**

### **REPORT OF THE DIRECTOR OF FINANCE**

#### **CAPITAL PROGRAMME AND FINANCING 2009-2013**

##### **1. EXECUTIVE SUMMARY**

- 1.1. This report provides Cabinet with a draft Capital Programme for 2009/13 for consideration and referral to Council for approval. It also includes the related capital financing requirements based upon the prudential indicators that inform the Treasury Management Strategy.

##### **2. CAPITAL STRATEGY**

- 2.1 Achieving Council objectives requires capital investment. The Capital Strategy sets a framework that enables the Council to work with partners and stakeholders to prioritise and effectively deliver capital investment that contributes to the achievement of Council objectives.
- 2.2 The Capital Strategy is key to drawing together the capital requirements emerging from the Investment Strategy and service strategies to prioritise the capital needs of services and to maximise opportunities for joined-up investment with local partners. Bids for inclusion in the capital programme are prioritised against criteria taking account of the priorities identified in the Corporate Plan.
- 2.3 The Capital Strategy was reviewed to reflect the revised Corporate Plan and was agreed by Cabinet on 24 September 2009. It considers issues at a strategic level and is used to determine the Capital Programme.

##### **3. CAPITAL INVESTMENT PROGRAMME GUIDANCE DOCUMENT**

- 3.1 To increase understanding of the capital programme across the Council the procedures and key guidance have, since 2005, been consolidated into one document. The latest version of the document was agreed by Cabinet on 23 July 2008 and covers :-
- a) identification and prioritisation of schemes for inclusion in the programme.
  - b) approval process and implementation of the approved projects.
  - c) monitoring and reporting of the approved programme.
- A number of key documents are incorporated as appendices including the Contract Procedure Rules.

- 3.2. Schemes identified are the subject of a Business Case which details how the proposed project meets Council objectives, how it will be managed, including resource implications and the outcomes expected. The various schemes are then prioritised using criteria that reflect the aims and objectives of the Corporate Plan,

#### 4. **CAPITAL PROGRAMME**

- 4.1. The programme covers three years and is aligned to other plans and strategies, including the Medium Term Financial Strategy and the Corporate Plan. It is reviewed, updated and considered by Council each December and informs the annual budget setting process.
- 4.2. The out-turn figures for 2009/10 are assumed to be in line with those reported to Cabinet. Capital receipts offer flexibility in their use to either balance the current programme or to address future budgetary issues. A year-end report for 2009/10 will be presented in June 2010 identifying the final spend and financing for the year.
- 4.3. In preparing the programme for 2010/13 the process has followed that set out in the Guidance document. All submissions for inclusion in the capital programme required the completion of a Business Case and have been assessed against the prioritisation criteria and recommendations made.
- 4.4. The general principle adopted was that existing schemes and programmes would continue. Consequently the programme reflects the fact that the investment into schools and the Local Transport Plan will be maintained. Similarly the external support in respect of the Housing Market Renewal Initiative is dependant upon a level of resources being input by the Authority. At this stage assumptions have been made upon the continuation of Government support beyond 2010/11. It is recognised that given the current economic climate, changes as a consequence of the Chancellor of the Exchequer's Pre-Budget Report and the next Comprehensive Spending Review will be influential upon the level of Government support and future programmes.
- 4.5. Financing is from a combination of borrowing (part of which is Supported Capital Expenditure and part Prudential Borrowing), grant, contributions from revenue and reserves and capital receipts. Further information on financing is contained in Section 5 of this report.
- 4.6. The prioritisation of schemes has been based upon the appraisal criteria linking the Corporate Plan and the Capital Strategy and approved by Cabinet on 24 September 2009. This is included at Appendix A. Appendix B details the on-going approved capital programme whilst Appendix C outlines the highest scoring capital submissions.

- 4.7. Another important aspect of the 2009 capital programme process is the need to address issues raised by the Audit Commission in the Annual Governance Report. The Commission highlighted a risk arising from Financial Reporting Standard (FRS) 15 in that items may be charged to capital when they should be classed as revenue expenditure.
- 4.8. Under FRS 15 capital expenditure is defined as expenditure incurred on the acquisition, creation or enhancement of an asset. Enhancement works are defined as leading to at least one of the following:
- Substantially lengthening the useful life of the asset
  - Substantially increasing the open market value of the asset
  - Substantially increasing the extent to which the asset can be used in connection with the functions of the Local Authority.
- Expenditure which purely maintains the useful life or open market value of an asset should be charged to revenue.
- 4.9. To comply with FRS 15 expenditure which does not clearly fit the definition will be removed from the capital programme and placed within revenue. The sums originally earmarked to fund the borrowing for this expenditure can be similarly transferred to fund the expenditure that will now be within the revenue budget. Appendix D details the schemes being transferred from the capital programme to revenue.
- 4.10. I have also removed from the capital programme those previously approved capital schemes which have not progressed and which were being funded through the use of Council borrowing. These schemes are detailed in Appendix D.

## 5. **CAPITAL FINANCING**

### 5.1. Supported Capital Expenditure

- 5.1.1. As part of the annual Local Government Finance Settlement local authorities are issued with a Supported Capital Expenditure (Revenue) (SCE(R)) figure. This is the total amount of borrowing that the Government is prepared to support. The funding to cover the revenue cost of this borrowing is distributed as part of the Formula Grant.
- 5.1.2. The figures are within the Local Government Finance Settlement which will not be confirmed until February 2010. It should be noted that Government departments do give indicative allocations which are not reflected in the Provisional Local Government Finance Settlement. Wirral currently expects to receive support for around £5 million of borrowing.

## 5.2. Prudential Borrowing (unsupported borrowing)

5.2.1. The Prudential Capital Finance system was introduced in 2004 and it allows local authorities to self-finance borrowing for capital expenditure without Government consent. The system seeks to facilitate the use of borrowing for capital projects, provided it is affordable. Local authorities must manage their debt responsibly and decisions about debt repayment should be made through the consideration of prudent treasury management practice.

5.2.2. As a rough guide, borrowing incurs a revenue cost of approximately 10% of the loan each year, comprising the interest charges and money set aside to cover the repayment of the debt. For a loan to be prudent the Council needs to be satisfied that it can afford this annual revenue cost which is a combination of interest charges and minimum revenue provision (MRP).

5.2.3. The Government has given local authorities greater freedom in the way that they provide for their debts. As mentioned above local authorities have to earmark revenues each year as provision for repaying debts incurred on capital projects. This "Minimum Revenue Provision" (MRP) regime changed on 31 March 2008 when the Government removed the complex MRP regulations in favour of a simple duty on each local authority to make provision for debt which the Authority considers prudent.

5.2.4. The Council has determined that the most prudent method of earmarking revenues to repay unsupported borrowing is by matching the debt repaid each year to the life of the asset which the borrowing helped to finance (known as MRP option 3). As an example, if the Council borrowed £5 million to build a new asset with a life of 20 years then revenue costs would be £0.25 million each year for 20 years plus the interest cost of the borrowing.

## 5.3. Government Grants

5.3.1. These are specific to schemes and are therefore allocated in accordance with the terms of the grant approval, primarily being within the areas of Education and Regeneration. These include the Building Schools for the Future pathfinder scheme and the Housing Market Renewal Initiative. Changes in grant levels reflect the timing of individual initiatives.

5.3.2. Having regard to the implications of FRS 15 the Government is intending to review the grant arrangements to clarify whether the support constitutes support for capital or revenue expenditure. This is expected to form part of the Local Government Finance Settlement.

## 5.4. Revenue / Other Contributions

5.4.1. There is presently limited support for specific schemes. The Prudential Code allows for the use of additional revenue resources within agreed parameters.



5.4.2. Implementing the Strategic Asset Review will involve maximising opportunities for the provision of facilities with other local agencies. It is anticipated that, as the proposals are developed, contributions will be forthcoming from these partners although, at this stage, this has not been assumed.

## 5.5. Capital Receipts

5.5.1. Capital receipts are estimated and are based upon the likely sales of assets as identified under the Asset Management Plan. These include development sites, former school sites and the agreement with Wirral Partnership Homes for the sharing of receipts from sales of former Council houses. The Strategic Asset Review provides additional scope for receipts in the future.

5.5.2. The use of receipts has been estimated at £4 million for 2009/10 and £3 million for the next three years. This reflects the likely timing of such receipts and is based upon the latest projections of sites either available or which could become available over the period.

5.5.3. The Local Public Service Agreement resulted in the receipt of a reward grant with 50% of the sum to support capital schemes. This £2.1 million, as with capital receipts, provides flexibility over the timing and use of the resource.

## 6. MONITORING

6.1. Cabinet on 9 April 2009 agreed the process and timing of the Performance and Financial Monitoring reports. This includes a section on capital comparing progress against the approved programme.

6.2. Whilst a presentation is made to Cabinet at the end of each quarter a summary report plus the departmental reports of Chief Officers is placed in the Members Library. The departmental reports of Chief Officers are appended and provide greater detail on the progress of specific schemes within the programme. There are references to the approved programme, agreed variations, the latest forecasts concerning spend and the resourcing of schemes.

## 7. FINANCIAL IMPLICATIONS

### 7.1. Capital Programme commitments

7.1.1. The programme detailed in Appendix B incorporates all the committed schemes including those referred to in Section 4 above. This indicates the resources required to fund the existing, and planned, commitments.

7.1.2. The Capital Programme 2009/12 and Capital Financing Requirements 2009/10 were agreed by Cabinet on 10 December 2008 and updated as part of the Estimates 2009/10 reported to Cabinet on 23 February 2009.

- 7.1.3. On 25 June 2009 the Capital Out-turn and Determinations report was submitted as part of the year-end accounts for the 2008/09 financial year and detailed the slippage into the 2009/10 financial year.
- 7.1.4. On 23 July 2009 Cabinet approved updated resources for the Landican Crematorium scheme. Other variations in the year reflect additional grants such as the Early Years Quality Grant, Playbuilder Programme and Practical Cooking Spaces Programme.
- 7.1.5. On 1 October 2009 Cabinet recommended to Council the revocation of the decision to develop Neighbourhood Centres.
- 7.1.6. In summary the changes to the Capital Programme since it was originally approved have increased the 2009/10 programme from £80 million to £100 million. This reflects additional Government support by bringing schemes forward from future years which are within Children & Young People and Regeneration; the Adult Social Services programme now including the scheme at the former Mendell Lodge which is grant funded and the Cabinet decision to cease the investment into Neighbourhood Centres. The other main impact has been the slippage from 2008/09.

## 7.2. Capital Programme submissions

- 7.2.1. Appendix C details the ranking of the new schemes in accordance with the prioritisation criteria. When the previous programme was agreed this built in annual allocations such as Property Maintenance for the period of the programme. This has reduced the number of new submissions for subsequent years. Based on those now received the ranking would result in the following being included:-

<b>NEW SUBMISSIONS FOR APPROVAL</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000
Cultural Services assets			
- Programme of investment to be developed	2,000	4,000	4,000
CCTV / IT project			
- To proceed if tenders realise savings	530	0	0
Adaptations			
- Additional to Disabled Facilities Grants	500	0	0
Oval Sports Centre			
- Improvements to artificial pitches	160	0	0
Europa Pool			
- Improved heating systems	200	0	0
Wirral Traffic Model (contribution)			
- Support Liverpool City Region scheme	100	0	0

7.2.3 A number of the submissions related to Cultural Services assets with the planned works comprising primarily of refurbishment and repair. The requirement for extensive investment was identified as part of the Strategic Asset Review and with the retention of a number of libraries there is an increased need to undertake a programme of investment. Under the definition of what constitutes capital expenditure much of this investment is of a repair nature and therefore a revenue liability. Given the ongoing work by the Directors of Law, Human Resources & Asset Management and Regeneration into the works required which are to be aligned with the future strategy developments for the services it is proposed to bring a more detailed report to Cabinet on 14 January 2010. The areas subject to consideration are Williamson Art Gallery, Birkenhead Central Library, Wallasey Central Library, Parks (PACSPE including football pitches, golf courses, cemeteries) and Sports Centres.

7.2.4. Within the submissions recommended for approval there are submissions which realise benefits of an 'Invest-to-Save' nature:-

- a) CCTV / IT project although the level of saving is subject to the outcome of the tendering exercise.
- b) Adaptations as there will be benefits through deferring individual pressures onto the Adult Social Services community care budget.
- c) Oval Sports Centre as it ensures maintenance of income levels.
- d) Europa Pool will realise energy savings of £40,000 per year.

### 7.3. Capital Programme variations

#### 7.3.1 Schemes transferred to revenue

The schemes in Appendix D are now classed as revenue expenditure and will be transferred to departmental revenue budgets.

<b>SCHEMES TO REVENUE</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
Schools – Property Works	400	400	400	400
Schools – Boiler Renewals	250	250	250	250
Schools – Health & Safety	200	200	200	200
West Wirral Schemes	200	200	200	200
Property Maintenance	1,510	1,510	1,510	1,510
Disabled Access Provision	100	100	100	100
Cultural Services–Property Wks	300	300	300	300
Highways Works	1,000	1,000	1,000	1,000

### 7.3.2 Schemes deleted from the programme

The schemes in Appendix D are being deleted either through the scheme not being developed along the lines of the original approval or because it was dependant upon grant funding which was not subsequently obtained.

<b>SCHEMES DELETED</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
In House Residential	354	0	0	0
Girtrell Court	1,000	0	0	0
Adult Accommodation	943	0	0	0
Children's Invest-To-Save	1,300	0	0	0

### 7.4 Prudential Indicators

7.4.1. In considering the programme for 2010/13 Cabinet is advised that:-

- a) The existing commitments require additional borrowing of around £26 million for 2009/10 with the additional requirements reducing in subsequent years.
- b) To accommodate the additional items detailed in section 7.2.1 would increase the level of borrowing by £3.5 million in 2010/11 and by £4 million in each of the next two financial years.
- c) The adjustments referred to in section 7.3 would reduce the need to borrow by £8 million in 2009/10 and £4 million per year in subsequent years.
- d) The borrowing requirements for future years will be confirmed as part of the Treasury Management Strategy report to Cabinet in February 2010. Assuming the changes are approved the requirements are:-

Year	Increase in borrowing	Revenue costs (cumulative)
2010/11	£14 million	Increase of £2.9 million
2011/12	£11 million	Increase of £2.0 million
2012/13	£10 million	Increase of £1.9 million
2013/14	£10 million	Increase of £1.9 million

- e) In terms of key Prudential Indicators the ratio of financing costs to the net revenue stream continues to increase as the capital programme increases. Based upon the latest projections it remains around 8%.

- f) If the decision is taken to spend in excess of the level of identified resources then this would require increased use of borrowing which incurs annual revenue costs at the rate of £100,000 per £1 million of capital expenditure. In considering the impact upon Council Tax levels each 1% rise in Council Tax equates to £1.3 million of increased expenditure.

## **8. STAFFING IMPLICATIONS**

- 8.1. There are none arising directly from this report as any implications will be identified against individual projects at the scheme and estimate stage.

## **9. EQUAL OPPORTUNITY IMPLICATIONS**

- 9.1. These will be identified as part of the individual scheme proposals.

## **10. COMMUNITY SAFETY IMPLICATIONS**

- 10.1. These will be identified with the individual scheme proposals.

## **11. HUMAN RIGHTS IMPLICATIONS**

- 11.1. There are none arising directly from this report.

## **12. LOCAL AGENDA 21 IMPLICATIONS**

- 12.1. These will be identified with the individual scheme proposals.

## **13. PLANNING IMPLICATIONS**

- 13.1. There are none arising directly from this report.

## **14. MEMBER SUPPORT IMPLICATIONS**

- 14.1. There are none arising directly from this report.

## **15. BACKGROUND PAPERS**

- 15.1. Capital Investment Programme Guidance Document - July 2008
- 15.2. Prudential Code for Capital Finance in Local Authorities - CIPFA - 2003
- 15.3. Local Authorities Capital Finance and Accounting Regulations 2008.

16. **RECOMMENDATIONS**

- 16.1. That the new submissions as detailed in section 7.2 be approved.
- 16.2. That the re-allocation of schemes to revenue, with any associated funding, as detailed in section 7.3.1 be approved.
- 16.3. That the removal from the programme of the schemes detailed in section 7.3.2 be approved.
- 16.4. That, if the changes are approved, the capital financing requirements be reflected in the Projected Budget.
- 16.5. That the Prudential Indicators be noted and reported as part of the Treasury Management Strategy in February 2010.
- 16.6. That update reports on the progress of the programme be presented in accordance with the Performance and Financial Monitoring reporting cycle.
- 16.7. That a report be presented to Cabinet on 14 January 2010 on building maintenance requirements to include the review of Regeneration - Cultural Services facilities.
- 16.8. That the options for funding building maintenance be presented to Cabinet on 14 January 2010.

IAN COLEMAN  
DIRECTOR OF FINANCE

FNCE/325/09

**CAPITAL INVESTMENT PROGRAMME**

**PRIORITISATION EVALUATION CRITERIA AND WEIGHTINGS**

<b>PRIORITISATION CRITERIA</b>	<b>%</b>	<b>CORPORATE OBJECTIVE</b>
1 Will the scheme create employment opportunities or assist in attracting private sector investment?	<b>15</b>	To create more jobs, achieve a prosperous economy and regenerate Wirral.
2 Will the scheme have environmental or streetscene benefits or impact on crime or health and safety?	<b>15</b>	To create a clean, pleasant, safe and sustainable environment.
3 Will the scheme cater for vulnerable people or address health inequality or contribute towards healthy lifestyle?	<b>15</b>	To improve health and well-being for all, ensuring people who require support are full participants in mainstream society.
4 Will the scheme have any educational attainment or learning opportunities or training benefits?	<b>15</b>	To raise the aspirations of young people.
5 Will it impact on revenue or attract significant external funding and build upon partnership working?	<b>15</b>	To create an excellent Council.
6 Does the scheme contribute towards more than one Corporate Strategy or the achievement of cross-cutting aims?	<b>10</b>	Partnership working is seen as integral to the future of the Council
7 Does the scheme provide value for money for the Council in terms of the use of its resources?	<b>10</b>	Value for money is desired in the delivery of all services
8 Are the outcomes clear and result in improvements in performance?	<b>5</b>	Performance, and improved performance, is recognised as a priority

**NOTES**

- 1 Schemes, as per the Business Cases, will be scored against the criteria on the basis of not meeting to fully meeting the objectives on a 0-2 basis.
- 2 The % shown are the weightings that apply to each of the criteria.
- 3 Schemes which score in excess of 50% will be recommended for inclusion in the Capital Programme.

APPENDIX B

CAPITAL PROGRAMME 2009/13

(EXCLUDES THE SCHEMES PER APPENDIX C  
AND ADJUSTMENTS IN APPENDIX D)

SUMMARY

	2009/10	2010/11	2011/12	2012/13
	£000	£000	£000	£000
<b>Expenditure</b>				
Adult Social Services	5,830	471	141	0
Children & Young People	49,909	44,377	18,493	11,593
Corporate Services	3,248	2,250	500	500
Finance	1,753	1,500	1,500	1,500
Law, HR & Asset Management	1,710	1,710	1,610	1,610
Regeneration	18,876	15,895	13,912	13,912
Technical Services	13,222	12,045	10,702	9,735
<b>Total Expenditure</b>	<b>94,548</b>	<b>78,248</b>	<b>46,858</b>	<b>38,850</b>
<b>Resources</b>				
General Resources	19,441	12,575	8,661	7,694
Supported Borrowing	10,092	5,235	5,235	5,235
<b>General Resources</b>	<b>29,533</b>	<b>17,810</b>	<b>13,896</b>	<b>12,929</b>
Grants – Education	38,922	41,300	15,466	8,566
Grants – HMRI	7,265	7,485	7,485	7,485
Grants - Regional Housing Pot	5,241	4,577	4,577	4,577
Grants - Local Transport Plan	3,515	4,243	4,243	4,243
Grants – Other	9,572	2,483	891	750
Revenue, Reserves				
Contributions	500	350	300	300
<b>Specific Resources</b>	<b>65,015</b>	<b>60,438</b>	<b>32,962</b>	<b>25,921</b>
<b>Total Identified Resources</b>	<b>94,548</b>	<b>78,248</b>	<b>46,858</b>	<b>38,850</b>

<b>General Resources</b>	£000	£000	£000	£000
<u>Borrowing</u>				
Supported Capital Expenditure	10,092	5,235	5,235	3,441
Unsupported Capital Expenditure	15,441	9,575	5,661	6,488
<u>Capital Receipts</u>	4,000	3,000	3,000	3,000
<b>Total General Resources</b>	<b>29,533</b>	<b>17,810</b>	<b>13,896</b>	<b>12,929</b>



<b>ADULT SOCIAL SERVICES</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
In House Residential	354	0	0	0
Girtrell Court	1,000	0	0	0
Adult Accommodation	943	0	0	0
Information Management	127	134	141	0
Mental Health Single Capital Pot	348	173	0	0
Social Care Single Capital Pot	328	164	0	0
Extra Care Housing facility	2,730	0	0	0
<b>Total Expenditure</b>	<b>5,830</b>	<b>471</b>	<b>141</b>	<b>0</b>
<b>Resources</b>				
General Capital Resources	2,297	0	0	0
Grant Other	3,533	471	141	0
<b>Total Identified Resources</b>	<b>5,830</b>	<b>471</b>	<b>141</b>	<b>0</b>
<b>CHILDREN &amp; YOUNG PEOPLE</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Children's Centres - Phase 3	1,390	178	0	0
City Learning Centres	527	0	0	0
Early Years Quality & Access	2,367	1,239	0	0
Aiming Higher Disabled Children	252	359	0	0
Children's Invest-To-Save	1,300	0	0	0
Condition / Modernisation	8,238	2,479	3,679	3,679
Formula Capital	5,833	4,592	4,592	4,592
Extended Schools	783	301	301	301
Schools - Access Initiative	623	611	611	611
Schools - Harness Technology	2,581	1,310	1,310	1,310
Schools - Property Works	980	400	400	400
Schools - Boiler Renewals	250	250	250	250
Schools - Health & Safety	200	200	200	200
Building Schools For The Future	19,373	7,454	0	0
Birkenhead High Girls Academy	450	11,370	0	0
Oaklands Centre	574	0	0	0
Private Finance Initiative	50	50	0	0
Primary Reorganisation - Surplus	250	250	250	250
Primary Schools Programme				
- Park Primary School	600	5,839	0	0
- Pensby Primary School	100	4,000	900	0
- Our Lady & St Edwards	406	0	0	0
School Meals Uptake & Quality	200	254	0	0
Practical Cooking Spaces	1,045	200	0	0
Co-Location Fund	168	759	0	0

Music Service	86	0	0	0
Playbuilder Programme	531	0	0	0
Play Lottery	100	100	0	0
Old Final Accounts	18	0	0	0
SEN and Disabilities	0	2,000	6,000	0
Youth Capital Fund	634	182	0	0
<b>Total Expenditure</b>	<b>49,909</b>	<b>44,377</b>	<b>18,493</b>	<b>11,593</b>

### Resources

General Capital Resources	3,687	1,233	1,233	1,233
Supported Borrowing	7,100	1,794	1,794	1,794
Grant – Education	38,922	41,300	15,466	8,566
Revenue, reserve, contributions	200	50	0	0
<b>Total Identified Resources</b>	<b>49,909</b>	<b>44,377</b>	<b>18,493</b>	<b>11,593</b>

### CORPORATE SERVICES

	2009/10	2010/11	2011/12	2012/13
	£000	£000	£000	£000

#### Expenditure

Think Big Investment Fund	442	300	300	300
West Wirral Schemes	406	200	200	200
Destination West Kirby	1,100	150	0	0
Wirral Country Park	1,300	1,600	0	0
<b>Total Expenditure</b>	<b>3,248</b>	<b>2,250</b>	<b>500</b>	<b>500</b>

#### Resources

General Capital Resources	1,898	1,250	500	500
Grant – Other	1,350	1,000	0	0
<b>Total Identified Resources</b>	<b>3,248</b>	<b>2,250</b>	<b>500</b>	<b>500</b>

### FINANCE

	2009/10	2010/11	2011/12	2012/13
	£000	£000	£000	£000

#### Expenditure

Strategic Asset Review – IT	1,500	1,500	1,500	1,500
One Stop Shops	253	0	0	0
<b>Total Expenditure</b>	<b>1,753</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>

#### Resources

General Capital Resources	1,753	1,500	1,500	1,500
<b>Total Identified Resources</b>	<b>1,753</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>

<b>LAW/HR/ASSET MGT</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Strategic Asset Review	0	0	0	0
Property Maintenance	1,510	1,510	1,510	1,510
Disabled Access Provision	100	100	100	100
Microregeneration	100	100	0	0
<b>Total Expenditure</b>	<b>1,710</b>	<b>1,710</b>	<b>1,610</b>	<b>1,610</b>
<b>Resources</b>				
General Capital Resources	1,650	1,650	1,610	1,610
Grant – Other	60	60	0	0
<b>Total Identified Resources</b>	<b>1,710</b>	<b>1,710</b>	<b>1,610</b>	<b>1,610</b>
<b>REGENERATION</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
Improvement to Stock	3,385	3,380	3,380	3,380
Clearance	8,721	8,682	8,682	8,682
Disabled Facilities - Adaptations	2,390	1,550	1,550	1,550
Bidston Stream	250	0	0	0
Mersey Waterfront Regional Park	280	0	0	0
Working Wirral – SRB	1,600	0	0	0
Landican Mercury Abatement	1,500	1,983	0	0
Hoylake Golf Course	450	0	0	0
Cultural Services - Property Wks	300	300	300	300
<b>Total Expenditure</b>	<b>18,876</b>	<b>15,895</b>	<b>13,912</b>	<b>13,912</b>
<b>Resources</b>				
General Capital Resources	3,036	2,783	800	800
Grant – HMRI	7,265	7,485	7,485	7,485
Grants - Regional Housing Pot	5,241	4,577	4,577	4,577
Grants – Other	3,034	750	750	750
Revenue, reserve contributions	300	300	300	300
<b>Total Identified Resources</b>	<b>18,876</b>	<b>15,895</b>	<b>13,912</b>	<b>13,912</b>
<b>TECHNICAL SERVICES</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000	£000	£000	£000
<b>Expenditure</b>				
LTP – Accessibility	150	155	150	150
LTP - Air Quality	1,500	445	440	440
LTP – Congestion	425	213	210	210
LTP - Road Safety	4,514	5,340	5,340	5,340
LTP – Transportation	579	1,531	1,540	1,540

Highway Structural	500	500	0	0
Street Lighting Columns	300	300	0	0
Coast Protection	55	55	55	55
Marine Lake	1,660	0	0	0
Highways Works	2,000	2,000	2,000	2,000
Bidston Viaduct (contribution)	615	1,304	967	0
Energy Schemes	186	0	0	0
Asset Management	85	0	0	0
Waste Infrastructure	653	202	0	0
<b>Total Expenditure</b>	<b>13,222</b>	<b>12,045</b>	<b>10,702</b>	<b>9,735</b>
<b>Resources</b>				
General Capital Resources	5,120	4,159	3,018	2,050
Supported Borrowing	2,992	3,441	3,441	3,441
Grants - Local Transport Plan	3,515	4,243	4,243	4,243
Grant – Other	1,595	202	0	0
<b>Total Identified Resources</b>	<b>13,222</b>	<b>12,045</b>	<b>10,702</b>	<b>9,734</b>

## CAPITAL PROGRAMME 2009/13

## RANKING OF CAPITAL SUBMISSIONS

(SCHEMES ARE NOT INCLUDED WITHIN THE PROGRAMME IN APPENDIX B)

<b><u>RECOMMENDED SCHEMES</u></b>	<b>DEPARTMENT</b>	<b>COST £000</b>
Cultural Services Investment required consisting of improvements and repairs. The Directors of Law, HR & Asset Mgt and Regeneration to produce a programme that secures improvements in assets linked to service priorities. The key areas include Williamson Art Gallery, Birkenhead Central Library, Wallasey Central Library, Parks (PACSPE including football pitches, golf courses, cemeteries) and Sports Centres. Phased investment programme to include capital of £2 million from 2010/11 and £4 million in subsequent years. Detail to be developed by Directors of Law, HR & Asset Mgt and Regeneration.	Regeneration	2,000 (10/11) 4,000 (11/12) 4,000 (12/13)
CCTV / IT project Improvements to equipment and coverage to integrate with Council IT network. Investment will realise benefits with savings offset by the increased IT network costs which are subject to tender in 2009/10. Approved subject to outcome of tender.	Regeneration	530
Adaptations Additional to Disabled Facilities Grant to provide adaptations to support individuals in order to delay the impact upon the Community Care budget. Cases to be individually assessed.	Regeneration (plus Adult Social Services)	500
Oval Sports Centre Improvements to artificial pitches in order to sustain the present income levels of £95,000 per year.	Regeneration	160
Europa Pool Use of new technology to improve heating systems in high consumption area due to essential heating. Aim to generate savings of £40,000 per year.	Regeneration	200
Wirral Traffic Model (contribution) Development of model to support Liverpool City Region. £490,000 scheme has secured funding from Local Transport Plan and New Growth Point Fund.	Technical (plus Corporate Services)	100

## CAPITAL PROGRAMME 2009/13

## SCHEMES TRANSFERRED FROM CAPITAL TO REVENUE

The following schemes are now classed as revenue expenditure and will be transferred to departmental revenue budgets.

	2009/10	2010/11	2011/12	2012/13
	£000	£000	£000	£000
<b>CHILDREN &amp; YOUNG PEOPLE</b>				
Schools – Property Works	400	400	400	400
Schools – Boiler Renewals	250	250	250	250
Schools – Health & Safety	200	200	200	200
<b>CORPORATE SERVICES</b>				
West Wirral Schemes	200	200	200	200
<b>LAW, HR &amp; ASSET MGT</b>				
Property Maintenance	1,510	1,510	1,510	1,510
Disabled Access provision	100	100	100	100
<b>REGENERATION</b>				
Cultural Services–Property Wks	300	300	300	300
<b>TECHNICAL SERVICES</b>				
Highways Works	1,000	1,000	1,000	1,000

## SCHEMES DELETED FROM THE PROGRAMME

The following schemes are being deleted either through the scheme not being developed along the lines of the original approval or because it was dependant upon grant funding which was not subsequently obtained.

	2009/10	2010/11	2011/12	2012/13
	£000	£000	£000	£000
<b>ADULT SOCIAL SERVICES</b>				
In House Residential	354	0	0	0
Girtrell Court	1,000	0	0	0
Adult Accommodation	943	0	0	0
<b>CHILDREN &amp; YOUNG PEOPLE</b>				
Children’s Invest-To-Save	1,300	0	0	0

**CAPITAL PROGRAMME 2009/13**  
**PROJECTED CAPITAL RECEIPTS**

**DISPOSALS**

Oliver Street, Birkenhead  
Europa Boulevard Site  
New Brighton Development  
Mendell Lodge, Bromborough  
4 Cavendish Road, Birkenhead  
Rullerton Road, Wallasey  
Fellowship House  
98 Bidston Road, Birkenhead  
Rosewarne  
5/7 St.Andrews Road  
Oliver Street, Birkenhead  
Europa Boulevard Site  
New Brighton Development  
Poulton School, Wallasey  
Oliver Street, Birkenhead  
Feltree House, Beechwood  
Esher House, Beechwood  
Dock Road Depot, Wallasey  
Bridge Court, West Kirby  
Hillcroft, Heswall  
Moreton Family Centre  
Old Court House, Wallasey

Over the period a number of assets identified as part of the Strategic Asset Review will be made available for sale including those arising from the Accommodation Review.

It is anticipated that the current level of receipts plus those generated will be sufficient to fund a £4 million contribution in 2009/10 and £3 million per year in the subsequent years towards the capital programme.





# **APPENDIX C**

**WIRRAL COUNCIL**

**INSURANCE FUND**

**2010/11**

## **WIRRAL COUNCIL**

### **INSURANCE FUND 2010/11**

#### **SUMMARY**

The Insurance Fund is a fundamental component of the risk management strategy with any reduction in claims producing a direct benefit to the Council. To achieve best value in the management of losses through insurance claims Wirral wholly self-insures those risks that have the capacity to generate low value losses. For risk that have the potential to produce catastrophic losses the Council undertakes to meet the cost of claims in any given year up to an agreed figure with insurers meeting all costs above the sum.

#### **CABINET 14 JANUARY 2010**

##### **Minute 271 - INSURANCE FUND BUDGET 2010/11**

The Director of Finance gave details of the elements which made up the Insurance Fund, the costs of running the Risk & Insurance Section, and the budget for 2010/11. The headline from the Budget 2010/11 report was a reduction in estimated insurance costs for 2010/11 of £0.8 million which came partly as a result of extensive work undertaken with schools.

Resolved - That

- (1) the Insurance Fund budget for 2010/11 be agreed, and
- (2) the savings of £430,000 to the General Fund and £350,000 to Schools in 2010/11 be agreed.

#### **UPDATE ON THE INSURANCE FUND BUDGET - CABINET 14 JANUARY 2010**

##### **Minute 288 - LIABILITY INSURANCE AND COMPUTER INSURANCE TENDERS**

The Director of Finance advised Cabinet on the procurement process for the Computer insurance contract and the Liability insurance and claims handling contracts and recommended the awarding of the liability contract to Zurich Municipal and the Computer policy to Risk Management Partners. The contracts would be for up to seven years effective from 1 April 2010 and would save approximately £170,000 per year. The maximum self insured financial exposure to liability claims would also be reduced by 30% to £2.5 million per year.

Resolved - That

- (1) the Liability insurance and claims handling contract be awarded to Zurich Municipal for an initial period of 3 years commencing 1 April 2010, retaining the options to extend for two further periods of two years.
- (2) the Computer insurance contract be awarded to Risk Management Partners for an initial period of 3 years commencing 1 April 2010, retaining the options to extend for two further periods of two years.

## **WIRRAL COUNCIL**

### **CABINET**

**14 JANUARY 2010**

### **REPORT OF THE DIRECTOR OF FINANCE**

#### **INSURANCE FUND BUDGET 2010/11**

##### **1. EXECUTIVE SUMMARY**

- 1.1. This report sets out the elements which make up the Insurance Fund, the cost of running the Risk & Insurance Section and the budget for 2010/11.
- 1.2. The headline from the Budget 2010/11 report is a reduction in estimated insurance costs for 2010/11 of £0.8 million which is partly as a result of extensive work undertaken with schools.

##### **2. BACKGROUND**

- 2.1. Under the provisions of the Local Government and Housing Act 1989 Local Authorities are allowed to set aside financial provisions to cover self-insured losses.
- 2.2. By self-insuring an Authority avoids paying insurers' administration, profit margins and Insurance Premium Tax on predictable levels of claims. Furthermore only rarely do external insurers return any premium irrespective of the profits generated by a policy.
- 2.3. Wirral has operated an Insurance Fund since its foundation and was one of the first local authorities to adopt a high degree of self-insurance when large excesses on liability and material damage insurance were negotiated in the 1980s.
- 2.4. Self-funding is a fundamental element of the risk management strategy. It provides a greater incentive to deal with risk more effectively since any reduction in claims directly benefits the Authority.

##### **3. RISK MANAGEMENT**

- 3.1. To achieve overall best value in funding insurable losses a mixture of external and self-insurance is needed.

3.2. The Authority wholly self-insures those risks that have the capacity to generate low value losses. In respect of risks that have the potential to produce catastrophic losses, the Council undertakes to meet the cost of all claims in any given year up to an agreed figure. Insurers meet all costs above this sum.

3.3. External insurance premiums are met by the Insurance Fund and are recharged to departments together with self-insurance premiums.

**4. SELF FUNDED RISKS**

4.1. Detailed below are the principal risks for which the Council currently self-insures together with the maximum sum the Council might have to pay for losses in any given financial year. It should be noted that expenditure in respect of claims for a given year will be spread over several subsequent years.

<b>4.2. TYPE OF INSURANCE</b>	<b>ANNUAL AGGREGATE DEDUCTIBLE</b>
Combined Liability	£3,600,000
Material Damage & Business Interruption (Fire)	£ 500,000
Material Damage & Business Interruption (Storm/Flood/Burst Pipes)	£1,000,000
Comprehensive Motor	£ 200,000
Fidelity Guarantee	£ 25,000
Loss/Damage to Equipment	Unlimited
Glazing (Schools)	Unlimited

**5. CLAIMS AND PREMIUMS**

5.1. A comparison of the premiums charged and claims incurred in recent years in respect of the three principal risks covered by the Insurance Fund follows. The premiums and claims for the years in question are highlighted.

**a. COMBINED LIABILITY**

This policy was placed with Zurich Municipal on 1 April 2005, following a competitive tender. At present the contract is subject to a Long Term Agreement which expires on 31 March 2010 and a tendering process is underway. Whilst this means that external premiums for 2010/11 onwards are uncertain the expectation is that they will continue at a similar level. Insurance Fund contributions are reviewed annually and have fallen sharply in recent years because of sustained and significant improvements in the claims experience brought about by more effective management of liability risk and a robust attitude to claims management. This has enabled the level of self-insurance to be negotiated down from a peak of £7.1 million in 2005/06 to the current level of £3.6 million.

Year	Premium		Expected final costs (90% level of certainty)
	External Insurance**	Insurance Fund	
	£000	£000	£000
2004/05	360	6,000	893
2005/06	286	4,000	1,100
2006/07	314	3,250	1,586
2007/08	236	3,300	2,860
2008/09	261	3,200	3,200
2009/10	270	2,800	N/K
2010/11	285	2,100	N/K

\*\* Exclusive of claims handling charges.

#### b. MATERIAL DAMAGE & BUSINESS INTERRUPTION

The material damage policy was tendered in 2008 with the result being an extension of cover to include damage from storm flood and burst pipes and business interruption losses. The contract is subject to a Long Term Agreement which lasts until June 2013. The expectation is that premium rates will continue at the existing level. Insurance Fund contributions are reviewed annually and rose before 2006/07 to recover a shortfall caused by large losses sustained in the 2003/04 insurance period. Contributions fell significantly in 2007/08 and despite the Insurance Fund taking on an increased exposure through the extensions of cover the level of contribution is being reduced further in 2010/11.

Year	Premiums		Expected final costs	
	External Insurance	Insurance Fund	External Insurer	Insurance Fund
	£000	£000	£000	£000
2005/06	338	570	0	80
2006/07	318	570	0	32
2007/08	328	340	0	42
2008/09	382	340	68	159
2009/10	384	330	N/K	N/K
2010/11	371	300	N/K	N/K

c. **COMPREHENSIVE MOTOR**

This policy was placed with Zurich Municipal on 1 April 2009, following a competitive tender. The contract is subject to a Long Term Agreement that lasts until 31 March 2012. As such no significant change in the external premium is anticipated for 2010/11. Departments contribute a minimum of £500 for damage incurred to their own vehicles and any third party claims, the excess level varying according to the risk profile of the driver. The Insurance Fund contribution is reviewed annually and is also being reduced for 2010/11.

Year	Premium		Expected final costs		
	External Insurance	Insurance Fund	Department	Insurance Fund	Insurer
	£000	£000	£000	£000	£000
2005/06	49	<b>81</b>	43	<b>90</b>	0
2006/07	52	<b>81</b>	35	<b>103</b>	0
2007/08	55	<b>81</b>	32	<b>58</b>	0
2008/09	49	<b>81</b>	30	<b>79</b>	0
2009/10	50	<b>90</b>	N/K	<b>N/K</b>	N/K
2010/11	44	<b>65</b>	N/K	<b>N/K</b>	N/K

6. **OTHER**

6.1. In addition to the three main classes of insurance the Authority also procures external insurance for smaller risks such as loss of money, fidelity guarantee and loss or damage to ICT equipment and self-insures other risks including loss of equipment and damage to glazing. These risks generate a modest level of losses and the premiums remain fairly stable over a period of years.

7. **PROVISIONS**

7.1. Many claims are not settled within the financial year in which they arise. In the case of legal liabilities, claims may not even be reported in the year in which an incident occurs. Thus the total cost of all claims relating to a given year will be spread over several subsequent financial years.

7.2. Provisions have to be made in respect of losses previously incurred but which will be settled in future financial years. Without such provisions the Council would not have the funds available to meet these future claims costs.

7.3. The provisions are based on claims data held by the Risk & Insurance Section taken at the end of each financial year. After rising between 2001/02 and 2004/05 they have fallen significantly each year since 2005/06.

- 7.4. A funding study is now being undertaken by professional actuaries every two years to evaluate whether the sum held to meet liability losses is sufficient and also the sum needs to be invested to meet the costs of current claims.
- 7.5. In the intervening year this study is undertaken by officers, and the 2009 internal evaluation considered the adequacy of the sums held to meet liability losses. A professional judgement was also made for the other classes of insurance. In addition to considering the adequacy of provisions for losses in previous years the evaluation addressed the issue of the sum needing to be invested in the Insurance Fund to meet the cost of claims for the current year.
- 7.6 The 2009 evaluation showed that the continued improvements in our ability to defend claims, which released £2.975 million to Council balances during 2008/09, had been sustained. The Insurance Fund Annual Report to Cabinet on 25 June 2009 stated that there was a significant surplus in the provisions held for Property insurance losses and Cabinet agreed to transfer to General Fund balances the surplus in the provisions at 31 March 2009 of £2,106,000.

Class	Provisions		Transferred to General Balances
	Actual 31/03/09	Revised 31/03/09	
Combined Liability	£11,620,700	£11,620,700	£0
Property	£4,106,400	£2,000,000	£2,106,000
Motor	£274,900	£274,900	£0
<b>Total</b>	<b>£16,002,000</b>	<b>£13,895,600</b>	<b>£2,106,000</b>

## 8. LIABILITY CLAIMS FUNDING

- 8.1. At present provisions for liability losses are based on a 90% chance that the actual outcome will be less than the worst reserves. At the time of the last formal actuarial study in 2008 there was concern that the unprecedented turbulence in claims patterns experienced by Wirral might have been skewing the results of the study towards unrealistically low sums. Also some uncertainty remained as to whether the low level of new claims reported would be sustained. It was concluded that the cautious approach to funding was therefore justified.
- 8.2. The results of the next formal actuarial study to be commissioned will be available in mid-2010 and will be based on claims data as at 31 March 2010.

## 9. ADMINISTRATION

- 9.1. In addition to promoting the effective management of risk within the Authority the Risk and Insurance Section places and administers all external insurance policies, manages the Insurance Fund and oversees the handling of all claims.
- 9.2. A new insurance broking contract was awarded to Griffiths & Armour in November 2008 and this fixed price contract will run until 30 November 2010.
- 9.3. The costs of the Risk & Insurance Section are charged to the Insurance Fund and are recharged to departments in the form of a percentage overhead on insurance premia. For 2010/11 the relevant percentage will be approximately 8.3%. This is higher than for 2009/10 as a consequence of the reduction in estimated premia which has been achieved through the work of the section, and others, in reducing the number of claims submitted and also increasing the repudiation rates for those claims that are submitted.
- 9.4. Below is a breakdown of the estimated costs of the section for 2010/11.

Staffing & overheads	£282,500
Insurance Brokers & Actuaries	£ 20,000
<b>Total</b>	<b>£302,500</b>

- 9.5. The section comprises four full time and one part time employees. In an informal benchmarking exercise undertaken earlier this year both the size and cost of the Wirral team compared favourably with the other Merseyside authorities. Taken in context the significant results achieved in recent years, in terms of wider cover at lower cost and a vastly improved claims experience, have been delivered by a small team.

## 10. INSURANCE FUND BUDGET 2010/11

- 10.1. The table below shows the estimated budget for 2010/11 compared with the base budget for 2009/10.

	<b>2009/10 Base £000</b>	<b>2010/11 Base £000</b>
<b>Schools</b>	1,560	1,210
<b>General Fund</b>	3,184	2,752
<b>Total</b>	4,744	3,962



- 10.2. The 2010/11 budget equates to an overall decrease of approximately 17%. This reduction in costs reflects the continuing improvements in claims experience and the effectiveness of the Risk & Insurance Team approach to procurement.
- 10.3. The 2009/10 Estimate contained a saving of £400,000 to the Department of Children & Young People resulting from a more equitable method of calculating costs for schools. Whilst this increased costs to schools in 2009/10 work done since by the Risk & Insurance Team including the risk ranking survey programme for secondary schools has assisted with reducing the charges to schools by £350,000 for 2010/11.
- 10.4. The Liability and Computer insurance contracts have been tendered and the outcome is reported elsewhere on this agenda. All other contracts are subject to Long Term Agreements which act to reduce the likelihood of any significant changes to cover or to premia. In the medium term there could be upward pressure on external premia if the recession causes insurers' investment returns to continue falling and reinsurance costs to rise. However the current position is that insurers are generally maintaining prices in order to retain business.
- 10.5. The Insurance Fund Budget for 2010/11 is shown in the Appendix.

## **11. FINANCIAL IMPLICATIONS**

- 11.1. In terms of the annual insurance premia the 2010/11 Budget shows a reduction of £0.8 million from the 2009/10 premia. This reflects the extensive work undertaken with schools during the year which has enabled the risks to be more accurately assessed and, more generally, the sustained improvements in claims management.

## **12. STAFFING IMPLICATIONS**

- 12.1. There are no direct staffing implications.

## **13. EQUAL OPPORTUNITIES IMPLICATIONS**

- 13.1. There are no direct equal opportunities implications.

## **14. COMMUNITY SAFETY IMPLICATIONS**

- 14.1. There are no direct community safety implications.

## **15. PLANNING IMPLICATIONS**

- 15.1. There are none arising out of this report.

**16. LOCAL MEMBER SUPPORT IMPLICATIONS**

16.1. There are no implications for any Members or wards.

**17. BACKGROUND PAPERS**

- 17.1. (i) Correspondence with Griffiths & Armour  
(ii) Risk & Insurance Section Database  
(iii) Zurich Municipal and Teceris Claims Management claims records

**18. RECOMMENDATIONS**

18.1. That the Insurance Fund Budget 2010/11 be agreed.

18.2. That the savings of £430,000 to the General Fund and £350,000 to Schools in 2010/11 be agreed;

IAN COLEMAN  
DIRECTOR OF FINANCE

FNCE/317/09

**WIRRAL COUNCIL**  
**INSURANCE FUND BUDGET**

	<u>Base Budget 2009/10</u>			<u>Base Budget 2010/11</u>		
<b>Expenditure</b>						
<b>Class of Insurance</b>	<b>External Premia</b>	<b>Insurance Fund Contributions</b>	<b>Total</b>	<b>External Premia</b>	<b>Insurance Fund Contributions</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Liabilities*	408,000	2,800,000	3,208,000	435,000	2,100,000	2,535,000
Fire	384,000	330,000	714,000	371,000	300,000	671,000
Motor	50,000	90,000	140,000	44,000	65,000	109,000
Other*	230,000	168,000	398,000	183,000	137,000	344,000
Management Account			284,000			303,000
<b>Total Expenditure</b>			<b><u>4,744,000</u></b>			<b><u>3,962,000</u></b>
<b>Income</b>						
Schools			(1,560,000)			(1,210,000)
General Fund			(3,184,000)			(2,752,000)
<b>Total Income</b>			<b><u>(4,744,000)</u></b>			<b><u>(3,962,000)</u></b>

\* Cabinet on 14 January 2010 agreed to the awarding of new Computer insurance and Liability insurance and claim handling contracts from 1 April 2010 which realised savings of £170,000 per year.