

WIRRAL COUNCIL

CABINET

24 JUNE 2010

REPORT OF THE DIRECTOR OF FINANCE

NORTH WEST IMPROVEMENT AND EFFICIENCY PARTNERSHIP EFFICIENCY COMMISSION

1. EXECUTIVE SUMMARY

- 1.1 This report recommends that Wirral Council become the accountable body for the North West Improvement and Efficiency Partnership (NWIEP) Efficiency Commission programme.

2. BACKGROUND

- 2.1 In January 2008, the Department for Communities and Local Government (DCLG) published the National Improvement and Efficiency Strategy. This stated that local authorities and their partners are responsible for driving improvements. The strategy placed Regional Improvement and Efficiency Partnerships (RIEPs) at the heart of providing support to Councils and partnerships. It identified £380m, for England, over the three years 2008/09 to 2010/11 to back this.
- 2.2 The RIEP for the North West is the North West Improvement and Efficiency Partnership. Wigan Council is the accountable body for the NWIEP. Sub-regional improvement and efficiency partnerships have been established and the Merseyside Improvement and Efficiency Partnership (MIEP) is one of the five sub-regional partnerships in the North West region.
- 2.3 Cabinet agreed on 26 November 2009 that Wirral Council would act as the accountable body for the MIEP.
- 2.4 The NWIEP strategic plan contains a number of region wide programmes. For July 2010 to June 2011, the NWIEP has significantly increased available resources within the Efficiency Commission programme.

3. NWIEP EFFICIENCY COMMISSION ACTIVITY 2010/11

- 3.1 The NWIEP draft Efficiency Commission Programme Delivery Plan (Appendix 1) identifies a number of strategic areas including:
- Sharing best practice and benchmarking across the Northwest e.g. improving purchase power by collaboration
 - Improving delivery of services through reorganisation of service delivery and shared services and reducing buildings assets

- Improving efficiency by removing duplication and waste involving business improvement activities and shared services

3.2 A number of workstreams have been established within the Efficiency Commission programme. Workstreams will work collaboratively across the North West and their leads will be drawn from a range of authorities. The workstreams include:

- Shared Services and Collaboration
- North West Construction Hub
- North West Procurement Programme
- Business Improvement Training
- Extending Total Place approaches and investigating 'Big Society'
- Asset Management
- Adult Social Care
- Foster Care Placements
- Communications and Networking

3.3 The funding available to the NWIEP Efficiency Commission for July 2010 to June 2011 is £1.65m. Within this allocation, £1.48m is for revenue purposes and £176,500 is for capital purposes. The Efficiency Commission efficiency target across the whole North West region is £15.96m of cashable benefits and £2.75m non cashable during this period. A further £81.6m is anticipated from July 2011 to June 2015 in cashable savings and £33.85m in non cashable savings.

3.4 In terms of programme governance, it is proposed that the Efficiency Commission will be chaired by the Leader of Chorley Borough Council with Wirral Council providing the Chief Executive lead and support for the programme. Quarterly reports will be required from the component workstreams in line with current NWIEP procedures and will be subject to review at quarterly commission board meetings. Quarterly claims will be compiled by Wirral and submitted to NWIEP.

3.5 Funding of £60,000 has been allocated for programme management for July 2010 - June 2011. This will fund the costs of external programme management support currently being provided. Wirral will be able to recover costs incurred in supporting the Efficiency Commission.

4. CONDITIONS OF FUNDING

4.1 Funding will be approved on the basis that standard NWIEP terms and conditions will be met. The conditions will be contained within the NWIEP offer letter. This will be issued to Wirral once formal approval has been received from the NWIEP board (during June 2010) in respect of the Efficiency Commission delivery plan.

4.2 The standard terms and conditions will also apply to individual programmes of work in respect of those bids that have been approved.

4.3 The role of Wirral Council is:

- to ensure that individual workstreams submit quarterly monitoring and finance reports on time and that the reports are passed to NWIEP
- to reimburse expenditure to individual workstreams, on receipt of payment from Wigan Council
- to ensure that the overall performance and financial position is reported quarterly to NWIEP
- to ensure that there is reporting of the overall performance and financial position to NWIEP as and when required. This includes providing an account of progress to date for inclusion in the NWIEP Annual Report

4.4 The Wirral Council role is discharged through the NWIEP Member Steering Group and the Management Board. These bodies include Elected Members and Chief Executives from various local government, police and fire and rescue authorities in the North West.

5. RISKS TO WIRRAL COUNCIL

5.1 The Standard Terms issued by NWIEP states that Wigan Council, as accountable body for the NWIEP, may vary or withhold any or all of the amount that has been approved under a bid (the Investment Amount) and / or may require payments of any or all of the investment already paid to the extent that Wigan Council is required to repay or recover such funding in whole or in part to or by the Government.

5.2 Wirral Council does not manage any programme of work under the Efficiency Commission directly. There are potential risks to Wirral Council that:

- (a) money may be withheld;
- (b) there may be a requirement to repay funding for programmes over which the Council does not have direct control

5.3 These risks are reduced to the extent that:

- (a) Wirral Council only pays money to individual programmes of work after it has received funds for payment from Wigan Council;
- (b) It pays programmes only after it is satisfied that quarterly reporting requirements have been met and after it has reported in turn to NWIEP;

- (c) Programmes have been asked to sign the standard terms as a condition of their funding and are subject to scrutiny as described in the standard terms.

5.4 It is considered, therefore, that the likelihood of the above risks crystallising are remote.

5.5 There is potential benefit to Wirral Council from the work of the MIEP and the Efficiency Commission. It ultimately should benefit from the improvements and efficiencies that the work programmes identify. There are less tangible benefits that may accrue from the goodwill generated by the role that it plays in supporting the MIEP and Efficiency Commission.

5.6 It is recommended, therefore, that Cabinet supports and endorses the role that Wirral Council performs in respect of the regional wide Efficiency Commission and its status as accountable body.

6. FINANCIAL AND STAFFING IMPLICATIONS

6.1 There are no direct financial or staffing implications arising out of this report.

7. EQUAL OPPORTUNITIES IMPLICATIONS

7.1 There are none arising directly from this report.

8. HUMAN RIGHTS IMPLICATIONS

8.1 There are none arising directly from this report.

9. LOCAL AGENDA 21 IMPLICATIONS

9.1 There are none arising directly from this report.

10. COMMUNITY SAFETY IMPLICATIONS

10.1 There are none arising directly from this report.

11. PLANNING IMPLICATIONS

11.1 There are none arising directly from this report.

12. LOCAL MEMBER SUPPORT IMPLICATIONS

12.1 There are no particular implications for any Members or wards arising out of this report.

13. BACKGROUND PAPERS

13.1. NWIEP Efficiency Commission Programme Delivery Plan.

14. RECOMMENDATION

- 14.1 That Cabinet endorses Wirral Council as accountable body for the NWIEP regional wide Efficiency Commission programme.

IAN COLEMAN
DIRECTOR OF FINANCE

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