

**CORPORATE PLAN FINANCIAL AND PERFORMANCE MONITORING SUMMARY**

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**1. EXECUTIVE SUMMARY**

- 1.1. This is one of a series of reports submitted throughout the year presenting an overview of the performance of the council in delivering the vision for Wirral as set out in the corporate plan and covers the first quarter of 2008/9.
- 1.2. This report provides an overview of the authority's performance and the attached appendices give a more detailed break down against performance, capital and revenue budgets and risks. A fifth appendix identifies the list of three year targets for the corporate plan.

**2. STRUCTURE OF THE REPORT**

- 2.1. This summary report provides an overview of all the corporate indicators and projects and sickness / absence (section five). It then provides exceptions reports on the indicators and projects that deliver the improvement priorities. It also provides a whole council view of the resource (section six) and capital positions (section seven) and a summary of actions taken to contain the key risks (section eight).
- 2.2. Appendix A provides a breakdown by department of all corporate plan indicators and projects at the first quarter.
- 2.3. Appendix B provides a more detailed view of the revenue position at the first quarter.
- 2.4. Appendix C provides a more detailed view of the capital position at the first quarter.
- 2.5. Appendix D provides a more detailed view of the actions taken to manage key risks at the first quarter.
- 2.6. Appendix E provides the three year targets to accompany the corporate plan. These are explained further in section 4.
- 2.7. Further improvements to the structure of the report will be made for the second quarter.

**3. CONTEXT OF CORPORATE PLAN**

- 3.1. The council's vision is delivered through five strategic objectives and 11 improvement priorities. These are:

- 1. To create more jobs, achieve a prosperous economy and regenerate Wirral.**

- Reduce worklessness

- Increase enterprise
2. **To create a clean, pleasant, safe and sustainable environment.**
    - Increase levels of recycling
    - Reduce the council's carbon footprint
    - Reduce number of people killed or seriously injured in road accidents
  3. **To improve health and well being for all, ensuring people who require support are full participants in mainstream society.**
    - Promote greater independence and choice
  4. **To raise the aspirations of young people**
    - Raise overall educational attainment, particularly lower achieving young people.
    - Safely reduce the number of looked after children.
  5. **To create an excellent council.**
    - Improve the use of the council's land and assets.
    - Create a sustainable and stable budget, providing value for money
    - Improve the council's budgeting process to fully reflect its priorities.

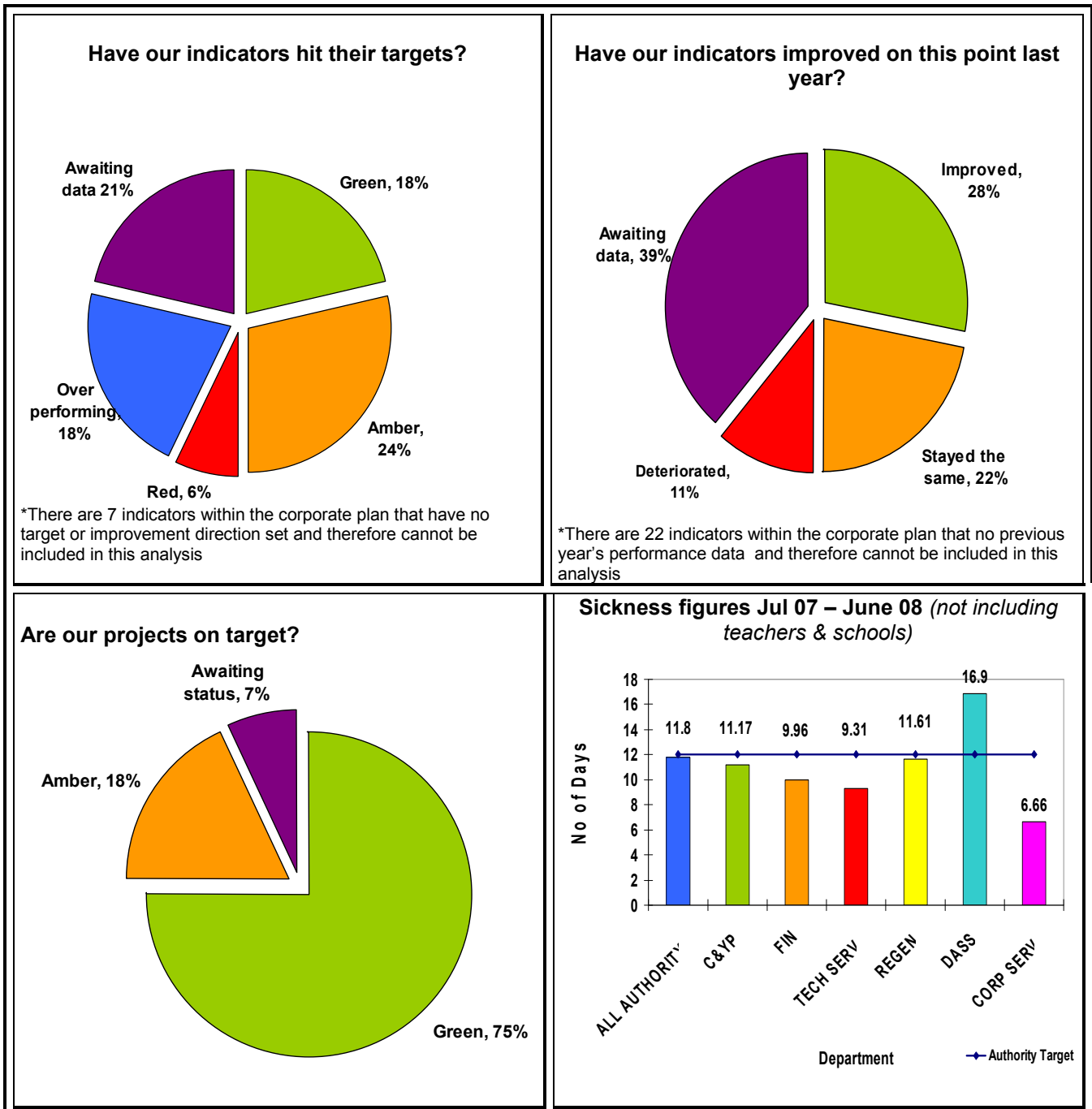
3.2. This report provides a progress update against these areas for members. The purpose of the report is to highlight any areas of concern and make clear any corrective action that departments are taking.

#### **4. THREE YEAR CORPORATE PLAN TARGETS**

4.1. This report also presents the three year targets for the corporate plan for approval in appendix E. Due to the introduction of the national indicator set, which replaced the previous best value performance indicator regime, the new corporate plan, and new local area agreement, it has not been possible to complete the target setting process until now. This means that the targets against which the monitoring below takes place has not yet been agreed and thus they are included in this report. This situation is unique to this year, and next year's targets will be approved well in advance of this point.

#### **5. CORPORATE PLAN PERFORMANCE**

5.1. The corporate plan contains a series of performance indicators and key projects to deliver the objectives in the plan. Their progress is reported via any performance exceptions. These exceptions are summarised below and are given in more detail in the performance appendix (A) attached.



5.2. The graphs above reflect the position of all corporate plan indicators and projects. The progress against the improvement priorities for 2008/9 is detailed below.

**5.3. Progress against the improvement priorities**

5.4. There are 39 key projects identified as contributing towards the delivery of the 2008/09 priorities for improvement and at the end of June 35 were on target and four require corrective action:

Key projects identified for improvement 2008/09	Status	Corrective action	Portfolio
Access and assessment arrangements	<b>Amber</b>	Potential slippage into 2009/10 as a result of delays	Social Care & Inclusion

		implanting revised DASS structure	
Ensure there are no schools if Ofsted categories	<b>Amber</b>	Intervention and support provided to the one school in a category	Children's Services & Lifelong Learning
Implement our procurement strategy to ensure that services and goods are acquired economically and efficiently, and if advantageous, in partnership with others.	<b>Amber</b>	We expect the slight underperformance in respect of the corporate savings targets in Quarter 1 to be rectified when a number of high value contracts are let. A detailed progress report on Procurement Efficiencies and a revised Corporate Procurement Strategy will be considered by Cabinet in September.	Finance and Best Value
Exceed government standards for Housing and Council Tax benefits and Council Tax collection.	<b>Amber</b>	New staff are in post and being trained as part of the normal management cycle. We do not expect a significant variation from target at the year end.	Finance and Best Value

5.4.1. Continued improvements in recycling rates from the investment into this area of activity have been supported by the use of the Waste infrastructure capital grant. Financial pressures remain within the care services within Adult Social Services and Children & Young People as a consequence of increasing demand which is proving challenging to manage.

5.4.2. The next period sees reports presented to Cabinet highlighting progress, and updating, of the key resource strategies which underpin the delivery of the Corporate Plan as well as a review of the priorities for improvement for 2009/10.

5.5. The tables below show the quarter one performance position for the improvement priorities. The performance exceptions are listed in the attached appendix A.

**Have our indicators improved on this point last year?**

% PIs	No. of PIs	
5.88%	1	Improved by more than 2.5% on previous year's performance
0.00%	0	Deteriorated by more than 2.5% on previous year's performance
5.88%	1	Stayed within +/-2.5% of previous year's performance
17.65%	3	Awaiting data
70.59%	12	Not applicable*
<b>100.00%</b>	<b>17</b>	

**Have our indicators hit their targets?**

% PIs	No. of PIs	
17.65%	3	Green (within +/-5% of the target)

23.53%	4	Amber (missed or exceeded target by more than 5% but less than 10%)
5.88%	1	Red (missed target by more than 10%)
17.65%	3	Over-performing (more than 10% of the target)
17.65%	3	Awaiting data
11.76%	2	Target not set
5.88%	1	Not Applicable
<b>100.00%</b>	<b>17</b>	(Note: percentages rounded to 2 decimal places)

- 5.6. In 2007 the department for Communities and Local Government implemented a new national set of 198 performance indicators that replaced the previous best value performance indicator regime. The Audit Commission has indicated that these will be an important source of evidence within the Comprehensive Area Assessment process. Particular attention in this process will also be paid to those indicators adopted as Local Area Agreement Targets. It is important therefore that the council monitors performance against these targets. All national indicators are covered in departmental plans and a selection are also corporate plan indicators.
- 5.7. Customer feedback is now recorded on the Customer Relationship Management (CRM) system and includes both complaints (excluding statutory complaints under adult Social Services and Children & Young People) and compliments. Of the Stage 1 complaints these primarily related to Technical Services and the implementation of changes in the refuse collection service. A total of 10 enquiries were received from the Ombudsman spread over all departments. All but one was responded to within the prescribed timescale with this being returned one day late. Of the compliments recorded there were 117 with the majority being for Adult Social Services.

## 6. FINANCIAL MONITORING

- 6.1. The net Council spend for 2008/09 is £299 million. The monitoring compares spend against the approved budget which includes growth and policy options as well as the agreed savings targets. When setting the 2008/09 budget the projected balances at 31 March 2009 were £5 million.
- 6.2. At 30 June the position, for which more detail is included in Appendix B, is:-

Details	£million	£million
Projected General Fund balances at 31 March 2009 when setting the budget for 2008/09		5.0
Cabinet decisions		
26 June - Financial out-turn for 2007/08 showed an underspending and contribution to balances		+2.5
Projected variances / potential overspends		
Overspend		
Adult Social Services	+3.6	
Children & Young People	+3.0	
Underspend		
Treasury Management	-0.8	-5.8
General Fund balances at 31 March 2009 based upon		

the latest projections		1.7
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- 6.3. The completion of the year-end accounts resulted in an increase in the projected balances at 31 March 2008 by £2.5 million. The main spending pressures within Adult Social Services more than offset by the increase in Housing Benefit grant and the benefits from Treasury Management activities.
- 6.4. Within Adult Social Services the pressures of increasing demand for care services that resulted in an overspend in 2007/08 remain. In terms of savings there are issues around the implementation of the locality structure (£0.7 million) and the review of out-of-home activities, including day services, (£0.7 million) both of which are at risk of slipping. The Director is investigating alternative and one-off savings and the present projections indicate a £3.6 million overspend primarily within Community Care.
- 6.5. Under Children and Young People the area of Special Education Needs (SEN) has seen more placements, and at a higher cost, than planned and includes transport with a variation of £0.7 million identified. There are also budget pressures from the care of young people that resulted in the overspend in 2007/08 added to by the changes to the court proceedings. The Director is considering other options in order to offset any increased costs. With the challenges from the employee related savings targets and the impact upon existing vacancy control targets together with the service re-engineering savings brought forward from 2007/08 these form the significant part of the projected overspend of £3 million. Actions, as last year, will be from a combination of spending reduction measures and maximisation of grant opportunities.
- 6.6. Treasury Management includes the management of cash flow and the need to borrow to fund investment has been re-engineered reducing the requirement for temporary borrowing. The savings achieved in 2007/08 continue and will deliver £0.5 million in 2008/09. Opportunities from the increased rates offered by the banking sector have been taken as a consequence of the improved cash management and at this stage of the year the additional income realised is in the order of £0.3 million and expected to increase in the coming months.

## **7. CAPITAL MONITORING**

- 7.1. The capital programme for 2008/11 was approved by Council on 17 December 2007 and confirmed as part of the budget by Council on 3 March 2008. The monitoring, which is detailed in Appendix C, compares the original programme with the latest forecast which includes slippage from 2007/08 that was agreed by Cabinet on June 26.
- 7.2. The Director of Adult Social Services has commenced the consultation on a review of intermediate care that will also impact upon the decisions regarding adult accommodation provision. All schemes are therefore subject to review pending the outcome of the consultation.
- 7.3. The Building Schools for the Future (BSF) – One Pathfinder project continues to progress in accordance with the timescales agreed with the

Department for Children, Schools and Families. With the Department having re-profiled the funding a start on site is expected early in 2009.

- 7.4. Under the national scheme to develop Children's Centres Phase 1 and Phase 2 has now seen 17 of the 19 centres opened. The remaining two were re-programmed into 2008/09 and are at the tender stage.
- 7.5. The funding from the Department for Children, Schools and Families for the Primary Capital Strategy is anticipated to be clarified in September. The local authority strategy document having been submitted for consideration.
- 7.6. The Oval Sports Centre is undergoing a substantial programme of works both to the main building and to the creation of 5-a-side pitches. This has been the subject of well reported delays for a variety of reasons with the main facility expected to re-open in late summer. The redevelopment of New Brighton is progressing well which includes the Floral Pavilion that is anticipated to open in November.
- 7.7. The Special Initiatives element of the programme includes schemes and related funding in respect of Objective One (£5.5 million) and the Single Regeneration Budget (£4.5 million). The schemes contribute towards the conclusion of the Merseyside-wide programme which is shown under 2008/09 but will be further refined as it is not due to complete until 2010.
- 7.8. The Housing Market Renewal Initiative (NewHeartlands) continues to progress although the impact of the worldwide and national financial situation is affecting developers. The size and nature of the programme requires both the programme and the funding to be more flexible with the re-phasing of expenditure and resources kept under review to maintain continuity of progress.
- 7.9. In terms of future years the proposals for addressing the Bidston Moss Viaduct are nearing conclusion with the Department for transport having earmarked the scheme for funding, subject to the constituent authorities agreeing to a share of the funding. This was reported to, and agreed by, Cabinet on May 22.

## 8. RISK MONITORING

- 8.1. The revised Corporate Risk Register was agreed by Cabinet on 13 March 2008. This was the baseline document and is reviewed quarterly with Appendix D highlighting progress and any additional issues identified.
- 8.2. For most of the risks the planned improvements in control actions have been implemented along with further identified actions to ensure that the risks are being controlled. Examples of positive developments include:-

<b>Risk</b>	<b>Description</b>	<b>Positive Developments in Control</b>
3.	Key Council services are not resilient to disruption and business continuity arrangements are inadequate.	The Department of Adult Social Services has completed its departmental business continuity plan. A survey of the preparedness of all external partners/service providers has been undertaken and guidance supplied.

		Information provided by them as to their business continuity planning arrangements has been evaluated and further awareness raising sessions planned. An exercise to test the pandemic flu plan has been undertaken with Adult Social Services and the Primary Care Trust.
11.	We do not recruit and retain appropriate staff or develop them effectively.	Elected Member and corporate leadership Development programmes are continuing according to plan. Our approach to workforce planning/talent management is continuing as planned.
14.	Failure to plan and manage performance (CPA) and finances in accordance with plans and budgets	The finance and performance monitoring framework and timetable were reviewed and reported to Cabinet in April. An enhanced Corporate Improvement Group was introduced in April
19.	Failure to progress the regeneration of economically disadvantaged areas	An agreement with Lovell was reached in March and building work is to commence in July.

8.3. Those areas where progress in implementing controls has not proceeded to timetable or where information is not available are:

<b>Risk</b>	<b>Description</b>	<b>Areas where Control Actions have yet to be progressed</b>
3.	Key Council services are not resilient to disruption and business continuity arrangements are inadequate.	A corporate business continuity plan has been drafted but requires consultation. The date for completion has therefore been revised to November 2008.
6.	Community expectations are not properly understood or managed well.	Although preparations for CAA are underway some elements of the regime have yet to be clarified by central government.
17.	Failure in safeguarding arrangements (adult or child)	The timetable for appointment of a Mental Health Capacity Act Coordinator has been put back to September. The introduction of a New Child Care Risk Management Procedure has been put back to September The deadline for improved audit and scrutiny capacity governed through LSCB has been put back to September.
19.	Failure to progress the regeneration of economically disadvantaged areas	Formation of the new department of Human Resources, Law & Asset Management has been delayed.

8.4. The following have been identified as having potential corporate significance and are subject to further review and consideration:-

- Impact of volatility and a downturn in the economy
- Adverse effect on Council budgets of rising energy prices.
- Susceptibility of IT provision to disruption.



- Financial and environmental impact of delay in or failure to acquire and gain planning consents for sites needed to deliver the MWDA procurement programme.

## **9. OTHER IMPLICATIONS**

- 9.1. There are no equal opportunities, human rights, community safety, local member support, local agenda 21 or planning implications arising directly from this report.

## **10. BACKGROUND PAPERS**

- Wirral Corporate Plan 2008-11
  - Appendix A – Performance Monitoring Summary
  - Appendix B – Financial Monitoring Summary
  - Appendix C – Capital Monitoring Summary
  - Appendix D – Corporate Risk Monitoring Summary
  - Appendix E – three year targets for the corporate plan

## **11. RECOMMENDATIONS**

That

- (1) the performance to date be reviewed and any areas for further action be identified; and
- (2) the attached three year targets for the corporate plan be approved.

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CHIEF EXECUTIVE**