



ESTIMATES 2012/13

Submitted to
Cabinet – 20 February 2012
and
Council – 1 March 2012

WIRRAL COUNCIL

ESTIMATES 2012/13

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WIRRAL COUNCIL

CABINET

20 FEBRUARY 2012

SUBJECT	COUNCIL BUDGET 2012/13
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR STEVE FOULKES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report and appendix forms part of the financial planning process in that it provides Members with the information upon which to consider the Council Budget for 2012/13. Members are requested to agree the Council Budget and Council Tax levels for 2012/13.

2.0 RECOMMENDATIONS

- 2.1 That Cabinet considers the Council Budget for 2012/13 and determines the levels of Council Tax for 2012/13.
- 2.2 That following the agreement of the Budget for 2012/13 a report be presented to Cabinet updating the future financial projections to further support the Council in planning over the medium term.

3.0 REASON FOR THE RECOMMENDATIONS

- 3.1 There is a legal requirement for the Council to have agreed a sustainable budget and to set Council Tax levels for 2012/13 by 10 March 2012.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 The annual Council Budget is an integral part of the overall financial management of the Council. The Medium Term Financial Strategy was agreed by Cabinet on 22 September 2011 and considers issues at a strategic, rather than a departmental or operational, level. Covering more than one year 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.

4.2 The Director of Finance has a number of statutory responsibilities in relation to agreeing the budget. These can be summarised as:

1. The requirement to ensure that the Council has set a balanced budget under the Local Government Finance Act 1992.
2. The requirement to produce a written report on the robustness of the estimates, adequacy of reserves and impact upon future years budgets' under the Local Government Act 2003.
3. The requirement to ensure that I, as Director of Finance, have adequate resources for the proper administration of the financial affairs of the Council under the Local Government Act 1972.
4. The requirements under the Prudential Code for Capital Finance in Local Authorities 2009 to ensure the funding of capital expenditure is affordable.

4.3 As part of its overview function, the Audit Commission will monitor to ensure that the above responsibilities are being met. Given the severe financial constraints across the public sector and a period of significant change there will inevitably be increased scrutiny over the robustness of any agreed budget.

4.4 **OVERVIEW**

4.4.1 The financial projections for future years have been regularly updated and reported to Cabinet throughout the current financial year and Cabinet are now requested to agree the Budget for 2012/13. Whilst the Government Spending Review announced indicative Formula Grant funding for local government over the next four years the Local Government Finance Settlement provides the detail for individual local authorities. The figures announced in the Final Settlement on 31 January 2012 were in accord with those indicated a year earlier. Cabinet on 15 March 2012 will be requested to consider indicative budgets for future financial years.

4.4.2 The Base Estimate for 2012/13 consolidates the budgets of individual services and the savings considered by Cabinet up to, and including the decisions taken on 2 February 2012. 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.

4.4.3 The budgets have again been prepared at out-turn prices. In accordance with the decision of Cabinet on 3 November 2011 no inflation has been included for general prices. Contracts have not received inflation increases with the exception of the street lighting energy contract which also includes a part year effect in 2011/12. Pay awards have been included in line with Government recommendations i.e. £250 for those earning less than £21,000 per annum and no provision for those above. An increase of 3% has been included for income.

4.4.4 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 2012/13 which is the same as for 2011/12. Consequently the tax base has been adjusted by the estimated collection rate of 98.5%, as agreed by Cabinet on 8 December 2011.

4.4.5 Regular reports have been presented to Cabinet throughout the financial year highlighting the projected financial position for 2012/13 with the most recent being submitted to Cabinet on 8 December 2011. The present position as detailed in the Summary of General Fund Estimates is:-.

Summary	£million
Budget Requirement	290.6
Income before any Council Tax rise	287.5
Difference between requirement and income	3.1

4.4.6 The Government has re-affirmed its position regarding Council Tax rises. The second year of the Council Tax Freeze Grant, equivalent to a 2.5% Council Tax increase for those billing authorities who agreed a 0% increase, applies in 2012/13. The Government confirmed that a similar arrangement would apply for Council Tax setting in 2012/13 although this additional arrangement only applies for the 2012/13 financial year.

4.4.7 Authorities wishing to increase Council Tax may do so, which ensures the income for future years. However, following the implementation of the Localism Act the authority will be required to seek the approval of the local electorate in a referendum if, compared with 2011/12, the Council Tax increase for 2012/13 exceeds 3.5%. This is based upon the increase in the Council Tax Relevant Basic Amount (the net budget requirement for Wirral services excluding levies).

4.4.8 Estimated General Fund balances at 31 March 2012 are £6.5 million and the Council will be expected to set a budget for 2012/13 leaving a minimum of £6 million in balances. This is 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.

4.5 FINANCIAL YEAR 2011/12

4.5.1 Since setting the budget for 2011/12 a number of changes have taken place. These have included the allocation of the resource that was set aside to meet the costs of any restructuring following the Early Voluntary Retirement / Voluntary Severance (EVR / VS) Scheme. Additional resources were also allocated to the Department of Adult Social Services for re-provision costs. The Council successfully applied to the Government to treat as capital spend the statutory redundancy element of the EVR / VS costs in 2011/12.

4.5.2 As in previous years there have been internal transfers between departments to reflect the re-allocation of service responsibilities and the re-allocation of central and departmental support charges and capital charges which do not affect the level of spending. These are included in the detailed estimates report.

4.5.3 A summary of the main changes from the Base Estimate for 2011/12 to the Current Estimate for 2011/12 is as follows:-

Details	£million	£million
Base Estimate 2011/12		294.8
Increased expenditure/reduced income		
Adult Social Services re-provision costs	3.5	
Retention of Fernleigh for 2011/12	0.5	
Integrated Transport Unit	0.3	
New Homes Bonus used for housing	0.3	
Corporate Governance	0.3	
Energy costs Street Lighting	0.3	
Children's and Schools Employees Pay	<u>0.2</u>	+5.4
Reduced expenditure / increased income		
EVR / VS costs met in 2011/12	4.4	
Local Support Services Grant	0.5	
Carbon Reduction Scheme	<u>0.3</u>	-5.2
Current Estimate 2011/12		295.0

4.5.4 The latest projections for the current financial year, based upon the position at 31 January 2012 are included within the Summary of General Fund Estimates. Efforts continue to contain spend within the departmental budgets. Whilst no adjustments have been agreed in respect of the following potential variations and pressures which, if they do occur, the impact on balances has been reflected in the Summary of General Fund Estimates (the Gold Sheet):-

Department / potential variation	£million	£million
Adult Social Services	+6.9	
Essentially pressures on community care services		
Children and Young People	+1.1	
Residential and Foster Care placements		
Regeneration, Housing and Planning	+0.5	8.5
Income shortfalls primarily building control		
Actions to offset the potential overspends		
Adult Social Services – contribution from health	-1.0	
Finance – Treasury Management activities	-2.5	
Regeneration – broadband facility	-1.0	-4.5
Net potential overspend		4.0

4.6 FINANCIAL YEAR 2012/13

4.6.1 A summary of the main changes from the Base Estimate for 2011/12 to the Base Estimate for 2012/13 is:-

Details	£million	£million
Budget Requirement 2011/12		294.8
Adjustments for		
One-off use of balances	+7.2	
EVR / VS scheme costs (one-off)	-4.4	
Policy Options 2010/11 only	<u>-2.8</u>	<u>-</u>
Revised Budget Requirement		294.8
Increased requirements		
Adult Social Services Re-provision Costs	3.5	
Efficiency Investment Budget	2.0	
Capital financing	0.9	
Pay Inflation	0.6	
Energy Costs Street Lighting	0.5	
Transport Costs	0.5	
Technical not achieving savings	0.3	
Merseytravel	0.3	
Pension Contributions	0.3	
New Homes Bonus	0.3	
Schools Private Finance Initiative	0.3	
Other requirements	<u>0.3</u>	+9.8
Reduced requirements		
Commissioning in Adults	1.6	
Pay Award 2010/11	1.4	
Waste Authority Levy	1.3	
Procurement	1.2	
Housing Benefit	1.2	
Broadband Scheme	1.1	
Home Insulation Programme	1.0	
Early Intervention Grant activities	1.0	
Income inflation	1.0	
Early Voluntary Retirements	0.9	
Local Support Services Grant increase	0.7	
IT and Printing Services	0.6	
Carbon Reduction Scheme	0.3	
Other departmental savings	<u>0.7</u>	-14.0
Budget Requirement 2012/13		290.6

4.6.2 The Efficiency Investment Budget is allocated by Cabinet towards those schemes that will assist in the delivery of efficiencies. The items approved by Cabinet in the 2011/12 financial year are detailed in Appendix A.

4.6.3 The one year only Policy Options agreed for the 2011/12 financial year have been deleted from the Base Estimate 2012/13 and are detailed in Appendix A.

4.7. LOCAL GOVERNMENT FINANCE SETTLEMENT

4.7.1 Whilst the Government Spending Review 2010 set out the plans at a high level for the next four years the Local Government Finance Settlement detailed the Government grant support for the first two years for individual local authorities.

4.7.2 The Final Settlement for 2011/13 was announced by the Department for Communities and Local Government (DCLG) was announced on 31 January 2011. The Final Settlement for 2012/13 was announced on 31 January 2012 and the figures were confirmed as those previously published in January 2011 and December 2011. As the second year of a multi-year Settlement there would only be changes under exceptional circumstances. Having fully considered all the representations received during the consultation period Ministers did not find any such exceptional circumstances.

4.7.3 The allocation of Formula Grant is through a 'four block model':-

- Relative Needs - This block is based upon formulae that cover seven different blocks and is designed to reflect the relative needs of individual local authorities in providing services.
- Relative Resources - This is a negative figure, which takes account of the fact that areas that can raise more income locally require less support from Government to provide services. It seeks to recognise the differences in the local income that individual Councils have the potential to raise.
- Central Allocation - Once the Relative Needs and Relative Resources have been taken into account, the Government distributes the balance of the overall grant available to local authorities on a per capita basis.
- Floor Damping - The mechanism for damping grant changes from year-to-year.

4.7.4 As detailed in the reports to Cabinet on 13 January 2011 and 2 February 2012 the Local Government Finance Settlement included for Wirral:-

Components	2011/12	2012/13
	£ million	£ million
Relative Needs	130.8	120.2
Relative Resources	-31.1	-28.7
Central Allocation	42.5	37.7
Floor Damping	3.0	2.0
Grants Rolled In	13.6	13.5
Final Grant	158.8	144.7

- 4.7.5 As some areas are more reliant upon Government Grant support than others to mitigate the year-on-year changes a damping mechanism has been applied. For the Settlement local authorities are grouped into four bands which are based upon the percentage of the Budget the authority receives from the Government in Formula Grant. Locally Liverpool and Knowsley have been placed in Band 1 with St. Helens, Sefton and Wirral placed in Band 2. For Wirral in 2012/13 the pre-damping reduction was £15.2 million (10%) and post-damping £13.2 million (8.4%).
- 4.7.6 Details of the Other Grants were reported to Cabinet on 2 February 2012. This reported on the changes in grant funding with particular reference to the increases in Early Intervention Grant (to reflect the Government commitment to provide additional funding for the education of disadvantaged 2 year olds to be in place from 2013) and the Learning Disability Grant. These have been included within the Departmental Estimates. The increase of £0.7 million in the New Homes Bonus is a general grant and the increased income has been included in the Budget 2012/13.
- 4.7.7 The Dedicated Schools Grant remains a Specific Grant to provide funding to Schools, based upon pupil numbers, and the full allocation has been included within the Schools Budget 2012/13.
- 4.7.8 In respect of the National Health Service support this is funding allocated to health authorities but has to be paid to local authorities for spending on jointly agreed initiatives for health related care services. The £4.9 million sum was included in the Budget 2011/12 with this sum reducing to £4.7 million in 2012/13.
- 4.7.9 The Government set aside funding to enable every local, police and fire and rescue authority to be able to freeze Council Tax in 2011/12. This Council Tax Freeze grant was equivalent to the revenue that would have been raised by a 2.5% Council Tax increase. For 2012/13 a similar arrangement has been available by the Government although this funding is for 2012/13 only. Authorities applying any increase will not receive the grant and the approval of the local electorate in a referendum is required for increases over 3.5% for principal authorities. This allows local people to approve or veto excessive Council Tax rises.

4.8. COLLECTION FUND

- 4.8.1 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%. Collection above this rate generates a surplus for distribution whilst any under-performance has to be recovered from the Council and the precepting authorities.

4.8.2 The estimated Collection Fund balance for the year ending 31 March 2012 was reported to Cabinet on 12 January 2012. Improved Council Tax receipts and a lower than anticipated contribution to the bad debt provision meant the Fund was £1 million in surplus at 31 March 2011. For 2011/12 changes were introduced to the exemptions available on empty properties. However the additional income was from empty properties so is more difficult to collect with collection rates currently 0.3% below last year's level. The granting of other exemptions such as single person discount further reduces the sum actually collected.

4.8.3 The Fund is estimated to have a surplus of £1.7 million at 31 March 2012 and the Council will receive £1,455,030 of this sum in 2012/13. The 2011/12 Budget assumed £1.3 million would be received from a surplus distribution by 31 March 2012. This amount is included within the £1,455,030 and will now be received when the distribution is made during 2012/13.

4.9. TAX BASE

4.9.1 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.

4.9.2 The tax base used in the calculation was reported to Cabinet on 8 December 2011. The tax base of 107,672.7 is adjusted by the estimated collection rate of 98.5% to give an adjusted tax base of 106,058. It is this figure that is used in calculating the Council Tax and the 2012/13 figure shows an increase of 1.1% on the 2011/12 and equates to an increase in income of £1.4 million.

Council Tax Band		Properties	Discounted Dwellings	Band Ratio	Band D Equivalent
A	Up to £40,000	58,777	48,750.00	6/9	32,500.0
B	£ 40 - £ 52,000	31,207	27,456.75	7/9	21,355.3
C	£ 52 - £ 68,000	27,225	24,538.75	8/9	21,812.2
D	£ 68 - £ 88,000	13,039	11,905.25	9/9	11,905.3
E	£ 88 - £120,000	8,043	7,416.00	11/9	9,064.0
F	£120 - £160,000	4,276	3,979.50	13/9	5,748.2
G	£160 - £320,000	3,093	2,863.50	15/9	4,772.5
H	Over £320,000	269	230.50	18/9	461.0
		145,929			107,618.5
Add : Band A Disabled Relief Band D equivalent					54.2
Total Council Tax Base 2012/13					107,672.7
Estimated Collection Rate					x 98.5%
Adjusted Council Tax Case 2012/13					106,058
Adjusted Council Tax Base 2011/12					104,879

4.10. BALANCES

4.10.1 The budget for 2011/12 was set leaving £6.9 million in balances and the anticipated balances at 31 March 2012 can be summarised below: -

	£million	£million
Actual Balances at 1 April 2011		14.1
Used to support EVR / VS Scheme	4.4	
Used to support 2011/12 policy options	<u>2.8</u>	-7.2
Add		
Release of Connexions Reserve	4.4	
Capitalisation of EVR / VS scheme costs	2.6	
Pay Award 2010/11 provision not required	1.4	
Additional following completion of 2010/11 accounts	1.0	
Local Support Services Grant	<u>0.5</u>	+9.9
Less: Other Variations		
Adult Social Services Re-provision costs	3.5	
Collection Fund distribution now 2012/13	1.3	
Retention of Fernleigh for 2011/12	0.5	
Integrated Transport Unit	0.3	
Corporate Governance	0.3	
New Homes Bonus	0.3	
Other Minor Variations	<u>0.1</u>	-6.3
Use of Balances to meet potential overspend		-4.0
Projected Balances at 31 March 2012		6.5

4.10.2 Having regard to the statutory guidance and the management, control and risks associated with Council finances the general balance should be set as a minimum at 2% of the net revenue budget. As with 2011/12 the sum of £6 million represents an acceptable level having regard to the financial position of, and the pressures facing, the Council as highlighted in the Medium Term Financial Strategy. 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, with the latest report presented to Cabinet on 20 February 2012.

4.11. BUDGET SUSTAINABILITY AND PROJECTED BUDGETS

- 4.11.1 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 announced overall funding reductions for local authorities of about 30% over a four year period to 2014/15 with 2012/13 being the second year of a two year Settlement. A further two year Settlement is to be announced following the Local Government Resources Review which the Government will implement for 2013/14. Future year budget projections are regularly updated and reported to Cabinet to enable the continued meeting of the objectives within the available resources.
- 4.11.2 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 'front-loaded' programme of reductions in Government grant support as part of the Government actions to reduce the level of public sector debt. These reductions place significant pressure upon the financial position of the Council.
- 4.11.3 The Council continues to identify savings, often requiring difficult decisions. The economic situation and Finance Settlement require local authorities to find substantial efficiencies. 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.

4.12. CORPORATE, DEPARTMENTAL AND FINANCIAL PLANS

- 4.12.1 Cabinet on 2 February 2012 considered the Corporate Plan that had been subject to scrutiny and consultation with partners and external bodies following consideration by Council on 12 December 2011. The Plan details the vision for Wirral and the strategic goals for the next three years under the themes of Your Economy, Your Family, Your Neighbourhood and Your Council.
- 4.12.2 The Corporate Plan will be supported by Departmental Service Plans that provide further detail on the delivery of the Corporate Plan objectives.
- 4.12.3 The Council Budget shows how resources are used to deliver the Plan and updated Estimates will be produced to reflect the agreed Budget 2012/13 whilst updated Departmental Service Plans will show how they contribute towards delivering the Corporate Plan objectives.

4.13. REVENUE ESTIMATES

- 4.13.1 This report identifies the latest position regarding the draft Budget for 2012/13 including the impact of the Local Government Finance Settlement, agreed growth and savings. The position is reflected in the Summary of General Fund Estimates - Gold Sheet.

4.13.2 Appendix A contains the Summary General Fund Estimates together with details of agreed savings, use of the Efficiency Investment Budget and the Policy options that were approved for the 2011/12 financial year only.

5.0 RELEVANT RISKS

5.1 In considering the annual budget the main financial risks are:-

Risk	Actions to mitigate the risk
Savings not delivered	Appraisal / identification of issues at outset. Regular monitoring of all budgets. Revised Governance arrangements. Use of balances to offset unplanned variations.
Savings lead to unplanned service impacts	Corporate Plan / Departmental plans clear on aims. Service impact assessments of savings.
Service spend underestimated (impact of demand lead areas)	Regular monitoring of volatile budget areas. Use of balances to meet unplanned variations.
Government grant funding is not as expected	Lobbying of Government with support groups. Settlement confirmed for 2 years. Medium Term Financial Plan includes for regular Budget Projections updates.
Council Tax Freeze Grant is only short-term funding	Reflect in budget projections. Identify actions to offset future loss of grant.
Inflation levels vary from those projected	Pay awards and proposals are predicted. Use of balances to meet unplanned variations.
Balances are insufficient	Set at recommended level. Regular monitoring and twice yearly review.
Income from Council Tax below expected levels	Annual review of tax base. Monitoring of collection rates.

6.0 OTHER OPTIONS CONSIDERED

6.1 There are none to be considered in respect of this report.

7.0 CONSULTATION

7.1 The You Choose Budget Simulator and the Neighbourhood Plan consultation exercises informed the Corporate Plan and the financial plan.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no direct implications for these groups from this report.

9.0 RESOURCE IMPLICATIONS

9.1. The financial implications are detailed within the report.

9.2. There are no staffing, asset or IT implications arising directly from this report.

10.0 LEGAL IMPLICATIONS

10.1 The Council has a duty to agree a Budget by 10 March 2012.

11.0 EQUALITIES IMPLICATIONS

11.1 There are none arising directly from this report.

11.2 Equality Impact Assessment (EIA) is not required for 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.

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APPENDICES

Appendix A - Draft Summary Revenue Estimates 2012/13.

Appendix B - Capital Programme 2012/15.

Appendix C - Insurance Fund 2012/13

REFERENCE MATERIAL / SUBJECT HISTORY

Council Meeting	Date
Cabinet - Balance Sheet Management	20 February 2012
Cabinet - Final Local Government Finance Settlement 2012/13	2 February 2012
Cabinet - Merseyside Pension Fund Budget 2012/13	2 February 2012
Cabinet - Collection Fund	12 January 2012
Cabinet - Budget Projections 2012/15 (latest update)	8 December 2011
Cabinet - Capital Programme and Financing 2012/15	8 December 2011
Cabinet - Tax Base 2012/13	8 December 2011
Cabinet - Insurance Fund Budget 2012/13	24 November 2011
Cabinet - Medium Term Financial Strategy	22 September 2011

WIRRAL COUNCIL
SUMMARY OF GENERAL FUND ESTIMATES

	BASE ESTIMATE 2011/12 £	CURRENT ESTIMATE 2011/12 £	BASE ESTIMATE 2012/13 £
EXPENDITURE			
Departmental budgets	266,426,900	272,864,000	261,933,500
Merseytravel	28,817,000	28,817,000	29,060,000
Local Pay Review	956,300	545,900	545,900
Contribution to Fund EVR/VS Scheme	5,794,700	0	0
EVR / VS Scheme 2012 Savings	0	0	(910,000)
Net budget	301,994,900	302,226,900	290,629,400
Potential departmental overspends	0	4,000,000	0
Contribution from balances	(7,165,900)	(11,215,300)	0
BUDGET REQUIREMENT	294,829,000	295,011,600	290,629,400
INCOME			
Revenue Support Grant	37,498,000	37,498,000	(471,100)
National Non Domestic Rate	121,312,000	121,312,000	145,208,200
Council Tax Freeze Grant	3,285,000	3,285,000	6,572,800
Local Support Services Grant	0	1,222,600	804,400
New Homes Bonus	0	260,000	1,000,500
Council Tax Income	131,434,000	131,434,000	132,911,000
Collection Fund Surplus	1,300,000	0	1,455,100
TOTAL INCOME	294,829,000	295,011,600	287,480,900
STATEMENT OF GENERAL BALANCE			
General Balance at 1 April	14,070,600	14,070,600	6,455,300
Adjustment (following 2010/11 outturn)	0	1,000,000	0
Contribution from Capitalisation	0	2,600,000	0
Budgeted contribution	(7,165,900)	(7,215,300)	0
Provision to meet departmental overspends	0	(4,000,000)	0
GENERAL BALANCE AT 31 MARCH	6,904,700	6,455,300	6,455,300

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WIRRAL COUNCIL
SAVINGS AGREED 2012/13

Department and scheme	£
Adult Social Services	
Commissioning of Services	1,600,000
Procurement	26,000
Children and Young People	
Early Intervention Grant	1,000,000
Connexions Contract	250,000
Uncommitted School Intervention Funding	250,000
Procurement	246,000
Finance	
Housing Benefits	1,200,000
IT and Printing Services	550,000
Procurement (including corporate contracts)	189,000
Law, HR and Asset Management	
Procurement	33,000
Regeneration, Housing and Planning	
Broadband Facility	1,075,000
Home Insulation Programme	1,000,000
Supporting People Contracts	150,000
Merseyside Information Service	50,000
Technical Services	
Highways Administration	80,000
Procurement	745,000
To be allocated	
Early Voluntary Retirement Scheme	910,000
Total Savings	9,354,000

WIRRAL COUNCIL

EFFICIENCY INVESTMENT BUDGET

The Efficiency Investment Budget 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 2011/12 financial year:-

Department and scheme	2011/12 £
Adult Social Services EVR / VS Re-provision	300,000
Children and Young People EVR / VS Re-provision	300,000
Finance EVR / VS Re-provision	90,000
Documentum Information Management System	60,000
Customer Relation Management System	100,000
Law, HR and Asset Management EVR / VS Re-provision	415,000
Regeneration, Housing and Planning EVR / VS Re-provision	294,000
Technical Services EVR / VS Re-provision	403,000
Balance available for allocation Including potential costs from the EVR / VS Scheme 2012/13	3,538,000
Total Budget	5,500,000

Cabinet agreed that £2 million be used to meet the costs of any restructuring and retraining requirements identified by each Chief Officer. The allocation of £1.8 million to Departments was agreed following consideration of an appropriate business case.

WIRRAL COUNCIL
POLICY OPTIONS 2011/12

The following were agreed for 2011/12 only as part of the 2011/12 Budget.

Department and scheme	£	Actions
Children and Young People		
Sure Start	32,000	Additional support and equipment grant for every centre
Children in Care Conference	20,000	Communication and engagement.
Youth Hub	50,000	Support for On-side organisation to develop a hub in Birkenhead.
Anti-Social Behaviour Team	290,000	Funding for 12 months whilst full review of Council / partner services takes place
Finance		
Library Engagement	20,000	A campaign to communicate about library services
Library Equipment	120,000	Installation of wi-fi, information screens and an e-book service.
Get Into Reading	100,000	Further year funding for the project
Fair Trade	10,000	Wirral Fair Trade project
Law, HR and Asset Mgt		
Pacific Road Theatre	250,000	For retention of the facility whilst review of options is undertaken
Community Energy Efficiency Fund	57,000	Top up funding made available to support community groups.
Dog Kennels	7,400	Improvements to dog kennels
Allotments	50,000	Improvement and investment fund for allotments.
Regeneration, Hsg & Planning		
Child Poverty Action Plan	10,000	Development of plan and engagement with communities.
Empty Shops	192,500	Funding for Area Forums to address empty shop issues
Business Support	500,000	£250,000 for 2011/12 & 2012/13 on dedicated support and 'Wirral Business Angels' scheme.
Area Forums	55,000	To assist forums with community consultation
Technical Services		
Car Parking	482,000	Free after three campaign
Street Cleansing	500,000	Programme of cleansing in local and district shopping areas
Armed Forces Veterans Support	20,000	Establishment of Armed Forces Community Welfare Pathway
Total	2,765,900	

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APPENDIX A

WIRRAL COUNCIL

DRAFT REVENUE ESTIMATES

2012/13

WIRRAL COUNCIL
REVENUE ESTIMATES 2012/13

INTRODUCTION

The following pages have been prepared to enable Members to consider the formulation of the Current Estimate for 2011/12 and the Base Estimate for 2012/13. They provide, for each General Fund Service, a revision of the 2011/12 Base Estimate to the Current Estimate, a summary of the Base Estimate 2012/13 and a subjective and objective analysis.

The estimates have been prepared at out-turn prices. The provision for pay awards is limited to those employees earning less than £21,000 per annum for 2012/13. No provision has been included for inflation on general prices and contracts whilst 3% is included for income.

The tables below include the decisions of Council up to, and including, the recommendations from Cabinet on 2 February 2012.

DEPARTMENT	Base Estimate	Current Estimate	Base Estimate
EXPENDITURE	2011/12	2011/12	2012/13
	£	£	£
Adult Social Services	64,745,000	68,464,500	65,520,900
Children & Young People	73,343,000	74,476,700	69,570,800
Education - Schools	0	190,000	2,745,100
Finance	26,637,700	25,587,600	27,626,200
Law H.R. Asset Management	15,936,500	15,839,200	14,884,700
Regeneration, Housing & Planning	25,407,400	25,455,000	22,581,200
Technical Services	60,357,300	62,851,000	59,004,600
	266,426,900	272,864,000	261,933,500

CORPORATE PLAN THEME	Original	Current	Original
	2011/12	2011/12	2012/13
Your Council	55,504,300	53,308,200	54,684,500
Your Environment	12,534,900	12,078,800	10,075,100
Your Family - Adults	65,228,700	69,386,000	65,473,000
Your Family - Young People	73,343,000	74,666,700	72,315,900
Your Neighbourhood	59,816,000	63,424,300	59,385,000
Grand Total	266,426,900	272,864,000	261,933,500

ADULT SOCIAL SERVICES	Current Estimate		Base Estimate	
	2011/12		2012/13	
BUDGET CHANGES	£000	£000	£000	£000
BASE ESTIMATE 2011/12		63,431.5		63,431.5
<u>Adjustments To Base</u>				
Pay increase for 2011/12	-	-	(188.8)	(188.8)
<u>Transfers Between Departments</u>				
Children – Transport Unit	1,240.8		1,243.6	
Finance – Financial Assessment Team	(338.4)		(338.4)	
Technical – Veterans Support Policy Option	(20.0)		(20.0)	
Law, HR, Asset Mgt – Trade Union staff	(20.2)		(20.2)	
Efficiency Investment Budget Reallocation	300.0		300.0	
		1,162.2		1,165.0
<u>Inflation</u>				
Pay and Pensions	-		131.7	
Income	-		(600.3)	(468.6)
<u>Increased Expenditure</u>				
Fernleigh	500.0		-	
Reprovision of services	3,500.0		3,500.0	
Learning Disabilities Grant	-		168.9	
		4,000.0		3,668.9
<u>Reduced Expenditure</u>				
Support Services	(129.2)		(436.5)	
Insurance	-		(58.6)	(495.1)
<u>Increased Income</u>				
Learning Disabilities Grant	-		(168.9)	(168.9)
<u>Reduced Income</u>				
Health Care Grant	-		203.0	203.0
<u>Savings</u>				
Procurement and Commissioning	-		(1,626.1)	(1,626.1)
ESTIMATE 2011/12 and 2012/13		68,464.5		65,520.9

ADULT SOCIAL SERVICES	Base Estimate 2011/12 £	Current Estimate 2011/12 £	Base Estimate 2012/13 £
SUBJECTIVE SUMMARY			
<u>Expenditure</u>			
Employees	21,631,000	21,921,300	21,675,600
Premises	1,207,500	928,100	903,700
Transport	5,109,400	1,735,300	1,738,100
Supplies and Services	75,083,400	76,239,700	74,461,000
Third Party Payments	4,483,400	4,574,100	4,566,000
Transfer Payments	104,500	104,500	104,500
Support Services	17,418,200	16,763,500	15,113,600
Financing Costs	1,155,100	1,155,100	1,155,100
	126,192,500	123,421,600	119,717,600
<u>LESS Income</u>			
Government Grants	(6,367,800)	(6,708,600)	(6,877,500)
Other Grants and Reimbursements	(10,505,000)	(10,505,000)	(11,895,600)
Customer and Client Receipts	(20,896,900)	(20,719,000)	(19,727,700)
Recharge to Other Revenue Accounts	(24,991,300)	(17,024,500)	(15,695,900)
	(62,761,000)	(54,957,100)	(54,196,700)
ADULT SOCIAL SERVICES TOTAL	63,431,500	68,464,500	65,520,900

ADULT SOCIAL SERVICES	Base Estimate 2011/12	Current Estimate 2011/12	Base Estimate 2012/13
OBJECTIVE SUMMARY	£	£	£
<u>Direct Locality Support Services</u>			
Service Manager	-	455,100	(200)
Day Care	5,663,100	7,210,200	7,139,300
Residential Homes	2,514,800	3,499,700	2,795,100
Supported Employment	1,028,800	1,086,600	1,170,900
Supported Living	(404,000)	293,100	8,000
Transport	(1,313,500)	-	-
<u>Access & Assessment</u>			
Service Manager	(4,300,000)	(4,877,300)	(4,697,300)
Bebington and West Wirral Locality	11,866,100	12,438,700	11,328,800
Birkenhead Locality	15,151,100	15,957,400	14,502,200
Wallasey Locality	9,017,400	9,388,800	8,609,000
Mental Health	5,217,600	5,355,300	4,552,900
Learning Disabilities	10,525,300	10,358,300	10,274,400
Equipment and Adaptations	1,295,300	1,295,300	1,285,900
Home Care	266,600	273,900	537,300
Emergency Duty Team	259,400	259,400	248,900
Other Services	717,400	739,400	1,222,000
<u>Integrated Communities & Wellbeing</u>			
I C and W Support	98,600	296,100	272,100
Service Manager	-	(68,000)	(100)
Assessment and Care Management	2,158,700	2,222,100	2,177,700
Community Care	4,152,500	4,151,600	4,046,100
<u>Finance and Performance</u>			
Management	-	156,200	-
Property Management	56,300	(216,700)	47,900
Savings	(540,000)	(400,000)	-
Management and Support	-	(461,000)	-
Service Manager	-	(949,700)	-
ADULT SOCIAL SERVICES TOTAL	63,431,500	68,464,500	65,520,900

CHILDREN & YOUNG PEOPLE	Current Estimate		Base Estimate	
	2011/12		2012/13	
BUDGET CHANGES	£000	£000	£000	£000
BASE ESTIMATE 2011/12		74,753.3		74,753.3
<u>Adjustment To Base</u>				
Pay increase for 2011/12	-	-	(234.9)	(234.9)
<u>Transfers Between Departments</u>				
Adults– Transport Unit	(1,240.8)		(1,243.6)	
Technical – Transport Unit	(96.8)		(96.8)	
Regeneration – Corporate Marketing	(10.0)		(10.0)	
Schools– Public Finance Initiative	-		(2,622.4)	
Efficiency Investment Budget Reallocation	300.0		300.0	
		(1,047.6)		(3,672.8)
<u>Inflation</u>				
Pay and Pensions	-		267.8	
Income	-		(59.2)	
		-		208.6
<u>Increased Expenditure</u>				
Local Pay Review	147.0		147.0	
Premature Retirement Costs	-		155.9	
Early Intervention Grant	-		569.0	
Integrated Transport Unit	340.0		340.0	
Support to Local Transport	200.1		248.2	
Support Services	83.9		-	
		771.0		1,460.1
<u>Reduced Expenditure</u>				
2011/12 One Year Policy Options:				
Anti Social Behaviour Team	-		(290.0)	
Youth Hub	-		(50.0)	
Sure Start	-		(32.0)	
Children In Care Conference	-		(20.0)	
Support Services	-		(43.8)	
Insurance	-		(62.0)	
Family Group Conferencing	-		(130.0)	
Apprenticeships Scheme	-		(1,481.0)	
Social Care Trainees	-		(387.3)	
Music Service Restructure	-		(365.9)	
Playing in the Peninsula	-		(124.1)	
		-		(2,986.1)
<u>Increased Income</u>				
Early Intervention Grant	-		(569.0)	
		-		(569.0)
<u>Reduced Income</u>				
Apprenticeships Scheme	-		1,481.0	
Social Care Trainees	-		387.3	
Music Service Restructure	-		365.9	

Playing in the Peninsula	-		124.1	
		-		2,358.3
<u>Savings</u>				
Early Intervention Grant	-		(1,000.0)	
Connexions Contract	-		(250.0)	
Schools Improvement	-		(250.0)	
Procurement	-		(246.7)	
		-		(1,746.7)
ESTIMATE 2011/12 and 2012/13		74,476.7		69,570.8

CHILDREN & YOUNG PEOPLE	Base Estimate 2011/12 £	Current Estimate 2011/12 £	Base Estimate 2012/13 £
SUBJECTIVE SUMMARY			
<u>Expenditure</u>			
Employees	42,613,300	45,338,500	45,399,000
Premises	2,187,900	2,313,500	1,784,600
Transport	1,164,300	5,276,100	5,317,800
Supplies and Services	26,450,200	27,153,800	18,637,600
Third Party Payments	11,099,000	11,669,800	10,667,600
Transfer Payments	2,406,100	1,732,100	455,500
Support Services	24,339,000	20,671,600	20,376,500
Financing Costs	17,696,500	18,057,100	18,057,100
	127,956,300	132,212,500	120,695,700
<u>LESS Income</u>			
Government Grants	(25,097,100)	(25,130,900)	(20,164,900)
Other Grants and Reimbursements	(5,243,000)	(5,263,900)	(3,914,200)
Customer and Client Receipts	(892,300)	(1,124,700)	(1,560,900)
Recharge to Other Revenue Accounts	(21,970,600)	(26,216,300)	(25,484,900)
	(53,203,000)	(57,735,800)	(51,124,900)
CHILDREN & YOUNG PEOPLE TOTAL	74,753,300	74,476,700	69,570,800

CHILDREN & YOUNG PEOPLE	Base Estimate 2011/12	Current Estimate 2011/12	Base Estimate 2012/13
OBJECTIVE SUMMARY	£	£	£
<u>Children's Services</u>			
Looked After Children's Service	119,300	119,300	170,100
Adoption Services	1,586,700	1,586,700	1,675,800
Assessment and Care Management	24,831,200	24,719,100	25,106,600
Commissioning	1,350,100	1,350,100	240,800
Childrens Homes	1,715,400	1,862,400	1,577,700
Family Centres	2,876,400	2,882,700	2,766,200
Foster/Family Placements	1,466,600	1,456,600	1,325,800
Home Care	562,500	562,500	552,300
Leaving Care	1,126,100	1,126,100	1,040,300
Social Care Management & Training	-	37,900	-
Youth Offending Service	937,200	-	-
Carers Grant	224,700	224,700	224,700
Multi Disciplinary Area Teams	546,000	546,000	521,800
Aiming Higher for Disabled Children	-	-	-
<u>LEA School Costs</u>			
Regulation	2,067,300	1,861,500	1,876,000
Premature Retirement Costs	3,562,600	3,562,600	3,725,900
Other SEN Costs	106,800	106,800	106,800
School Improvement	2,210,900	2,210,900	1,953,500
Asset Management	3,148,600	3,148,600	541,400
Home to School Transport	5,140,400	-	-
Oaklands Centre	78,400	78,400	68,800
Social Welfare Service	687,000	702,600	662,200
Psychology Service	1,070,400	1,080,000	1,079,300
Education Quality	-	-	-
<u>Management & Support Services</u>			
Inspection & Advisory Service	-	266,400	-
Debt Management	14,808,500	14,808,500	14,805,800
Professional Development Centre	-	12,300	-
<u>Non School Costs</u>			
Adult & Community Learning	72,000	72,000	71,300
Youth Service	2,210,800	2,225,400	2,244,800
Play Service	583,300	583,300	586,200
Positive Activities for Young People	625,800	625,800	603,800
Instrumental Music Services	-	-	-
LEA Initiatives	48,600	48,600	48,600
Safeguarding Board	-	102,900	103,300
Merseyside Connexions	460,300	460,300	210,300
Youth Offending Service	-	864,000	862,300
Anti Social Behaviour Team	497,400	497,400	155,900

Early Intervention Grant

Childrens Centres	32,000	32,000	-
General Sure Start Grant	-	6,700	-

Integrated Transport Unit

Home to School Transport	-	4,640,500	4,662,500
Transport Control		5,100	-

CHILDREN & YOUNG PEOPLE TOTAL 74,753,300 74,476,700 69,570,800

FINANCE	Current Estimate		Base Estimate	
	2011/12		2012/13	
BUDGET CHANGES	£000	£000	£000	£000
BASE ESTIMATE 2011/12		26,637.7		26,637.7
<u>Adjustments To Base</u>				
Pay increase for 2011/12	-		(155.6)	(155.6)
<u>Transfers Between Departments</u>				
To Depts – Efficiency Investment Budget	(1,712.0)		(1,712.0)	
To Depts – Procurement Savings 2011/12	431.9		1,031.7	
Regeneration – Handy Person Funding	(126.0)		(126.0)	
Regeneration – Staff	20.0		57.0	
Adults – Financial Assessment Team	338.4		338.4	
Technical Services – Change Team	-		263.8	
		(1,047.7)		(147.1)
<u>Inflation</u>				
Pay and Pensions	-		194.6	
Income	-		(26.7)	
				167.9
<u>Increased Expenditure</u>				
Efficiency Investment Budget	-		2,000.0	
Capital Financing Costs	-		700.0	
				2,700.0
<u>Reduced Expenditure</u>				
2011/12 One Year Policy Options:				
Library Equipment	-		(120.0)	
Get Into Reading	-		(100.0)	
Library Engagement	-		(20.0)	
Fair Trade	-		(10.0)	
Support Services	(2.4)		-	
		(2.4)		(250.0)
<u>Reduced Income</u>				
Housing Benefits Admin Grant	-		202.4	
Support Services	-		410.8	
				613.2
<u>Savings</u>				
Housing Benefits	-		(1,200.0)	
IT Services	-		(400.0)	
Printing (to be allocated to departments)	-		(150.0)	
Procurement (to be allocated to departments)	-		(115.4)	
Procurement Finance Department	-		(74.5)	
				(1,939.9)
ESTIMATE 2011/12 and 2012/13		25,587.6		27,626.2

FINANCE	Base Estimate 2011/12 £	Current Estimate 2011/12 £	Base Estimate 2012/13 £
SUBJECTIVE SUMMARY			
<u>Expenditure</u>			
Employees	30,031,900	30,448,500	31,020,800
Premises	894,800	879,200	897,700
Transport	215,100	242,700	243,000
Supplies and Services	5,398,300	6,136,850	6,150,800
Third Party Payments	11,507,100	14,452,400	14,446,500
Transfer Payments	164,945,900	164,953,000	162,553,000
Support Services	18,646,550	16,487,250	18,711,400
Financing Costs	28,156,150	28,030,150	27,925,900
	259,795,800	261,630,050	261,949,100
<u>LESS</u> Income			
Government Grants	(162,754,300)	(162,754,300)	(161,451,900)
Other Grants and Reimbursements	(986,800)	(1,116,800)	(1,058,800)
Customer and Client Receipts	(3,279,400)	(3,212,600)	(3,127,300)
Interest	(1,300,000)	(1,300,000)	(1,000,000)
Recharge to Other Revenue Accounts	(64,837,600)	(67,658,750)	(67,684,900)
	(233,158,100)	(236,042,450)	(234,322,900)
FINANCE TOTAL	26,637,700	25,587,600	27,626,200

FINANCE	Base Estimate 2011/12	Current Estimate 2011/12	Base Estimate 2012/13
OBJECTIVE SUMMARY	£	£	£
<u>Financial Services</u>			
Financial Services	-	-	-
Payroll & Tax Control	-	-	-
Treasury Management	11,640,350	10,962,700	11,513,100
Pensions and Funding Costs	3,303,100	3,224,400	3,310,000
<u>IT Services</u>			
IT Services	750,000	620,000	592,000
Information Management	446,400	506,400	430,700
Printing	-	-	-
IT Support	-	-	-
IT Technical Support Services	-	-	-
Infrastructure	-	-	-
Superstructure	-	-	-
Central Telephones	-	-	-
<u>Pension Fund</u>			
Pension Fund	-	-	-
<u>Benefits and Revenue Services</u>			
Benefits	9,319,500	9,714,500	8,771,650
Revenues	4,881,550	4,900,950	5,250,850
Administration and Management	-	-	-
<u>Customer Services</u>			
Call Centre	(71,200)	-	-
Libraries	7,127,900	7,131,000	6,676,200
Customer Services Development	329,600	453,200	477,200
<u>Governance and Audit</u>			
Internal Audit	-	-	-
Procurement	-	-	-
Business Architecture	-	-	-
Change Management	133,400	183,000	429,200
<u>Other Services</u>			
Efficiency Fund	5,615,900	3,538,000	5,538,000
Strategic Change Programme Savings	(2,950,000)	(2,309,400)	(2,067,500)
Statutory Appropriations	(13,888,800)	(13,337,150)	(13,295,200)
FINANCE TOTAL	26,637,700	25,587,600	27,626,200

LAW, HR, ASSET MANAGEMENT	Current Estimate		Base Estimate	
	2011/12		2012/13	
BUDGET CHANGES	£000	£000	£000	£000
BASE ESTIMATE 2011/12		16,224.5		16,224.5
<u>Adjustments To Base</u>				
Pay increase for 2011/12	-	-	(55.6)	(55.6)
<u>Transfers Between Departments</u>				
Technical – Energy Conservation	188.0		188.0	
Technical - Plant Maintenance	247.4		247.4	
Technical – Service Cost Transfer	(1,042.6)		(1,042.6)	
Finance – Procurement Savings 2011/12	(168.6)		(701.6)	
Adults – Trade Union staff	20.2		20.2	
Regeneration – Right to Buy charge	12.7		12.7	
Efficiency Investment Budget Reallocation	415.0		415.0	
		(327.9)		(860.9)
<u>Inflation</u>				
Pay and Pensions	-		87.8	
Income	-		(27.1)	
		-		60.7
<u>Increased Expenditure</u>				
Local Pay Review	55.0		55.0	
Corporate Governance Review	250.0		-	
Millennium Centre	-		160.0	
Support Services	-		46.9	
Human Resources Costs	-		180.0	
		305.0		441.9
<u>Reduced Expenditure</u>				
2011/12 One Year Policy Options:				
Pacific Road Theatre	-		(250.0)	
Community Energy Efficiency Fund	-		(57.0)	
Dog Kennels	-		(7.4)	
Allotments	-		(50.0)	
Building Costs	-		(100.0)	
Audit Fees	-		(80.0)	
Insurance	-		(19.9)	
Support Services	(34.0)			
		(34.0)		(564.3)
<u>Increased Income</u>				
Carbon Reduction Scheme Contributions	(328.4)		(328.4)	
		(328.4)		(328.4)
<u>Savings</u>				
Procurement	-		(33.2)	
		-		(33.2)
ESTIMATE 2011/12 and 2012/13		15,839.2		14,884.7

LAW, HR, ASSET MANAGEMENT	Base Estimate 2011/12 £	Current Estimate 2011/12 £	Base Estimate 2012/13 £
SUBJECTIVE SUMMARY			
<u>Expenditure</u>			
Employees	13,010,900	14,376,200	14,394,100
Premises	9,738,600	8,591,700	8,432,800
Transport	462,700	498,200	498,200
Supplies and Services	3,628,300	3,466,600	2,902,900
Third Party Payments	1,764,300	2,120,300	1,813,300
Transfer Payments	(215,500)	800	800
Support Services	10,784,300	9,825,000	10,201,500
Financing Costs	6,802,500	6,802,500	6,677,600
	45,976,100	45,681,300	44,921,200
<u>LESS</u> Income			
Government Grants	(283,600)	(283,600)	(283,600)
Other Grants and Reimbursements	(84,100)	(84,100)	(84,100)
Customer and Client Receipts	(6,586,700)	(3,405,200)	(3,432,300)
Interest	(10,000)	(10,000)	(10,000)
Recharge to Other Revenue Accounts	(22,787,200)	(26,059,200)	(26,226,500)
	(29,751,600)	(29,842,100)	(30,036,500)
LAW, HR, ASSET MANAGEMENT TOTAL	16,224,500	15,839,200	14,884,700

LAW, HR, ASSET MANAGEMENT	Base Estimate 2011/12	Current Estimate 2011/12	Base Estimate 2012/13
OBJECTIVE SUMMARY	£	£	£
<u>Asset Management</u>			
Corporate Assets	(154,400)	(691,400)	(1,451,800)
Industrial & Commercial Properties	(311,100)	(311,100)	(311,200)
Estates Management	426,000	708,300	692,300
Managed Properties	(275,400)	(270,400)	(194,700)
Property Maintenance	1,610,000	1,610,000	1,510,000
Disabled Access	100,000	100,000	100,000
Administrative Buildings	1,308,900	1,290,200	1,310,500
Community Buildings	57,000	-	-
Halls	666,300	657,200	720,500
Community Services	980,800	1,114,800	1,056,700
Libraries	-	-	-
Sport & Culture	-	-	-
Allotments	137,400	137,300	86,600
Design Consultancy	(86,500)	(606,300)	(306,100)
<u>Central Services</u>			
Central Support Administration	-	(200)	-
Wallasey Complex Management	85,500	-	-
<u>Human Resources</u>			
Human Resources	191,000	74,600	180,000
<u>Legal & Democratic</u>			
Coroners	485,900	485,900	491,600
Electoral & Member Services	496,900	496,800	504,900
Legal Services	-	61,100	-
Registrar	70,500	68,800	61,100
<u>Regulatory Services</u>			
Community Safety	2,248,900	2,275,700	2,268,400
Environmental Health	2,026,100	2,191,300	2,081,900
Licensing	(3,600)	23,400	44,600
Neighbourhood Nuisance	17,400	-	-
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 and Consumer Advice	780,900	859,700	854,800
<u>Service Re-Engineering</u>			
Service Re-Engineering	(69,000)	-	-
<u>Corporate and Democratic Core</u>			
Democratic Representation and Management	2,120,000	2,129,400	2,143,300
Corporate Management	3,141,500	3,260,600	2,867,800

Regulatory Services Management

Regulatory Services Management	-	-	-
LAW, HR, ASSET MANAGEMENT TOTAL	16,224,500	15,839,200	14,884,700

REGENERATION, HOUSING & PLANNING

	Current Estimate 2011/12 £000	£000	Base Estimate 2012/13 £000	£000
BUDGET CHANGES				
BASE ESTIMATE 2011/12		25,407.4		25,407.4
<u>Adjustments To Base</u>				
Pay increase for 2011/12	-	-	(21.4)	(21.4)
<u>Transfers Between Departments</u>				
Finance – Staffing	(20.0)		(57.0)	
Finance – Handy Person Funding	126.0		126.0	
Finance – Procurement Savings 2011/12	(112.4)		(112.4)	
Technical Services – Winter Resilience Fund	(55.0)		(55.0)	
Technical Services – Service Cost Transfer	(842.1)		(842.1)	
Children - Corporate Marketing	10.0		10.0	
Law, HR, Asset Mgt – Right to Buy charge	(12.7)		(12.7)	
Efficiency Investment Budget Reallocation	294.0		294.0	
		(612.2)		(649.2)
<u>Inflation</u>				
Pay and Pensions	-		38.3	
Income	-		(2.7)	
		-		35.6
<u>Increased Expenditure</u>				
Neighbourhood Management	350.0		-	
New Homes Bonus	260.0		260.0	
Support Services	49.8		437.6	
		659.8		697.6
<u>Reduced Expenditure</u>				
2011/12 One Year Policy Options:				
Business Support	-		(500.0)	
Empty Shops	-		(192.5)	
Area Forum	-		(55.0)	
Child Poverty Action Plan	-		(10.0)	
Insurance	-		(113.2)	
		-		(870.7)
<u>Reduced Income</u>				
HMRI Administration	-		256.9	
		-		256.9
<u>Savings</u>				
Broadband Facility	-		(1,075.0)	
Home Insulation Programme	-		(1,000.0)	
Supporting People Contract	-		(150.0)	
Merseyside Information Services	-		(50.0)	
		-		(2,275.0)
ESTIMATE 2011/12 and 2012/13		25,455.0		22,581.2

REGENERATION, HOUSING & PLANNING	Base Estimate	Current Estimate	Base Estimate
SUBJECTIVE SUMMARY	2011/12	2011/12	2012/13
	£	£	£
<u>Expenditure</u>			
Employees	8,218,400	8,873,700	8,555,400
Premises	329,100	336,100	314,500
Transport	108,300	143,400	143,400
Supplies and Services	5,978,700	7,078,100	5,502,200
Third Party Payments	8,263,800	9,919,300	8,144,300
Transfer Payments	3,984,300	-	-
Support Services	6,562,100	5,731,700	7,088,300
Financing Costs	14,837,100	15,097,100	15,097,100
	48,281,800	47,179,400	44,845,200
<u>LESS Income</u>			
Government Grants	(15,521,400)	(14,766,800)	(14,706,800)
Other Grants and Reimbursements	(607,700)	(1,134,900)	(1,134,900)
Customer and Client Receipts	(2,217,000)	(2,217,000)	(2,219,700)
Interest	(4,500)	(4,500)	(4,500)
Recharge to Other Revenue Accounts	(4,523,800)	(3,601,200)	(4,198,100)
	(22,874,400)	(21,724,400)	(22,264,000)
REGENERATION, HOUSING & PLANNING TOTAL	25,407,400	25,455,000	22,581,200

REGENERATION, HOUSING & PLANNING	Base Estimate	Current Estimate	Base Estimate
OBJECTIVE SUMMARY	2011/12	2011/12	2012/13
	£	£	£
<u>Central Services</u>			
Central Support Administration	-	(12,100)	(112,400)
<u>Corporate Policy</u>			
Grants to Voluntary Bodies	540,300	540,300	540,300
Performance Management & Consultation	1,582,700	1,526,800	1,220,800
Merseyside Information Service	101,600	101,600	51,600
<u>Service Re-engineering</u>			
Service Re-Engineering	(31,300)	-	-
<u>Strategic Development</u>			
Economic & Strategic Development	2,539,300	3,811,400	3,468,400
West Wirral Schemes	200,000	200,000	200,000
Building Control	591,000	(256,900)	315,900
<u>Tourism And Marketing</u>			
Graphics PR Tourism	1,295,000	1,294,800	1,316,400
Tourism Events	116,400	116,400	116,400
Corporate Marketing Strategy	18,500	28,500	26,000
<u>Housing & Regeneration Services</u>			
Housing Strategy	608,000	2,887,800	1,918,800
Private Sector Housing	2,573,000	534,500	569,700
Regeneration Implementation	630,000	961,800	867,800
Rehousing Services	738,100	879,900	775,700
Supporting People	10,679,200	10,869,600	10,805,800
Tranmere Together	-	350,000	-
Implementation Programme	3,225,600	1,620,600	500,000
REGENERATION, HOUSING & PLANNING TOTAL	25,407,400	25,455,000	22,581,200

TECHNICAL SERVICES	Current Estimate		Base Estimate	
	2011/12		2012/13	
BUDGET CHANGES	£000	£000	£000	£000
BASE ESTIMATE 2011/12		59,972.5		59,972.5
<u>Adjustments To Base</u>				
Pay increase for 2011/12	-		(173.7)	(173.7)
<u>Transfers Between Departments</u>				
Finance – Change Team	-		(263.8)	
Adults – Veterans Support Policy Option	20.0		20.0	
Finance – Procurement Savings 2011/12	(150.9)		(199.7)	
Children and Young People- Transport Unit	96.8		96.8	
Law, HR, Asset Mgt – Energy Conservation	(188.0)		(188.0)	
Law, HR, Asset Mgt – Plant Maintenance	(247.4)		(247.4)	
Law, HR, Asset Mgt – Service Cost Transfer	1,042.6		1,042.6	
Regeneration – Winter Resilience Funding	55.0		55.0	
Regeneration - Service Cost Transfer	842.1		842.1	
Efficiency Investment Budget Reallocation	403.0		403.0	
		1,873.2		1,560.6
<u>Inflation</u>				
Pay and Pensions	-		178.5	
Income	-		(367.9)	(189.4)
<u>Increased Expenditure</u>				
Local Pay Review	208.4		208.4	
Insurance	-		156.2	
Flood Prevention	123.0		168.0	
Change Savings unachieved	300.0		300.0	
Energy Contracts – Street Lighting	342.0		492.0	
Support Services	31.9		-	
		1,005.3		1,324.6
<u>Reduced Expenditure</u>				
Waste Authority Levy	-		(1,302)	
2011/12 One Year Policy Options				
Street Cleansing			(500.0)	
Car Parking	-		(482.0)	
Veterans Support	-		(20.0)	
Support Services	-		(361.0)	(2,665.0)
<u>Savings</u>				
Highways Maintenance Back Office Function	-		(80.0)	
Procurement	-		(745.0)	(825.0)
ESTIMATE 2011/12 and 2012/13		62,851.0		59,004.6

TECHNICAL SERVICES	Base Estimate	Current Estimate	Base Estimate
SUBJECTIVE SUMMARY	2011/12	2011/12	2012/13
	£	£	£
<u>Expenditure</u>			
Employees	20,774,700	20,943,400	21,555,600
Premises	12,199,100	12,104,400	11,186,200
Transport	2,145,000	798,000	939,200
Supplies and Services	5,144,800	4,912,000	4,318,300
Third Party Payments	31,363,200	31,393,100	29,548,000
Transfer Payments	23,100	23,100	23,100
Support Services	15,849,700	16,030,900	15,204,300
Financing Costs	4,356,000	3,992,600	3,992,600
	91,855,600	90,197,500	86,767,300
<u>LESS Income</u>			
Other Grants and Reimbursements	(20,000)	-	-
Customer and Client Receipts	(16,583,000)	(16,129,300)	(16,979,200)
Recharge to Other Revenue Accounts	(15,280,100)	(11,217,200)	(10,783,500)
	(31,883,100)	(27,346,500)	(27,762,700)
TECHNICAL SERVICES TOTAL	59,972,500	62,851,000	59,004,600

TECHNICAL SERVICES	Base Estimate	Current Estimate	Base Estimate
SUBJECTIVE SUMMARY	2011/12	2011/12	2012/13
	£	£	£
<u>Culture & Heritage</u>			
Art Galleries and Museums	714,600	723,700	722,000
Theatre, Arts and Culture	957,200	959,900	878,800
Tramway	169,100	172,300	169,900
<u>Parks & Open Spaces</u>			
Beach Lifeguards	348,900	-	-
Birkenhead Park	580,600	601,700	601,100
Cemeteries and Crematorium	(341,800)	(385,100)	(466,700)
Golf	(152,500)	(194,300)	(197,700)
Parks and Open Spaces	3,745,100	5,229,700	5,179,800
Ranger Service	710,100	799,600	788,300
<u>Sport & Recreation</u>			
Sports Centres	8,504,100	8,976,400	8,851,500
Sports Development	260,000	259,400	253,900
<u>Support Services</u>			
Support Services	900,000	590,700	247,900
Procurement Savings	-	-	(745,000)
<u>Transport</u>			
Transport	(96,800)	-	-
<u>Engineers</u>			
Emergency Planning	370,200	507,300	464,200
Change Management and Administration	490,700	-	-
Levies & Financing	2,893,500	2,893,500	2,893,500
Traffic	2,326,700	2,655,800	2,541,700
Car Parks	(1,200,900)	(1,156,700)	(1,745,300)
Drainage & Sea Defences	784,100	974,000	1,000,500
Street Lighting	2,343,400	2,720,600	2,860,900
Highway Maintenance	5,885,800	6,471,200	6,524,600
Service Re-Engineering	(350,000)	(150,900)	(199,700)
<u>Waste</u>			
Waste Monitor	14,141,900	14,213,700	13,693,900
<u>Merseyside Recycling and Waste Authority</u>			
Merseyside Recycling and Waste Authority	15,988,500	15,988,500	14,686,500
TECHNICAL SERVICES TOTAL	59,972,500	62,851,000	59,004,600

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APPENDIX B

WIRRAL COUNCIL

CAPITAL PROGRAMME

2012/15

WIRRAL COUNCIL

CAPITAL PROGRAMME 2012/15

SUMMARY

The Capital Programme for 2012/15 detailed on the following pages incorporates the resolution of Cabinet on 8 December 2011 that was approved by Council on the 12 December 2011, including the revisions made by Council and Cabinet on 12 January 2012 and 2 February 2012.

The opportunity has been taken to update estimated grant allocations to reflect more accurate approved allocations and also to re-profile schemes where improved information is now available.

CABINET 8 DECEMBER 2011

Minute 215 - CAPITAL PROGRAMME AND FINANCING 2012/15

The Deputy Chief Executive / Director of Finance presented a draft Capital Programme for 2012/15, which also included the related capital financing requirements based upon the prudential indicators that inform the Treasury Management Strategy. The purpose of the Capital Programme was to enable the council to prioritise and effectively deliver capital investment that contributed to the achievement of Council objectives and links to the revenue budget ensured that revenue funding was provided to meet the financing costs, and any running costs, as a result of the capital programme investment.

The Director reported that the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code required local authorities to determine Prudential Indicators on an annual basis and they were required to be calculated in accordance with the Code. He indicated that the monitoring arrangements set out in the 'Delivering The Corporate Plan' report approved by the Cabinet (minute 379 on 14 April 2011 refers) ensured that a structure was in place to manage and deliver the Corporate Plan.

Resolved -

- (1) That the new submissions as detailed in section 9.7, and the variations in section 9.10, now submitted be approved and the Capital Programme be referred to Council for approval.
- (2) That, if the changes are approved, the capital financing requirements be reflected in the projected budget.
- (3) That the Prudential Indicators be noted and reported to Cabinet as part of the Treasury Management Strategy on 20 February 2012.
- (4) That reports on the progress of the programme be presented in accordance with the agreed monitoring arrangements of the Corporate Plan.

COUNCIL 12 DECEMBER 2011

Minute 93 – CAPITAL PROGRAMME AND FINANCING 2012/15

Council approved that the Capital Programme be amended to include:-

- Preventative maintenance to classified roads - £500,000.
- Preventative maintenance to unclassified and residential streets - £500,000.
- Road safety improvements and local transport schemes - £650,000.

CABINET 12 JANUARY 2012

Minute 252 – HIGHWAYS MAINTENANCE FUNDING AND STRUCTURAL MAINTENANCE PROGRAMME 2012/13

A report by the Director of Technical Services reminded the Cabinet that on 13 January 2011, it had endorsed the maintenance allocation within the Local Transport Plan Capital Programme for 2012/13 (Minute No. 285 refers). The Programme had included the funding for the Highway Maintenance Block, totalling £2.958 million. On 12 December 2011, the Council had approved the Capital Programme 2012/15 which included a further £2.65 million for 2012/13 (£1 million for capitalised highways maintenance, £1 million for roads and £0.65 million for road safety) funded from Council resources (Minute No. 70 (v) refers.). The report presented both the proposed breakdown of that highway maintenance funding between the Bridges, Lighting and Roads/Footway elements of the network and the proposed Highway Structural Maintenance Programme 2012/13, for approval. It was noted that the maintenance of highways was a statutory duty for the Council under the Highways Act 1980 (as amended).

Resolved -

- (1) The proposed allocation of Local Transport Plan Capital Programme 2012/13 Maintenance Block between Street Lighting, Bridges and Roads/Footways;
- (2) The Detailed Highway Structural Maintenance Programme for 2012/13 (as detailed in paragraph 4.3 of the report); and
- (3) The Director of Technical Services; in conjunction with the Cabinet Member for Streetscene and Transport Services and Party Spokespersons; be able to make necessary adjustments to the priorities within the programme should the need arise due to financial, condition or other factors.

CABINET 2 FEBRUARY 2012

Minute – HOUSING MARKET RENEWAL TRANSITIONAL FUNDING

A report by the Acting Director of Regeneration, Housing and Planning provided an update for Members on the outcome of the Housing Market Renewal Initiative Transitional Funding bid and outlined amendments to the Council's Housing Investment Programme for 2011/12 to incorporate the Housing Market Renewal Transitional Funding. The report also advised Members on proposals to prepare the exit plan for Wirral's Housing Market Renewal Programme.

The Cabinet noted that it had been announced in November 2011 that the HMRI Transitional bid had been successful and that Wirral would receive £2.7m additional capital funding. Although slightly less than anticipated, this funding, when combined with match funding, would enable the completion of most of the existing clearance commitments throughout the former HMRI area. It may be possible to make up the shortfall with New Homes Bonus to complete the programme. This would be subject to a separate report to the Cabinet in due course.

The table at Appendix 1 to the report provided the detail of Wirral's revised HMR Transitional Funding bid and showed how the resources would be used. It should be noted that since the bid had been submitted in July, work had been continuing on committed acquisitions, using some of the match funding resources. As such, a proportion of the units identified in Appendix 1 had already been acquired. It should also be noted that there was no compulsion to utilise all of the Transitional Funding in the current financial year. This would allow both negotiations with property owners to continue and support any future CPO action, should this be necessary to acquire the remaining interests.

Resolved:

- (1) The contents of this report be noted; and
- (2) The proposed changes to the Housing Investment Programme for 2011/12 be reported to Council.

WIRRAL COUNCIL

CAPITAL PROGRAMME 2012/15

POSITION AS AT 2 FEBRUARY 2012

SUMMARY	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Expenditure				
Adult Social Services	865	2,750	0	0
Children & Young People	32,579	21,481	2,400	2,400
Finance	6,506	0	2,000	0
Law, HR and Asset Mgt	8,679	5,200	6,025	700
Regen, Housing and Planning	13,987	5,479	13,374	4,415
Technical Services	11,772	7,068	5,074	4,909
Total Expenditure	74,388	41,978	28,873	12,424
Resources				
General Capital Resources	35,042	12,035	19,710	6,405
General Resources*	35,042	12,035	19,710	6,405
Grants - Education	22,862	20,181	0	0
Grants - Integrated Transport	1,348	1,155	1,155	1,155
Grants - Local Transport Plan	3,095	2,958	2,864	2,699
Grants - Other	9,647	5,349	4,844	2,165
Revenue, reserves, contributions	2,394	300	300	0
Specific Resources	39,346	29,943	9,163	6,019
Total Identified Resources	74,388	41,978	28,873	12,424
*General Resources				
From Borrowing	32,042	9,035	16,710	3,405
From Capital Receipts	3,000	3,000	3,000	3,000
General Resources	35,042	12,035	19,710	6,405

ADULT SOCIAL SERVICES	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Expenditure				
Development of Ward 41 Star Team	80	0	0	0
Information Management	53	0	0	0
Extra Care Housing	732	0	0	0
Transformation of Day Service	0	1,250	0	0
Integrated IT	0	1,500	0	0
Total Expenditure	865	2,750	0	0
Resources				
Grants - Other	865	2,750	0	0
Total Identified Resources	865	2,750	0	0
CHILDREN & YOUNG PEOPLE	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Expenditure		0	0	0
Children's Centres	413	0	0	0
City Learning Centres	254	0	0	0
Early Years Quality & Access	86	0	0	0
Aiming Higher for Disabled Children	375	0	0	0
Condition/ Modernisation	8,472	5,165	0	0
Family Support Scheme	194	100	0	0
Rosclare Children's Hospital	448	0	0	0
Formula Capital Grant	4,832	718	0	0
Extended Schools	48	0	0	0
Schools – Access Initiative	549	0	0	0
Schools – Harness Technology	665	0	0	0
Woodchurch One School Pathfinder	1,109	0	0	0
Birkenhead High Girls Academy	5,643	5,108	0	0
Private Finance Initiative	425	0	0	0
Primary Reorganisation – Surplus	88	0	0	0
Primary Schools Programme		0	0	0
- Park Primary School	490	0	0	0
- Pensby Primary School	3,525	8,850	0	0
- Other	48	0	0	0
School Meals Uptake	348	0	0	0
Practical Cooking Spaces	93	0	0	0
Co-location Fund	551	0	0	0
Youth Capital Fund	76	0	0	0
SEN and Disabilities	100	1,340	0	0
Cathcart Street Refurbishment	1,826	0	0	0
University Academy of Birkenhead	921	0	0	0
Capitalisation of redundancy costs	1,000	0	0	0
Wirral Youth Zone	0	200	2,400	2,400
Total Expenditure	32,579	21,481	2,400	2,400

CHILDREN & YOUNG PEOPLE	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Resources				
General Capital Resources	8,627	1,300	2,400	2,400
Grants – Education	22,862	20,181	0	0
Revenue, reserves, contributions	1,090	0	0	0
Total Identified Resources	32,579	21,481	2,400	2,400
FINANCE	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Expenditure				
Strategic Asset Review	3,506	0	2,000	0
Capitalisation of redundancy costs	3,000	0	0	0
Total Expenditure	6,506	0	2,000	0
Resources				
General Capital Resources	6,506	0	2,000	0
Total Identified Resources	6,506	0	2,000	0
LAW HR & ASSET MANAGEMENT	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Expenditure				
Microregeneration	100	0	0	0
Landican Mercury Abatement	1,203	0	0	0
Europa Pool – Improved heating	199	0	0	0
Cultural Services Assets	2,000	1,500	4,000	0
Parks	500	0	0	0
Williamson Art Gallery	1,114	0	0	0
The Priory	738	0	0	0
CCTV / IT Project	530	0	0	0
Bebington Civic Centre	1,300	0	0	0
Rock Ferry Centre	630	0	0	0
Wallasey Town Hall	0	300	1,325	0
North and South Annexes	165	1,200	300	700
Solar Photovoltaic Project	200	2,200	400	0
Total Expenditure	8,679	5,200	6,025	700
Resources				
General Capital Resources	8,619	5,200	6,025	700
Grants - Other	60	0	0	0
Total Identified Resources	8,679	5,200	6,025	700

REGENERATION, HOUSING & PLANNING

	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Expenditure				
Think Big Investment Fund	609	300	300	300
West Wirral Schemes	206	0	0	0
Destination West Kirby	0	0	1,250	0
Wirral Country Park	0	0	1,600	1,300
Mersey Heartlands New Growth Pt	954	0	0	0
Improvements to Stock	5,177	800	950	950
Housing Market Renewal Residual Clearance Programme	0	970	865	865
New Homes Bonus	260	0	0	0
Disabled Facilities – Adaptations	3,896	2,929	2,929	1,000
Quarry Bank Affordable Housing	345	0	0	0
Wirral Healthy Homes	105	105	105	0
Cosy Homes Heating	250	250	250	0
Empty Property Interventions	125	125	125	0
Power Solutions to SI Areas	0	0	5,000	0
Challenge Fund	2,060	0	0	0
Total Expenditure	13,987	5,479	13,374	4,415
Resources				
General Capital Resources	5,585	2,580	8,230	2,250
Grants – Other	7,098	2,599	4,844	2,165
Revenue, reserves, contributions	1,304	300	300	0
Total Identified Resources	13,987	5,479	13,374	4,415

TECHNICAL SERVICES	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000
Expenditure				
Congestion	402	0	0	0
Road Safety	920	650	0	0
Maintenance	6,304	2,958	2,864	2,699
Air Quality	681	0	0	0
Accessibility	65	0	0	0
Transportation	270	0	0	0
Integrated Transport Block	0	1,155	1,155	1,155
Capitalised Highways Maintenance	1,000	1,000	1,000	1,000
Highways Structural	1,000	0	0	0
Preventative Maintenance to Classified Roads	0	500	0	0
Preventative Maintenance to Unclassified Roads	0	500	0	0
Energy Schemes	153	0	0	0
Asset Management	85	0	0	0
Waste Initiatives	206	0	0	0
Coast Protection	312	55	55	55
Hoylake Golf Course	76	0	0	0
Landican Cemetery	84	0	0	0
Oval Sport Centre - Artificial Pitches	10	0	0	0
Guinea Gap	107	0	0	0
Birkenhead Park	97	0	0	0
Floral Pavilion Stage / Orchestra Pit.	0	250	0	0
Total Expenditure	11,772	7,068	5,074	4,909
Resources				
General Capital Resources	5,705	2,955	1,055	1,055
Grants – Integrated Transport	1,348	1,155	1,155	1,155
Grants – Local Transport Plan	3,095	2,958	2,864	2,699
Grants - Other	1,624	0	0	0
Total Identified Resources	11,772	7,068	5,074	4,909

WIRRAL COUNCIL

CABINET

8 DECEMBER 2011

SUBJECT	CAPITAL PROGRAMME AND FINANCING 2012-15
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR STEVE FOULKES
KEY DECISION	YES

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides Cabinet with a draft Capital Programme for 2012/15 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.

2.0 RECOMMENDATIONS

- 2.1 That the new submissions as detailed in section 9.7, and the variations in section 9.10, be approved and the Capital Programme be referred to Council for approval.
- 2.2 That, if the changes are approved, the capital financing requirements be reflected in the projected budget.
- 2.3 That the Prudential Indicators be noted and reported to Cabinet as part of the Treasury Management Strategy on 20 February 2012.
- 2.4 That reports on the progress of the programme be presented in accordance with the agreed monitoring arrangements of the Corporate Plan.

3.0 REASONS FOR RECOMMENDATIONS

- 3.1 The purpose of the Capital Programme is to enable the Council to prioritise and effectively deliver capital investment that contributes to the achievement of Council objectives.
- 3.2 Links to the revenue budget ensure that revenue funding is provided to meet the financing costs, and any running costs, as a result of the capital programme investment.
- 3.3 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to determine Prudential Indicators on an annual basis. Prudential Indicators must be calculated in accordance with the Prudential Code.

- 3.4 The monitoring arrangements set out in the 'Delivering the Corporate Plan' report approved by Cabinet on 14 April 2011 ensure that a structure is in place to manage performance and deliver the Corporate Plan.

4.0 BACKGROUND AND KEY ISSUES

CAPITAL STRATEGY

- 4.1 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.
- 4.2 The Capital Strategy draws 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.
- 4.3 The Capital Strategy was reviewed to reflect the Corporate Plan and was agreed by Cabinet on 13 October 2011. It considers issues at a strategic level and is used to determine the Capital Programme.
- 4.4 To increase understanding of the Capital Strategy and Programme the procedures and key guidance have been consolidated into one document; the Capital Investment Programme guidance document. This 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.
 - d) Key documents are incorporated as appendices including the Contract Procedure Rules.

CAPITAL PROGRAMME

- 4.5 The Capital Programme is a list of investment schemes to be undertaken over the medium term which help the Council achieve its objectives. It is aligned to Council 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.
- 4.6 Capital expenditure is defined under the Financial Reporting Standard (FRS) 15 as expenditure incurred on the creation, purchase or enhancement of a tangible asset required over the long term to carry out the activities of an organisation. Expenditure which purely maintains the useful life or open market value of an asset should be charged to revenue. The Local Government Act 2003 amended the definition to allow expenditure on computer software and on the making of loans or grants for capital expenditure by another body to be treated as the capital expenditure of a local authority.

- 4.7 Local Authorities can also apply to the Secretary of State for a determination to re-classify revenue spend as capital spend based upon a Capitalisation Direction. Wirral received determinations in 2010/11, of £3.4 million, and 2011/12, of £4 million, to treat as capital spend the statutory redundancy payment element of the Early Voluntary Retirement / Voluntary Severance Scheme costs.
- 4.8 In preparing the programme for 2012/15 the process has followed that set out in the Capital Strategy agreed by the Cabinet on 13 October 2011. All submissions for inclusion in the Capital Programme required the completion of a Business Case. This details how the proposed project meets Council objectives, how it will be managed, including resource implications and the outcomes expected. Schemes are then assessed against the prioritisation criteria to inform the recommendations for inclusion in the programme. The criteria were approved by Cabinet on 13 October 2011 and are included at Appendix A whilst Appendix B details the currently approved capital programme and Appendix C outlines the submissions received and those recommended for inclusion in the programme.

CAPITAL FINANCING

- 4.9 Over recent years the capital funding available to Local Authorities has reduced significantly. The Government no longer offers new supported borrowing allocations and major grant funding streams have been significantly reduced, including the Housing Market Renewal and Transport programmes. Other, previously specific, grant funding streams are no longer ring-fenced in a move which has seen Authorities obtain greater autonomy over the funding of capital projects but at a much reduced level.
- 4.10 Local Authorities continue to have the ability to augment capital funding under the Prudential Code whereby additional expenditure on capital investment can be incurred as long as the plans are affordable, prudent and sustainable. This is measured by a series of indicators integral to the Treasury Management Policy of which the key is the revenue cost.

Borrowing

- 4.11 The Prudential Capital Finance system allows local authorities to self-finance borrowing for capital expenditure without Government consent. This facilitates 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.
- 4.12 As a guide, borrowing incurs a revenue cost of approximately 10% of the loan each year, comprising interest charges and the repayment of the debt (known as the Minimum Revenue Provision or MRP). The Council needs to be satisfied that it can afford this annual revenue cost.

- 4.13 The Government has given Local Authorities greater freedom in the way they provide for their debts. Local Authorities have to earmark revenues each year as provision for repaying debts incurred on capital projects. When the MRP regime changed on 31 March 2008 it became a duty on each local authority to make provision for debt which the local authority considers prudent.
- 4.14 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. 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.

Government Grants

- 4.15 These are specific to schemes and are therefore allocated in accordance with the terms of the grant approval, primarily in the areas of education and regeneration. As outlined above the numbers and amounts of such capital grants received has reduced significantly.
- 4.16 The Government reviewed grant arrangements as part of the Spending Review 2010. Since then there has been significantly less ring-fencing of capital grants which has increased freedoms and flexibilities over use but overall the level of grants available has reduced.

Revenue / Other Contributions

- 4.17 The Prudential Code allows for the use of additional revenue resources within agreed parameters. However, the requirements of Financial Reporting Standard 15 have lead to schemes and funding previously included within the capital programme having to be transferred to revenue.
- 4.18 Contributions are received from other organisations to support the delivery of schemes with the main area being within the education programme with contributions made by individual schools.

Capital Receipts

- 4.19 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.
- 4.20 The use of receipts has been estimated at £3 million per year. This reflects the likely timing of such receipts and the latest projections of sites either available or which could become available over the period.

MONITORING

- 4.21 Cabinet on 14 April 2011 agreed the arrangements for the monitoring of the Corporate Plan in order to provide decision makers with intelligence on how well the Council is performing, together with associated resource implications and future risks and challenges.
- 4.22 At the end of each quarter the report and presentation to Cabinet include an update on the Capital Programme for which a more detailed report, plus the departmental reports of Chief Officers, is placed in the Library. The departmental reports provide greater detail on the progress of specific schemes with references to the approved programme, agreed variations, the latest forecasts concerning spend and the resourcing of schemes.

5.0 RELEVANT RISKS

- 5.1 All relevant risks have been discussed within Section 4 of this report.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 Each Business Case includes an assessment of the alternative options with the conclusion that a submission for inclusion in the capital programme is the preferred option.

7.0 CONSULTATION

- 7.1 There has been no specific consultation with regards to this report. In terms of the delivery of schemes consultation will take place as part of the scheme development and implementation.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 There are none arising directly out of this report.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

CAPITAL PROGRAMME COMMITMENTS

- 9.1. The Programme detailed in Appendix B is that currently approved which incorporates all the committed schemes and indicates the resources required to fund existing, and planned, schemes.
- 9.2 The Capital Programme 2011/14 and Capital Financing Requirements 2011/12 were agreed by Cabinet on 9 December 2010 and approved by Council on 13 December 2010. This was updated in a report to Cabinet on 21 February 2011 that was approved by Council on 1 March 2011.

- 9.3 On 17 March 2011 the Local Transport Capital Funding and the Integrated Transport Block (ITB) Programme 2011/12 were approved by Cabinet and a small increase in the grant allocation confirmed. The same meeting also approved the Education Capital Programme for 2011/12.
- 9.4 On 23 June 2011 the Capital Out-turn and Determinations report was submitted as part of the year-end accounts for the 2010/11 financial year and detailed the slippage into the 2011/12 financial year.
- 9.5 On 13 October 2011 the Housing Market Renewal Initiative (HMRI) was updated and approved by Cabinet. Also approved was a variation to the programme of £4 million to use a direction issued by the Government for the Capitalisation of the Statutory Redundancy costs element of the Early Voluntary Retirement / Voluntary Severance scheme.
- 9.6 In summary the changes to the Capital Programme since it was originally approved have increased the 2011/12 approved programme from £49 million to £78 million. The main cause has been slippage from 2010/11, which included the re-profiling of Education schemes with the consequential slippage of spend and grant funding. This will inevitably lead to further slippage in schemes and funding into 2012/13 which will be included within the Capital Out-turn 2011/12 report to Cabinet in June 2012.

CAPITAL PROGRAMME SUBMISSIONS

- 9.7 Appendix C details the schemes submitted for inclusion in the capital programme. Following the evaluation of the business case submissions in accordance with the prioritisation criteria the recommended schemes are:-

NEW SUBMISSIONS FOR APPROVAL	2012/13	2013/14	2014/15
	£000	£000	£000
Transformation of Day Services - funded from capital grant	1,250	-	-
Integrated IT within Adult Services - funded from capital grant	1,500	-	-
Wirral Youth Zone - scheme development will depend on securing external funding of £2 million	200	2,400	2,400
Housing Market Renewal residual clearance programme - funded from capital grant	970	970	970
Housing Renewal Programme support initiatives	Approved Dec 2010	850	850
Disabled adaptations	Approved Dec 2010	500	500
Floral Pavilion Theatre - Invest-To-Save scheme	250	-	-

- 9.8 The first two submissions relate to Adult Social Services are grant funded, and linked to the changing requirements of adult social care. The Wirral Youth Zone is for a state of the art facility to provide young people with a modern, safe purposeful alternative. The Housing Market Renewal schemes are funding the completion of the unfinished HMRI schemes following the loss of Housing Market Renewal Grant funding. This clearance programme will be met from Transitional Capital Grant funding. The support initiatives and disabled adaptations were approved in December 2010 and included for completeness. The Floral Pavilion scheme will result in additional income to offset the capital financing costs.
- 9.9 Cabinet is advised that the future delivery of the Parks Service could require capital investment and the Director of Technical Services is in the process of developing and implementing a service delivery plan which will require additional investment in the service. At this time the options include the potential hire / lease of equipment which would not feature in the Capital Programme. Once the requirements have been fully assessed this may result in a submission of a scheme for inclusion in the capital programme for 2012/14.

POTENTIAL VARIATIONS

- 9.10 The opportunity has been taken to update the planned programme in respect of IT and the investment in buildings to reflect the planned activity. The West Kirby and Wirral Country Park initiatives have been previously approved subject to the receipt of grant funding. Whilst grant funding continues to be pursued this has not yet been forthcoming and so the schemes have been deferred.

POTENTIAL VARIATIONS	2011/12	2012/13	2013/14
	£000	£000	£000
Destination West Kirby - defer £1.25 million scheme as reliant on £0.75 million grant	0	0	1,250
Wirral Country Park - defer £2.9 million scheme as reliant on £1.5m grant. £1.3 million to 2014/15	0	0	1,600
Power Solutions Strategic Investment - defer pending further discussions	0	0	5,000
Information Technology - 2011/12 programme will carry into 2012/13 so future allocations slip	3,500	0	2,000
Wallasey Town Hall - funding provided for in 2011/12 and planned funding for 2012/13 slips	0	300	1,325
North and South Annexes - funding provided in 2011/12	165	1,200	300
Cultural Services Assets - funding provided in 2012/13 slips	2,500	1,500	4,000

9.11 The impact of the changes is to reduce the borrowing requirements for 2011/12 and 2012/13 by a net £8 million which will be subject to further review before being required for 2013/14 onwards.

PRUDENTIAL INDICATORS

9.12 In considering the programme for 2012/15 Cabinet is advised that:-

- a. The existing commitments require additional borrowing of around £13 million for 2011/12 with the additional requirements reducing in subsequent years.
- b. To accommodate the additional items detailed in Section 9.7 would increase the level of borrowing by £0.5 million in 2012/13, and potentially by £4.7 million in 2013/14 and 2014/15.
- c. If the variations to the programme detailed in Section 9.10 are accepted then there is a reduction in the level of borrowing required for 2012/13 of around £8 million and for 2013/14 an increase of around £8 million.
- d. The borrowing requirements for future years will be confirmed as part of the Treasury Management Strategy report to Cabinet on 20 February 2012. Assuming the changes are approved the requirements are:-

Year	Increase in borrowing	Revenue costs (cumulative)
2012/13	£5 million	Increase of £0.5 million
2013/14	£14 million	Increase of £1.4 million

At this stage the projections for 2013/15 are subject to considerable variation as this will follow the Local Government Resource Review findings and implementation. The Capital Programme presently includes on-going commitments.

- e. In terms of key Prudential Indicators the ratio of financing costs to the net revenue stream will continue to increase as the capital programme increases whilst the revenue stream reduces. 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.

10.0 LEGAL IMPLICATIONS

10.1 There are none arising directly from this report as they will be identified as each scheme is progressed.

11.0 EQUALITIES IMPLICATIONS

11.1 There are none arising directly from this report as they will be identified as each scheme is progressed.

11.2 Equality Impact Assessment (EIA) is not required.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are none arising directly from this report as they will be identified as each scheme is progressed.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are none arising directly from this report as they will be identified as each scheme is progressed.

FNCE/280/11

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APPENDICES

Appendix A – Capital Investment Programme Prioritisation Evaluation Criteria.

Appendix B – Approved Capital Programme 2011/15.

Appendix C – Capital Programme Submissions for Approval.

REFERENCE MATERIAL

Prudential Code for Capital Finance in Local Authorities (Fully Revised Second Edition), CIPFA 2009.

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Capital Programme and Financing 2011/15	9 December 2010
Cabinet - Capital Programme and Financing 2011/13	21 February 2011
Cabinet - Capital Out-turn and Determinations 2010/11	23 June 2011
Cabinet - Capital Strategy	13 October 2011

APPENDIX C

WIRRAL COUNCIL

INSURANCE FUND

2012/13

WIRRAL COUNCIL
INSURANCE FUND 2012/13

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 risks 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 24 NOVEMBER 2011

Minute 198 - INSURANCE FUND BUDGET 2012/13

A report by the Director of Finance set out the elements which made up the Insurance Fund, the cost of running the Risk and Insurance Section and the Budget for 2012/13. The Insurance Fund Budget was one element of the Council Budget setting process.

RESOLVED: That

- (1) the Insurance Fund Budget 2012/13 be agreed;
- (2) the budget Surplus reserve of £136,030 be used to limit the increase in cost to the General Fund in 2012/13; and
- (3) Savings to Schools (subject to Academy transfers) of £226,000 and increased costs to the General Fund of £20,000 for 2012/13 be agreed.

WIRRAL COUNCIL

CABINET

24 NOVEMBER 2011

SUBJECT	INSURANCE FUND BUDGET 2012/13
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR STEVE FOULKES
KEY DECISION	YES

1.0 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 2012/13. The Insurance Fund Budget is one element of the Council Budget setting process.

2.0 RECOMMENDATIONS

- 2.1 That the Insurance Fund Budget 2012/13 be agreed.
- 2.2 That the Budget Surplus Reserve of £136,030 be used to limit the increase in cost to the General Fund for 2012/13.
- 2.3 That savings to schools (subject to Academy transfers) of £226,000 and increased costs to the General Fund of £20,000 for 2012/13 be agreed.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The Insurance Fund Budget is to adequately fund insurable risk and ensure the equitable allocation of insurance costs. It is agreed at this stage of the financial year in order to support the Council Budget setting process.

4.0 BACKGROUND AND KEY ISSUES

- 4.1. 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.
- 4.2 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.

- 4.3. Wirral Council has operated an Insurance Fund since its formation 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.
- 4.4 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.

RISK MANAGEMENT

- 4.5 To achieve overall best value in funding insurable losses a mixture of external and self-insurance is needed.
- 4.6 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.
- 4.7 External insurance premia are met by the Insurance Fund and are recharged to departments together with self-insurance premia.

SELF FUNDED RISKS

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

4.9 TYPE OF INSURANCE	ANNUAL AGGREGATE DEDUCTIBLE
Combined Liability	£2,500,000
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

PREMIA

- 4.10. The premia charged in recent years in respect of the three principal risks covered by the Insurance Fund are as follows:-

a. **COMBINED LIABILITY**

This policy was the subject of a tender ahead of the expiry of the previous contract on 31 March 2010. The tender resulted in reductions in both the premium and claims handling costs and a decrease in the level of the self-insured retention. This enabled the Insurance Fund contribution to be reduced from £2.1 million in 2010/11 to £1.5 million in 2011/12. However with growth in claims numbers and costs being experienced an increase of £50,000 in contributions has been included for 2012/13.

Year	Premium	
	External Insurance**	Insurance Fund
	£000	£000
2007/08	236	3,300
2008/09	261	3,200
2009/10	270	2,800
2010/11	285	2,100
2011/12	149	1,500
2012/13	155	1,550

** Exclusive of claims handling charges.

b. **MATERIAL DAMAGE & BUSINESS INTERRUPTION**

The material damage policy was tendered in 2008 resulting in an extension of cover to include damage from storm, flood, burst pipes and business interruption losses. The contract is subject to a Long Term Agreement until June 2013 and the premium rates are expected to continue at the existing level until then. The ongoing removal of buildings through schools converting to academies and the asset rationalisation programme is countering increases in the sum insured through inflation in building costs. The external premium is forecast to reduce for 2012/13. Insurance Fund contributions are reviewed annually and have fallen in recent years despite taking on an increased exposure through the extensions of cover. There are no claims handling charges as the Risk & Insurance Team handles claims for these policies.

Year	Premium	
	External Insurance	Insurance Fund
	£000	£000
2007/08	328	340
2008/09	382	340
2009/10	384	330
2010/11	333	300
2011/12	329	300
2012/13	312	300

c. **COMPREHENSIVE MOTOR**

This policy was placed with Zurich Municipal on 1 April 2009, following a competitive tender. The initial Long Term Agreement is due to expire on 31 March 2012. The Council has an option to extend that agreement for a further two years provided that there is no deterioration in the cover or premium rates. Given that insurers have agreed to reduce their charges from renewal the extension will be taken up. Whilst the Insurance Fund contribution is reviewed annually no change is suggested for 2012/13.

Year	Premium	
	External Insurance **	Insurance Fund
	£000	£000
2007/08	55	81
2008/09	49	81
2009/10	50	90
2010/11	44	65
2011/12	35	70
2012/13	26	70

** Exclusive of claims handling charges.

OTHER

- 4.11 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. For most of these risks losses are modest and premia remain fairly stable. Improved management of equipment claims led to claims costs falling from over £100,000 in 2004/05 to less than £20,000 in 2010/11.
- 4.12 In relation to Engineering Insurance and Inspection it was intended to restrict the contract to only those categories of plant for which inspection is a legal requirement. For non-statutory plant information from maintenance and service visits would have been used to identify and act on potential defects. Subsequent investigations indicated that in some areas the management regime around maintenance and servicing needs to be enhanced in order for these to be the sole source of information on possible defects. All items will remain on the contract until management arrangements have been revised.

RESERVES AND PROVISIONS

- 4.13 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. The rate of submission of historic claims has increased sharply over recent account years.

- 4.14 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.
- 4.15 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 every year since 2005/06. This has been regularly reported to Cabinet and has enabled almost £16 million to be returned to the General Fund balances since 2005/06 to support the delivery of Council services.
- 4.16 An actuarial funding study is undertaken by professional actuaries every two years to evaluate whether the sum held to meet liability losses is sufficient and also the sum needed to be invested to meet the costs of current claims. In the intervening years a self-evaluation is undertaken as was the case for liabilities incurred as at 31 March 2011. This evaluation was reported to Cabinet on 23 June 2011 and indicated that continued improvements in the ability to defend claims had been sustained. As a result there was a surplus of £947,000 within the Insurance Fund which was released to balances.
- 4.17 At this time it is proposed to release the Budget Surplus Reserve to mitigate the impact of the increase in Insurance Fund contributions for 2012/13. No further reductions are proposed at this time.

Category of Reserve / Provision	Actual 31/03/11 £	Forecast 31/03/12 £
Combined Liability	7,878,337*	7,878,337
Property	2,422,402	2,422,402
Motor	250,000	250,000
Civil Contingency (funds improvements in resilience to service disruption)	1,500,000	1,500,000
Risk Management (supports individual risk improvement initiatives)	354,162	354,162
Uninsured Liability (funds historic claims where insurer cannot be traced or is insolvent)	2,416,784	2,416,784
Budget Surplus	136,030	0
Wholly self-insured claims (such as plate glass and equipment)	309,456	309,456
Total	£15,267,171	£15,131,141

MANAGEMENT ACCOUNT

- 4.18 In addition to promoting the effective management of risk the Risk and Insurance Team places and administers all external insurance policies, manages the Insurance Fund and oversees the handling of all claims. The balance of work has altered in recent years with greater emphasis now being placed on risk management activity.

4.19 The costs of the Risk & Insurance Section are charged to the Insurance Fund and are recharged in the form of a percentage overhead on insurance premia. For 2012/13 the percentage will be 8.7% which is lower than for 2010/11 principally due to the impact of the income from Academy schools. The Team has been very successful in developing a service to offer support to Academies seeking insurance, as they cannot be covered under the Council policy, and all schools which have converted this financial year have entered into Service Level Agreements.

4.20 The Management Account costs for 2011/12 compared with 2012/13:-

Item	2011/12 £	2012/13 £
Staffing & overheads	262,500	265,500
Press & PR post	21,000	0
Insurance Brokers	12,500	12,500
Actuarial study	0	6,500
Income from Academy schools	0	- 42,500
Total	296,000	242,000

INSURANCE FUND BUDGET 2012/13

4.21 The Insurance Fund Budget is shown in the Appendix. The table compares the Budget for 2011/12 with the Budget for 2012/13.

	2011/12 £000	2012/13 £000
Schools	925	*699
General Fund	2,164	2,184
Budget Surplus contribution	-	136
Total	3,089	3,019

*Assumes Ridgeway, Woodchurch, Weatherhead, Mosslands, Hilbre and South Wirral schools all convert to Academy status prior to, or during 2012/13 otherwise this figure will be higher. The figure excludes three secondary schools which are expected to convert between now and the start of the new financial year. Should conversion be delayed then there would be both additional costs and additional income to the Fund.

4.22 The Budget 2012/13 equates to an overall decrease of approximately 2.3% and since 2009/10 costs have reduced by more than 36%. This reduction reflects the continuing improvements in claims experience and the effectiveness of the approach to procurement. The increase to the General Fund reflects the increased proportion of claims costs from non-schools areas which has been mitigated for 2012/13 by the use of the Budget Surplus Reserve in the Insurance Fund which was created to even out fluctuations in costs between financial years.

5.0 RELEVANT RISKS

- 5.1 The fact that contracts are subject to Long Term Agreements acts to reduce the likelihood of any significant changes to the extent of cover or to external premia. With the expiry of Long Term Agreements from 2015 onwards there could be upward pressure on external premia if insurers' investment returns remain low or reinsurance costs rise.
- 5.2 Insurance Fund contributions are the largest element of the total. As they are directly related to claims the contributions could rise in the event of a series of major losses. This is effectively managed by the maintaining a prudent level of reserves and provisions.
- 5.3 If primary schools decided to convert to academy status then this could create a shortfall in income to the Insurance Fund. The Risk & Insurance Section takes steps to gain early notice of any potential conversions.
- 5.4 The Government response to the Jackson review of civil litigation and expected changes to the Civil Procedure Rules could result in a large influx of new liability claims both before, and after, changes are implemented. There are indications that elements which could have benefited local government may not be implemented in order to deliver the wider package of reform.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 No other options were considered in respect of this report.

7.0 CONSULTATION

- 7.1 The Risk & Insurance Team liaises with schools and Council departments to obtain information required to determine the Insurance Fund Budget.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 There are no direct implications for these groups arising from this report.

9.0 RESOURCE IMPLICATIONS

- 9.1. The 2012/13 Budget includes a one-off contribution from the Insurance Fund Budget Surplus Reserve for 2012/13 which gives a reduction in insurance costs of £70,000 from 2011/12. This reflects the sustained improvements in claims management and also the extensive work with schools to enable insurable risks to be more accurately assessed and managed more effectively.
- 9.2. The work to provide support for Academy schools, which cannot be covered under the Council policy, and the Cabinet decision to seek to adopt the British Standard for risk management have placed, and will place, further pressure on the capacity of the Risk & Insurance Team.

9.3 There are no asset or IT implications arising directly from this report.

10.0 LEGAL IMPLICATIONS

10.1 There are no direct implications arising from this report.

11.0 EQUALITIES IMPLICATIONS

11.1 There are no direct implications arising from this report.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no direct implications arising from this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no direct implications arising from this report.

FNCE/258/11

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APPENDIX

Comparison of Insurance Fund base budgets for 2011/12 and 2012/13.

REFERENCE MATERIAL

Correspondence with JLT Public Sector Risks .
Risk & Insurance Section Database.
Zurich Municipal and Teceris Claims Management claims records.

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Insurance Fund Budget 2011/12	25 November 2010
Cabinet - Insurance Fund Budget 2010/11	14 January 2010
Cabinet - Insurance Fund Budget 2009/10	27 November 2008

WIRRAL COUNCIL
INSURANCE FUND BUDGET

	<u>Base Budget 2011/12</u>			<u>Base Budget 2012/13</u>		
Expenditure						
Class of Insurance	External Premia	Insurance Fund Contributions	Total	External Premia	Insurance Fund Contributions	Total
	£	£	£	£	£	£
Liabilities	243,000	1,500,000	1,743,000	230,000	1,550,000	1,780,000
Fire	329,000	300,000	629,000	319,000	300,000	619,000
Motor	42,000	70,000	112,000	26,000	70,000	96,000
Other	211,000	98,000	309,000	204,000	78,000	282,000
Management Account			296,000			242,000
Total Expenditure			<u>3,089,000</u>			<u>3,019,000</u>
Income						
Schools			(925,000)			(699,000)
General Fund			(2,164,000)			(2,184,000)
Contribution from Budget Surplus Reserve			(0)			(136,000)
Total Income			<u>(3,089,000)</u>			<u>(3,019,000)</u>

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WIRRAL COUNCIL

SCHOOLS BUDGET

2012/13

WIRRAL COUNCIL
SCHOOLS BUDGET 2012/13

SUMMARY

The Schools Budget is separate from the Council Budget for General Fund services. It represents the use of the Government Grant provided for Schools which is known as the Dedicated Schools Grant.

Schools Forum on the 24 January 2012 agreed a net Schools Budget of £2,422,400.

Cabinet on 2 February 2012 approved growth of £322,700 relating to the Private Finance Initiative contract, increasing the net Schools Budget to £2,745,100.

WIRRAL COUNCIL

CABINET

20 FEBRUARY 2012

SUBJECT:	SCHOOLS BUDGET 2012/13
WARD/S AFFECTED:	ALL
REPORT OF:	ACTING DIRECTOR OF CHILDRENS SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ANN MCLACHLAN
KEY DECISION	YES

2.0 EXECUTIVE SUMMARY

This report recommends the approval of a Schools Budget for 2012/13 of £179,089,400 for maintained schools and £49,335,300 for the anticipated number of academies. In addition a transfer to the Schools Budget of two areas from the Children and Young Peoples Budget, (Private Finance Initiative and Planned Maintenance) totalling £2,745,100 is proposed. The report includes some minor changes to the Schools and Early Years Funding Formulae. Reports on these areas were presented to the Schools Forum on 24 January 2012.

3.0 RECOMMENDATION

2.1 Taking account of the views of the Schools Forum that:

- The DSG funded Schools Budget for maintained schools is approved at the sum of £179,089,400.
- The headroom of £250,700 be allocated within the formula to all schools.
- £200,000 of PPM included in the Schools Budget is funded from DSG.
- The contributions to combined budgets are approved.
- The changes to the Schools Funding Formula and the Early Years Single Funding Formula are agreed.
- A Special School Funding Trigger is applied to deal with surplus places in 4 Special Schools.

3.0 REASONS FOR RECOMMENDATION/S

3.1 The Council is required to set a Schools Budget for 2012/13. The Schools Budget is allocated to schools using a formula, which must be updated to take account of changes in the distribution of grants to schools.

4.0 BACKGROUND AND KEY ISSUES

4.1 Schools Budget 2012/13

The schools funding allocations were issued by the Department for Education on 13 December 2011. The allocations are for a further year and continue the current grant methodology. School funding is maintained at “flat cash” per pupil. This means that overall budgets per pupil are unchanged in cash terms and are without any inflationary increases.

4.1.1 Pupil Premium

The Pupil Premium will provide additional funding for deprived pupils. The grant was introduced in 2011/12 and must be allocated in full to schools. The Premium is set at £600 for each pupil who has been eligible for free school meals at any point over the last 6 years. This is an increase from the original 2011/12 amount of £430 (which was increased mid-year to £488). A similar premium is also payable in respect of Looked After Children and Service Children (although the latter group will be funded at £250). An initial estimate calculates the premium to be £6.3 million for Wirral’s maintained schools in 2012/13.

4.1.2 Dedicated Schools Grant (DSG)

The estimated level of DSG for Wirral is:

Guaranteed Unit of Funding (GUF)	Guaranteed Unit of Funding (GUF)	Estimate of all Pupil Numbers	DSG
2011-12	2012-13		2012-13
£	£		£
5,028.39	5028.39	45,426.7	228,424,700

Estimated pupil numbers are based on October census data where available and include academies. Final allocations will be issued in June 2012, based on January 2012 pupil numbers.

The amount includes the DSG which will be allocated to Academy schools. During 2011/12 a number of Secondary Schools have become academies. Currently there are 9 academies, with another 4 anticipated before the end of 2011/12. Academies are independent from the local authority and are funded separately from maintained schools, through the YPLA (Education Funding Agency from 1 April 2012). However regulations require Wirral to continue to calculate their budgets.

The Academy share of the total £228,424,700 DSG is estimated to be £49,335,300. The share of DSG in respect of Wirral’s maintained schools is estimated to be £179,089,400.

4.1.3 Minimum Funding Guarantee (MFG)

The Secretary of State announced that the MFG would continue in 2012/13, protecting schools from changes in funding resulting from fewer pupils and formula changes. The MFG has been set at minus 1.5% per pupil.

4.1.4 Inflation

No direct provision is included in the budget for pay awards since none are anticipated in 2012 with the exception of £250 for non-teaching staff. There is no general provision for price inflation

4.1.5 Changes in Delegated Schools Expenditure

The changes in delegated schools expenditure include:

- Net falling rolls £1,201,300 – the estimated secondary numbers (11-15) will reduce from 18,101 to 17,679 (a 2% reduction), this will be matched by a similar reduction in grant. There is a small increase in primary numbers from 23,687 to 23,944 (a 1% increase).
- 6th Form Funding. To date no allocations have been received from the YPLA, these are unlikely to be received before the end of March. Indications are that amounts will reduce as previously indicated for the Teachers Pay Grant and for transitional protection to bring school sixth form allocations in line with other colleges. There has also been a 6% reduction in student numbers. Taking all factors into account the overall allocations may reduce by about £1.6m (8%).
- 8 places for Social Communication Difficulties / Autistic Spectrum Disorder (SCD / ASD) at Claremount Special School. Part year cost £68,300 funding initially from the SEN plan.
- Full time provision at Wirral Hospital school for 50% of students £130,000.

4.1.6 Changes in Central Expenditure £120,000

16-19 SEN costs have increased by £50,000. These costs are supported by a grant from the YPLA. The grant is not needs-led and has in recent years been cut based on overall population projections. The budget makes provision for a similar cut to last year of £50,000. The actual amount is still to be confirmed.

Carbon Reduction Commitment has increased by £70,000. The budget provision for this area has been retained centrally for all schools and academies in accordance with School Finance Regulations. The provision identified in 2011/12 of £189,400 has been increased to £259,400. This reflects the anticipated costs for 2011/12 which are estimated to be £240,000 and a small additional provision if further charges are received or if the scheme changes.

4.1.7 Schools Budget elements funded by the Local Authority

The Schools Budget report includes the transfer of two areas from the Children and Young People's budget on the advice of the Department for Education. The initial transfer has been made with matching LA resources and therefore has no impact on overall schools funding.

These budgets are in respect of the following:

PFI – the funding Gap for the Councils 9 school PFI scheme of £1,973,400. This budget - known as the "PFI Affordability Gap" - is the shortfall between the cost of PFI (£10.3m), and the combined government grant (£5.5m) and school contributions received (£2.8m). The gap increases each year in line with the contract inflation clause. Cabinet on the 2nd February 2012 approved growth of £322,700 for PFI inflation.

Schools PPM £649,000 - This resource is intended to support the health and safety and maintenance of schools buildings, grounds and equipment. It also pays for minor repairs, emergencies and costs associated with the security and utilities of closed buildings.

There is a budget saving arising from the closure of Cole Street (estimated at £200,000). The saving represents lump sums and other costs that are no longer payable through the schools funding formula now that the school has closed. The Schools Forum has agreed that this £200,000 can be used to fund the PPM programme.

4.2 Schools Funding Formula

The DfE are continuing to develop proposals for a new funding formula for all schools and academies and to move away from the current "spend plus" methodology used to distribute DSG. The DfE indicated over the summer that changes would not be introduced before 2013/14 at the earliest (and may be delayed further). With this in mind the views of schools have been sought on any interim changes that may be needed.

Funding stability continues to be a priority for schools and so the grants that were consolidated into the funding formula in 2011/12 should continue to be distributed on the same basis. The decision will be reviewed again when the governments intentions for funding reform are clearer.

Changes will be introduced to the funding of the Hospital School in order to part fund additional costs of full-time education from other schools.

No changes are proposed to the Free School Meals measure within the funding formula. Although a move to a broader measure taking account of FSM eligibility over the last 3 or 6 years was supported by schools this is not being recommended. The change would move resources from Primary to Secondary schools and would reduce the focus of funding on the highest levels of deprivation.

The retention of funding for the City Learning Centres (CLC's) from within the centrally managed schools budget (£814,700) was agreed. All schools (including academies) will continue to have free access to CLC's with charges levied only for additional services or costs incurred. The facilities will be reviewed in 2012/13 with a view to reducing costs and making more sustainable.

4.3 Special School Surplus Place Funding

Special Schools are funded by places rather than pupils in the funding formula. The Schools Forum has supported a new mechanism within the formula to deal with surplus place funding in Special Schools. This is based on schools with more than 5 surplus places providing an analysis of their situation, together with proposed plans for the use of excess funding. The applications are considered by a panel of Forum members.

If the school plans are agreed the surplus funding identified is retained by the school, if not funding is reduced by 5 places from the following September. The reduction is for a period of 12 months after which an agreement would be reached with a revised admission number.

The Panel has met to consider applications by 4 schools, Foxfield, Hayfield, Lyndale and Orrets Meadow. The decisions (following an appeal) will be reported to the Schools Forum in March and to Cabinet.

4.4 Early Years Single Funding Formula (EYSFF)

A new Early Years Formula was introduced in April 2011 to fund the Free Entitlement for early years provision for all 3 and 4 year olds in nursery schools, nursery classes, day nurseries and pre-school playgroups. An initial review has been undertaken in accordance with DfE guidance.

All providers received a letter explaining the formula, the review process and a short questionnaire. The responses received indicated that the new formula is operating as intended. However it is too early to determine if the range of supplements offered provide incentives to improve quality or flexibility or target sufficient resources to deprivation.

A further review should be undertaken in 12 months to include the impact of the formula on Nursery Schools.

A trigger mechanism for unfunded hours in settings is being investigated to avoid penalising providers who accept children after headcount dates.

5.0 RELEVANT RISKS

5.1 These formula changes enable budgets to be distributed to schools in a way that maximises stability and takes account of DFE regulations.

6.0 OTHER OPTIONS CONSIDERED

6.1 Consideration was given to distributing grants using other formula factors, these are not recommended at this time, since they would introduce turbulence and uncertainty into the budgets schools would receive.

7.0 CONSULTATION

7.1 Schools, Academies and Early Years Providers were consulted on changes to the local funding formulae.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 All Providers of Early Years Education are paid using a single funding formula.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 The financial implications are described in the report. IT, staffing and asset implications may arise from changes in pupil numbers and the level of funding.

10.0 LEGAL IMPLICATIONS

10.1 There are none arising from this report.

11.0 EQUALITIES IMPLICATIONS

11.1 There are none arising from this report.

11.2 Equality Impact Assessment (EIA) is not required for this report.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are none arising from this report. It should be noted that schools will incur carbon reduction charges in 2012/13.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are none arising from this report.

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REFERENCE MATERIAL

School Funding Allocations 13 December 2011.

SUBJECT HISTORY

Council Meeting	Date
Wirral Schools Forum Implementation of the Early Years Single Funding Formula Schools Local Formula Consultation Pupil Premium 2012-13 Schools Budget 2012-13	24 January 2012
Early Years Single Funding Formula Review Consultation On School Funding Reform	27 September 2011

SCHOOLS BUDGET

SUMMARY

	Base Estimate 2012/13 £000
Dedicated Schools Grant	228,425
Less Academy transfer	-49,361
	<hr/> 179,064
 Schools Budget Base Expenditure	 229,260
 Change in ISB Costs	
Academies	-48,810
Net falling school and academy rolls	-1,302
Transfer Academy Education Inclusion Bases to Statements	-511
Transfer school funding from Contingency	118
Transfer funding for 8 Claremount places from SEN Plan	68
Rates net reduction	-30
Growth - full time provision for Hospital School	130
	<hr/> -50,337
 Changes in Central Costs	
Academy recoupment	-551
Transfer school funding from Contingency	-118
Transfer funding for 8 Claremount places from SEN Plan	-68
Transfer PFI Affordability Gap from CYP budget	1,973
Transfer PPM from CYP budget	649
Transfer Academy Education Inclusion Bases to Statements	511
Growth :	
PFI inflation	323
Carbon Reduction Budget	70
16-19 SEN reduction in grant funding	50
Reduction:	
Schools Contingency	-200
Other	-4
	<hr/> 2,635
 Headroom	 251
	<hr/>
Total Schools Expenditure	181,809
	<hr/>
 Net Schools Budget	 2,745

SCHOOLS OBJECTIVE BUDGET SUMMARY

	Current Estimate 2011/12	Base Estimate 2012/13
Schools		
Primary Schools	88,981,900	90,068,600
Secondary Schools	88,453,700	43,587,900
Special Schools	16,004,800	16,231,100
Early Years	10,263,900	10,162,600
Schools Total	203,704,300	160,050,200
Non Delegated School Costs		
Milk & Meals	236,400	233,800
Carbon Reduction	189,400	259,400
Minority Ethnic Achievement Service	292,800	199,300
Advanced Skills Teachers	317,100	317,100
Statements	5,208,200	5,617,400
Support For SEN	2,423,300	2,395,400
Wirral Alternative Schools Programme	1,047,400	1,047,400
Education Out Of School	246,200	246,100
Other Local Education Authority	204,900	133,400
Early Years	562,000	561,600
Independent Special School Fees	2,474,000	2,628,500
Library Service	204,900	204,900
Licences & Subscriptions	72,000	47,100
Insurances	65,400	65,400
Admissions	412,900	412,900
School Specific Contingencies	1,107,400	686,600
Special Staff Costs	938,500	673,200
Schools Forum	10,600	10,600
Miscellaneous	177,300	166,100
Contributions to Combined Budgets	1,193,100	1,193,100
School Intervention	674,500	674,500
City Learning Centres	814,700	814,700
Non Delegated School Costs Total	18,873,000	18,588,500
PFI and Schools PPM		2,945,100
Non Devolved Grant/Funded Expenditure		
Other Specific Grants	0	0
Dedicated School Grant	(222,387,300)	(179,089,400)
Headroom	0	250,700
Total	(222,387,300)	(178,838,700)
Grand Total	190,000	2,745,100

SCHOOLS BUDGET SUMMARY - DETAILS

	2011/12 Current Estimate	2012/13 Original Estimate
Schools		
1 Early Years		
2 Third Party Payments	10,263,900	10,162,600
3		
4 Primary Schools		
5 Premises	835,100	884,500
6 Third Party Payments	88,146,800	89,184,100
7 Transfer Payments	2,970,500	4,253,400
8 Government Grants	-2,970,500	(4,253,400)
9		
10 Secondary Schools		
11 Premises	692,300	476,300
12 Third Party Payments	108,297,600	50,862,600
13 Transfer Payments	1,758,200	1,803,600
14 Government Grants	-1,758,200	(1,803,600)
15 Other Grants and Reimbursements	-20,536,200	(7,751,000)
16		
17 Special Schools		
18 Third Party Payments	16,004,800	16,231,100
19 Transfer Payments	173,600	272,400
20 Government Grants	-173,600	(272,400)
21		
22 Non Delegated School Costs		
23 Admissions		
24 Transfer Payments	40,000	40,000
25 Support Services	372,900	372,900
26		
27 Early Years		
28 Employees	273,600	273,200
29 Supplies and Services	100	100
30 Support Services	288,300	288,300
31		
32 Education Out Of School		
33 Employees	246,200	246,100
34		
35 Independent Special School Fees		
36 Employees	3,217,200	3,376,700
37 Support Services	17,400	17,400
38 Government Grants	-12,400	(17,400)
39 Other Grants and Reimbursements	-748,200	(748,200)

40			
41	Insurances		
42	Premises	65,400	5,400
43			
44	Library Service		
45	Employees	118,600	118,600
46	Transport	500	500
47	Supplies and Services	72,500	72,500
48	Support Services	59,700	59,700
49	Recharge to Other Revenue Accounts	-46,400	(46,400)
50			
51	Licences & Subscriptions		
52	Supplies and Services	72,000	72,000
53	Recharge to Other Revenue Accounts	0	(24,900)
54			
55	Milk & Meals		
56	Employees	2,597,000	2,298,100
57	Premises	174,300	174,400
58	Transport	7,700	7,700
59	Supplies and Services	1,758,700	1,559,400
60	Support Services	412,000	412,000
61	Government Grants	-105,000	(105,000)
62	Customer and Client Receipts	-1,529,100	(1,444,900)
63	Recharge to Other Revenue Accounts	-3,079,200	(2,667,900)
64			
65	Miscellaneous		
66	Supplies and Services	65,600	65,600
67	Third Party Payments	11,600	11,600
68	Transfer Payments	1,000	1,000
69	Support Services	99,100	99,100
70	Recharge to Other Revenue Accounts	0	(11,200)
71			
72	Other Local Education Authority		
73	Supplies and Services	458,500	419,700
74	Other Grants and Reimbursements	-253,600	(286,300)
75			
76	School Specific Contingencies		
77	Premises	51,100	51,100
78	Transfer Payments	1,048,500	730,500
79	Support Services	7,800	7,800
80	Recharge to Other Revenue Accounts	0	(102,800)
81			
82	Schools Forum		
83	Supplies and Services	10,600	10,600

84			
85	Special Staff Costs		
86	Employees	935,000	934,800
87	Support Services	3,500	3,500
88	Recharge to Other Revenue Accounts	0	(265,100)
89			
90	Statements		
91	Employees	947,300	816,400
92	Supplies and Services	100,300	115,000
93	Third Party Payments	4,744,600	5,220,000
94	Transfer Payments	70,000	70,000
95	Support Services	32,700	32,700
96	Other Grants and Reimbursements	-686,700	(636,700)
97			
98	Support For SEN		
99	Employees	2,006,500	1,877,100
100	Transport	20,000	20,000
101	Supplies and Services	41,500	41,500
102	Third Party Payments	37,100	126,100
103	Transfer Payments	26,600	26,600
104	Support Services	329,100	369,100
105	Recharge to Other Revenue Accounts	-37,500	(65,000)
106			
107	Wirral Alternative Schools Programme		
108	Employees	697,220	720,600
109	Premises	93,030	91,400
110	Transport	18,800	18,800
111	Supplies and Services	243,650	221,900
112	Third Party Payments	73,400	73,400
113	Support Services	146,400	146,400
114	Government Grants	0	(18,100)
115	Customer and Client Receipts	-150,000	(150,000)
116	Recharge to Other Revenue Accounts	-75,100	(57,000)
117			
118	Minority Ethnic Achievement Service		
119	Employees	269,700	269,600
120	Transport	6,400	6,400
121	Supplies and Services	1,700	1,700
122	Transfer Payments	15,000	15,000
123	Recharge to Other Revenue Accounts	0	(93,400)
124			
125	Contributions to Combined Budgets		
126	Transfer Payments	1,193,100	1,193,100
127			

128	City Learning Centres		
129	Employees	517,200	593,800
130	Premises	50,000	93,300
131	Transport	19,000	19,200
132	Supplies and Services	157,200	156,900
133	Third Party Payments	71,300	100
134	Support Services	0	3,500
135	Customer and Client Receipts	0	(52,100)
136			
137	Advanced Skills Teachers		
138	Employees	317,100	317,100
139			
140	School Intervention		
141	Transfer Payments	674,500	674,500
142			
143	Carbon Reduction		
144	Third Party Payments	189,400	259,400
145			
146	Capital Expenditure From Revenue		
147	Premises		649,000
148	Supplies and Services		10,643,600
149	Government Grants		(5,471,500)
150	Customer and Client Receipts		(1,680,100)
151	Recharge to Other Revenue Accounts		(1,195,900)
152			
	Non Devolved Grant/Funded Expenditure		
153			
154	Other Specific Grants		
155	Employees	218,700	-
156	Supplies and Services	39,700	-
157	Other Grants and Reimbursements	-258,400	-
158			
159	Dedicated School Grant		
		-	
160	Government Grants	222,387,300	(228,424,700)
161	Recharge to Other Revenue Accounts	0	49,335,300
162			
163	Headroom		
164	Transfer Payments		250,700
165			
166	Grand Total	190,000	2,745,100