

WIRRAL COUNCIL

FAMILIES AND WELLBEING POLICY & PERFORMANCE COMMITTEE

8 JULY 2014

SUBJECT	FINANCIAL MONITORING 2014/15 MONTH 2 (MAY 2014)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES

1 EXECUTIVE SUMMARY

- 1.1 This report sets out the financial monitoring information for this Committee in a format consistent across the Policy and Performance Committees. The report aims to give Members sufficient detail to scrutinise budget performance for the Directorate. Financial information for Month 2 (May 2014) which is being reported to Cabinet on 7 July is included.

2 BACKGROUND AND KEY ISSUES

- 2.1 Members of the Policy and Performance Committees have previously requested that financial monitoring information is provided as a standard item at each Committee.
- 2.2 Since September 2012 monthly revenue and capital monitoring reports have been submitted to Cabinet as a means of providing regular, detailed updates on budget performance.
- 2.3 The Coordinating Committee has agreed that in order to fulfil its corporate and strategic scrutiny role, it will continue to review the full versions of the most up to date monitor reports at its future scheduled meetings.

3 REPORTING TO POLICY & PERFORMANCE COMMITTEES

- 3.1 The relevant sections from the most recent revenue and capital monitoring reports reported to Cabinet are summarised into a bespoke report for each Policy and Performance Committee. This will include the following:
- Performance against revenue budget
 - Performance against in year efficiency targets
 - Performance against capital budget
- 3.2 The following sections have been extracted from the Financial Monitoring reports presented to Cabinet on 7 July 2014.

PERFORMANCE AGAINST REVENUE BUDGETS MONTH 2 (MAY 2014)

3.3 CHANGES TO THE AGREED BUDGET

3.3.1 2014/15 Original & Revised Net Budget £000's

	Original Net Budget	Approved Budget Changes Prior Mths	Approved Budget Changes Month 1-2	Revised Net Budget
FWB - Adult Social Services	74,667	-	-	74,667
FWB – Children & YP, Schools & Safeguarding	82,877	-	-	82,877
FWB - Sport & Recreation	8,502	-	-	8,502
Net Cost of Services	166,046	0	0	166,046

3.3.2 Changes to the Budget agreed since the 2014/15 Budget was set

Items	£m
None Applicable	-

3.3.3 There have been no budget movements between directorates in the first two months of the year.

3.4 VARIATIONS

3.4.1 The report will use RAGBY ratings that will highlight under and overspends and place them into 'risk bands'. The 'risk band' classification is:

- Extreme: Overspends - **Red** (over +£301k), Underspend **Yellow** (over - £301k)
- Acceptable: Amber (+£141k to +£300k), Green (range from +£140k to - £140k); Blue (-£141k to -£300k)

3.4.2 2014/15 Projected Budget variations £000's

Directorates	Revised Budget	Forecast Outturn	(Under) Overspend Month 2	RAGBY Classification	Change from prev mnth
FWB - Adult Social Services	74,667	77,662	2,995	R	-
FWB – Children & YP, Schools & Safeguarding	82,877	82,877	0	G	-
FWB - Sport & Recreation	8,502	8,513	11	G	-
TOTAL	166,046	169,052	3,006		0

3.4.3 RAGBY full details

Department	Number of Budget Areas	Red	Amber	Green	Blue	Yellow
Adult Social Services	2	1	0	1	0	0
Children & Young People, & Schools	7	0	0	7	0	0
Safeguarding	1	0	0	1	0	0
Sports & Rec	1	0	0	1	0	0
Total	11	1	0	10	0	0

3.4.4 The red rated business area relates to Delivery within Adult Social Services and relates to the delivery of the 2014/15 savings programme.

3.4.5 An overspend of £3 million is currently forecast for the Directorate.

- Adults: Slippage against 2014/15 savings projects is £2.35m with further actions to be identified. The remaining variations cover a number of areas mainly within community care. Pressure within the Community Care budget is being addressed through management actions and savings projects. These areas have been highlighted by the DASS Transformation Board and are being reviewed with a view to identifying mitigating actions
- Childrens: No variances have been reported for childrens. Careful monitoring of savings progress will be required during the year.
- Schools, Safeguarding, Sport & Recreation: A minor variation of £11,000 is currently forecast for Sport and Recreation.

3.4.6 A number of mitigation actions are in place at both Directorate and Corporate levels to reduce the risks to the budget. These include continuation of the spending freeze, vacancy control measures, the voluntary redundancy offer, reviewing growth allocations and identification and control of other underspending directorate budgets. Mitigating actions will also deliver £3m from within the public health budget. These measures include capitalisation of eligible schemes which, reduces commitments on the revenue budget efficiencies, rephrasing and review of Public Health Outcomes Funding and use of public health funding against other eligible directorate commitments

3.5 IMPLEMENTATION OF 2014/15 SAVINGS

3.5.1 Budget Implementation Plan 2014/15 £000's

BRAG	Number of savings Options	Approved Budget Reduction	Amount Delivered at May	Still to be Delivered
B - delivered	28	5,611	5,611	0
G – on track	16	4,311	0	4,311
A - concerns	19	7,582	190	7,392
R - high risk/ not achieved	3	883	0	883
Total at M2 May	66	18,387	5,801	12,586

3.5.2 The Red rated options relates to the following:

- **Continuing Health Care Appeals** - Difficulty in obtaining information from CCG due to confidentiality issues to be progressed by Joint interim Finance post
- **Improve Collection of Client Contributions** - Will not impact on the DASS budget. May be deliverable against the bad debt provision
- **External Funding Expertise** - Post on hold subject to review

A number of other options are rated as amber and will be closely monitored during the year.

3.6 PERFORMANCE AGAINST CAPITAL BUDGETS MONTH 2 (MAY 2014)

3.6.1 Table 1: Capital Budget

	Capital strategy	Re-profiling	Other changes to be noted	Revised Capital Programme	Actual Expenditure May 2014
Universal & Infrastructure	5,983	1,113	0	7,096	110
Families & Wellbeing - CYP	13,879	3,376	-2,877	14,378	502
Families & Wellbeing – Adults	3,611	1,173	0	4,784	155
Families & Wellbeing – Sport & Recreation	1,000	1,000	357	2,357	0
Total expenditure	24,473	6,662	-2,520	28,615	767

Significant variations to be approved or noted by Cabinet for Period 2 are set out in the following table.

Table 2: Significant variations to the 2014/15 programme £000's

	Changes to be noted	Explanation (A) Policy (B) Items previously deferred (C) Funding (D) Re-profiling (E) Reduced requirement
Families & Wellbeing – CYP	-2,187	Phasing of 2014-15 Condition/Modernisation programmes in later years – Allocation has been confirmed. (C).
	-690	6 schemes from the above allocation will not commence until 2015/16 (D).
Families & Wellbeing - Sport & Recreation	357	Transfer of responsibility for a number of Public Health funded schemes (A).
Total Significant Variations	-2,520	

3.6.2 Families and Wellbeing – Adults

The Integrated I.T. scheme (Liquidlogic) is progressing with over 50% of the scheme now completed.

The Learning Disabilities Extra Care Housing Scheme procurement was completed in early 2014 and a delivery plan agreed.

Families and Wellbeing – CYP

DfE allocations for 2014/15 were announced on the 24th of January 2014. The programme includes a wide range of projects and these will promote the Council's corporate priorities. In drawing up the Capital Programme for 2014/15, the department has continued to follow similar strategies in previous years for enhancing premises, dealing with condition related works, improving student learning environments, community accessibility, safety and security compliance. The Capital Programme is made up of allocations from the DfE for Capital Maintenance, Basic Need and Universal Infant Free School Meal allocations plus Council Capital for specific high value projects and general pupil place planning.

Whilst Capital allocations have not been ring-fenced to particular areas of need by the DfE, the principles followed are:

- (i) To undertake projects identified in the Asset Management Plan to enhance the Suitability and Condition of schools and enable a full range of curriculum activities.
- (ii) To undertake projects supporting the changing Primary and Secondary

school pupil rolls across the Borough.

(iii) To work with other Council departments to deliver the Strategic Asset Review, particularly in the co-location of services, early years childcare and forward planning for other regeneration projects.

(iv) To enable inclusion within mainstream schools for pupils with physical and mental disabilities and to ensure that Special Schools are able to provide the care required for a range of disabilities.

v) To identify those schools for which Basic Need and the Council's allocation for school place planning should be considered for the sufficiency of places; these are included within both the feasibility/design development section and the main schemes.

Current Programme

Good progress is being made by the in-house Asset Management and Design Teams on major projects included in the 2013/14 capital programme, at June 2014 there are 2 large contracts (over £500k) on site in addition to a range of smaller value projects and 15 large projects where detailed design work is taking place; these are at various stages of the design/conception phases.

Universal Infant Free School Meals

Following announcements in late 2013 to introduce a new entitlement for all pupils in years 1 and 2 details were received by Local Authorities in January giving more information of the initiative.

In Wirral this initiative will result in an expected pupil meal increase of 7,000 meals per day. Whilst there are a number of kitchens requiring extensive building work to enable capacity increase, many kitchens require new heavy equipment which need adequate ventilation systems, electrical supplies etc. Works will continue over the summer holiday to ensure kitchen production is ready for September. Due to the rolling-programme of investment in kitchens over the past few years Wirral was in a stronger position than many LA's to meet the new initiative. However, continuation of capital investment will be required to meet the increased meal numbers, to ensure that safety legislation is met and to replace old kitchen equipment.

Priority School Building Programme

Wirral was successful in its application to re-build 3 new schools under the PSBP (1), the first scheme to rebuild Foxfield Special School is on-site and construction is progressing quickly. The anticipated date for completion is early 2015 when the new school will move from its current site in Moreton to Woodchurch. Ridgeway High School and Bedford Drive School are also included in PSBP (1) but will follow a Private Finance Initiative route, the projects are progressing and the appointment of a preferred contractor will be announced shortly.

PSBP (2) has just been announced by the DfE and it is intended that further bids will be submitted for inclusion in this next round of this significant construction programme. The final submission date for bids is 21 July 2014 and all schools will be assessed against the criteria set by the Education Funding Agency and Condition data held by Asset Management.

School Basic Need and Sufficiency Requirements

Wirral received amounts of £512,000 in both 2013/14 and 2014/15 to meet the need for additional pupil places. Whilst the impact of pupil number growth has not had the same impact as in many other Local Authorities in the country, there have been pockets of higher pupil numbers in a few schools and as a result additional space has been provided.

4 RELEVANT RISKS

4.1 There are none relating to this report.

5 OTHER OPTIONS CONSIDERED

5.1 Any option to improve the monitoring and budget accuracy will be considered.

6 CONSULTATION

6.1 No consultation has been carried out in relation to this report.

7 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

7.1 There are no implications arising directly from this report.

8 RESOURCE IMPLICATIONS: FINANCIAL, IT, STAFFING AND ASSETS

8.1 In respect of the Revenue Budget the Families and Wellbeing Directorate is projecting a £3m over spend as at the 31 May 2014.

9 LEGAL IMPLICATIONS

9.1 There are no implications arising directly from this report.

10 EQUALITIES IMPLICATIONS

10.1 The report is for information and there are no direct equalities implications at this stage.

11 CARBON REDUCTION IMPLICATIONS

11.1 There are no implications arising directly from this report.

12 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are no implications arising directly from this report.

13 RECOMMENDATIONS

13.1 Members are requested to review the information presented to determine if they have any specific questions relating to the budget for the Families and Wellbeing Directorate.

14 REASONS FOR THE RECOMMENDATIONS

14.1 To ensure Members have the appropriate information to review the budget performance of the directorate.

REPORT AUTHOR Peter Molyneux
Telephone (0151) 666 3389
E-mail petemolyneux@wirral.gov.uk

APPENDICES

Extracted from the Capital Monitoring report to Cabinet on 7 July 2014:-

Annex 1 Proposed Capital Programme and Funding Cabinet March 2014

Annex 2 Childrens Capital Allocations 2014-15

SUBJECT HISTORY

Council Meeting	Date
Monthly financial monitoring reports for Revenue and Capital have been presented to Cabinet since September 2012.	

Annex 1 Revised Capital Programme

	Revised Programme £000	Actual £000	Council Resources	Grants	Revenue/ Reserves	Total
Universal and Infrastructure Services						
Building refurbishment to increase occupancy	1,172	27	1,172			1,172
Wallasey Town Hall	68	15	68			68
Strategic Asset Review	96	38	96			96
Fund to assist land assembly and re-sale	936		936			936
Cleveland St Transport Depot	1,000	30	1,000			1,000
Park depot rationalisation	1,310		1,310			1,310
Energy efficiency Initiatives	500		500			500
Energy schemes	497		497			497
Structural/Roofing works - West Kirby Concourse	344		344			344
Demolish Stanley Special	275		275			275
Demolish Bebington Town Hall and Liscard Municipal	378		378			378
Demolish former Rock Ferry High	400		400			400
Demolish Foxfield	120		120			120
	7,096	110	7,096	0	0	7,096
Families and Wellbeing - CYP						
Elleray Park Special School redevelopment	500		500			500
School remodelling and additional classrooms	1,336		800	536		1,336
Children's centres	206			206		206
Aiming Higher for Disabled Children	134	-9		134		134
Youth Capital	149		98	51		149
Birkenhead High Girls Academy	472			403	69	472
Vehicle Procurement	140				140	140
Condition/Modernisation	3,590	505		3590		3,590
Basic Need	100			100		100
Family Support Scheme	155		155			155
Formula Capital Grant	2,881			2881		2,881
Private Finance Initiative	150				150	150
Wirral Youth Zone	2,085	28	2085			2,085
Funding for 2 year olds	130	-22		130		130
Foxfield contribution to priority school	1,000		500	500		1,000
Somerville primary school mobile replacement	1,350		600	750		1,350
	14,378	502		9,281	359	14,378
Families and Wellbeing - DASS						
Citizen and Provider Portal for Social and Health Services	617			617		617
Transformation of Day Service	1,250			1250		1,250
Integrated IT	1,873	155	1000	873		1,873
Extra Care Housing	500			500		500
LD extra care housing	544		544			544
	4,784	155	1,544	3,240	0	4,784

	Revised Programme £000	Actual £000	Council Resources	Grants	Revenue/ Reserves	Total
Families and Wellbeing - Sports & Recreation						
West Kirby/Guinea Gap/Europa Pools	2,000		2,000			2,000
	2,000	0	2,000	0	0	2,000
Regeneration and Environment - Environment & Regulation						
Road Safety	755	84	117	638		755
Congestion	358	-60	3	355		358
Active Travel	935	-29	505	430		935
Transportation	321	11	91	230		321
Local Sustainable Transport Fund	486	-89		486		486
Bridges	1,586	80	736	850		1,586
Highways Maintenance	3,069	-23	777	2,292		3,069
Street Lighting	288	39	88	200		288
Coast Protection	224	-23	201	23		224
Asset Management	84	-71		84		84
Parks Plant and Equipment	728	100	728			728
Parks vehicles replacement	988	26	988			988
Arrowe Park Changing pavilion	144	28	144			144
Landican Cemetery	71		71			71
Birkenhead Park Restoration Fees	97		97			97
Hoylake Golf Course	30		30			30
Park Outdoor Gyms	2			2		2
Reeds Lane Play Area	60			60		60
Royden Park	14			14		14
Allotments	168			168		168
Start Active, Play Active, Stay active	230			230		230
Wirral Way - widening and safety improvements	130			130		130
	10,768	73	4,576	6,192	0	10,768
Regeneration and Environment - Housing & Community Safety						
Aids, Adaptations and Disabled Facility Grants	3,503	189	1,873	1,630		3,503
Clearance Approved Cabinet	1,521	11	705	741	75	1,521
Home Improvement Approved Cabinet	707	65	506	201		707
Improvement for sale grants	200				200	200
Empty Property Interventions	230	13	170		60	230
Housing Renewal	698		478	220		698
New House Building Programme	1,500		1,500			1,500
Wirral Healthy Homes approved 14/03/13 and 18/04/13	0					0
Cosy Homes Heating	30	19	30			30
The Priory	265			265		265
	8,654	297	0	5,262	335	8,654

Annex 2 Childrens Capital Allocations 2014-15

CAPITAL MAINTENANCE ALLOCATION £3,263,000

BASIC NEED ALLOCATION £512,464

NON SPECIFIC SCHOOL LOCATIONS	
School Access/DDA	£250,000
Boiler Renewal Programme	£250,000
Kitchen Ventilation Programme	£250,000
i. Sub-Total	£750,000

FEASIBILITY & DESIGN DEVELOPMENT	
Church Drive Primary - Capacity	£10,000
Town Lane Primary - Capacity	£10,000
Higher Bebington Primary - Capacity	£10,000
Hayfield Special School - Suitability	£20,000
Meadowside Special School – Pool area re-modeling	£20,000
Sub-Total	£70,000

LARGER SCHEMES	
Castleway Primary – internal classroom re-modeling and upgrade of fire detection	130,000
Devonshire Park – kitchen & dining re-modeling	200,000
Elleray Park - heating	250,000
Great Meols Primary – Sports Barn	130,000
Mosslands – structural/roof refurbishment	250,000
Riverside Primary – internal classroom refurbishment	150,000
Sandbrook primary – heating system conversion & internal refurbishment	150,000
St Georges Primary – toilets and access extension	130,000

Well Lane Primary – toilet & classroom re-design	150,000
Sub-Total	1,540,000

MEDIUM / LOWER VALUE SCHEMES	
Barnston Primary – pupil toilet refurbishment	40,000
Bidston Avenue Primary – flat roof refurbishment	12,000
Bidston Village CE Primary – Flat roof refurbishment	25,000
Black Horse Hill Juniors – Front entrance/security/office remodeling	50,000
Brookdale Primary – Structural remedial works	5,000
Cathcart St Primary – roof/canopy refurbishment	10,000
Ganneys Meadow Early Years – pupil toilet refurbishment	20,000
Greasby Infants – flat roof renewal	70,000
Greasby Juniors - guttering	12,000
Higher Bebington Junior – front playground resurface and rear playing field boundary	90,000
Hillside Primary – boundary wall structural works	10,000
Kingsway Primary – fire alarm/smoke detector system	40,000
Lingham Primary – main entrance & internal re-modelling	100,000
Liscard Primary – school house safety and refurbishment	40,000
Mersey Park Primary – infant classroom re-modelling	60,000
Mount Primary – contribution to hall extension	10,000
Overchurch Infants & Juniors – boundary fencing	10,000
Portland Primary – fire alarm/smoke detector system	40,000
St Bridgets CE (VC) – flat roof renewal & boundary wall rebuild	40,000
St Georges (upper site) media room roof	50,000
Well Lane Primary – fire alarm/smoke detector	30,000
Wirral Hospital School – window installation	30,000
Sub-Total	794,000
BASIC NEED ALLOCATION:	
Fender Primary – Capacity additional classrooms & internal remodelling	600,000

Sub-Total	600,000
------------------	----------------

ALL TOTALS	3,754,000
-------------------	------------------

UNALLOCATED	21,464
--------------------	---------------

OTHER CAPITAL	
COUNCIL CAPITAL ALLOCATIONS	
Family Support	100,000
Elleray Park – Suitability	500,000
Foxfield – Demolition	120,000
Foxfield – Contribution to PSBP	500,000
School Remodelling and Additional Classrooms	750,000
PFI	55,000
Somerville – Mobile Replacement	600,000
OTHER DfE ALLOCATIONS	
Universal Infant Free School Meals	623,802 (Community) 241,048 (Aided)
Devolved Formula Capital	649,752 (Community) 220,522 (Aided)
LCVAP – Aided Schools Capital Maintenance	1,067.154

- *The working Programme includes previously approved schemes allocated in previous years*
- *All new starts will consider the use of DFC as a contribution to the scheme*