

## WIRRAL COUNCIL

### COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

17 NOVEMBER 2011

<b>SUBJECT</b>	<b>ALLOCATION OF RE-PROVISION/RESTRUCTURING COSTS</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>DIRECTOR OF FINANCE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER</b>	<b>COUNCILLOR STEVE FOULKES</b>
<b>KEY DECISION</b>	<b>YES</b>

#### **1.0 EXECUTIVE SUMMARY**

1.1 As part of the Council Budget 2011/12 £2 million of the Efficiency Investment Fund was set aside to meet any re-provision and restructuring costs following the Early Voluntary Retirement / Voluntary Severance (EVR/VS) Scheme. Cabinet on 13 October 2011 agreed to allocate funding to Departmental budgets.

#### **2.0 RECOMMENDATION**

2.1 That the sum of £1,802,000 be transferred from the Efficiency Investment Fund to Departmental Budgets.

#### **3.0 REASON FOR RECOMMENDATION**

3.1 Any variations to the Council approved budget have to be agreed by Cabinet in accordance with the Council Constitution.

#### **4.0 BACKGROUND AND KEY ISSUES**

4.1 Under the EVR/VS Scheme which was implemented in 2010/11 over 1,100 employees left the Council between December 2010 and July 2011. As part of the Scheme Chief Officers highlighted the need to re-provide / restructure in order to ensure that services continued to be delivered. Based upon Chief Officers initial indications Cabinet allocated £2 million from the Efficiency investment Budget in 2011/12 to meet the costs of any re-provision / restructuring.

4.2 The allocation of this sum was to be based upon business case submissions made by each Chief Officer that were reviewed by the Chief Executive, Head of Human Resources and myself before being approved by the Strategic Change Programme Board. The approval for the Adult Social Services Department was reported to Cabinet on 22 September 2011.

- 4.3 The table shows the initial amounts identified by Chief Officers compared to the sums approved by the Strategic Change Programme Board and now recommended for virement from the Efficiency Investment Fund to departmental budgets.

INITIAL SUM		APPROVED	
	£000		£000
Adult Social Services	300		300
Children and Young People	300		300
Corporate Services	300	Housing Division	294
Finance IT/ Internal Audit	90		90
Law, HR, Asset Mgt		Env Health / Pests	204
Environmental Health	130	Trading Standards	74
Pest Control/Trading	145	Facilities Management	127
Standards/ Facilities Management/ Legal Services	125 30 420	Legal Services	10
Total		Total	415
Technical Services		Seasonal gardeners	195
Parks seasonal staff	210	Parks client staff	111
PACSPE client staff	100	Departmental changes	97
Departmental changes	90	Total	403
Total	400		
Contingency	190		
Total	2,000	Total	1,802

## 5.0 RELEVANT RISKS

- 5.1 The £2 million was established to ensure that money was set-aside to ensure the continuation of service delivery following the EVR/VS Scheme with this sum based upon the indicative figures submitted by Chief Officers for re-provision / restructuring costs.

## 6.0 OTHER OPTIONS CONSIDERED

- 6.1 The sum was allocated specifically for re-provision / restructuring costs and so no other options were considered.

## 7.0 CONSULTATION

- 7.1 The business cases submitted by Chief Officers were reviewed by the Chief Executive, Head of Human Resources and myself before being considered by the Strategic Change Programme Board. In terms of the detailed proposals the departments concerned have involved the Trade Unions and those affected in the workforce in the discussions.

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

8.1 There are none arising directly from this report.

## **9.0 RESOURCE IMPLICATIONS**

9.1 Of the £2 million set aside in the Efficiency Investment Fund for re-provision / restructuring costs it is being recommended that £1,802,000 of this sum be transferred to Departmental Budgets.

9.2 The sum has been used to retain existing employees or to recruit additional employees in order to ensure that services continue to be delivered.

9.3 There are no IT implications arising from this report.

## **10.0 LEGAL IMPLICATIONS**

10.1 There are none arising directly from this report.

## **11.0 EQUALITIES IMPLICATIONS**

11.1 There are none arising directly from this report.

## **12.0 CARBON REDUCTION IMPLICATIONS**

12.1 There are none arising directly from this report.

## **13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

13.1 There are none arising directly from this report.

FNCE/244/11

**REPORT AUTHOR:** Tom Sault  
Head of Financial Services  
telephone: 0151 666 3407  
email: tomsault@wirral.gov.uk

## **BACKGROUND PAPERS**

The Strategic Change Programme Board papers including the business case submissions were used to inform this report.

## **REFERENCE MATERIAL / SUBJECT HISTORY**

<b>Council Meeting</b>	<b>Date</b>
Cabinet - Budget 2011/12	21 February 2011
Cabinet - Department of Adult Social Services Future Structure	22 September 2011
Cabinet - Allocation of Re-provision/Restructuring Costs	13 October 2011