

MATTERS FOR NOTING

CABINET – 9 OCTOBER 2014

61 FINANCIAL MONITORING 2014/15 (MONTH 5) - REVENUE

The Leader of the Council introduced a report by the Director of Resources which set out the revenue position for 2014/15, which at Month 5 (August 2014) showed a projected General Fund overspend of £3.19 million (1.3% of the net revenue budget). This was an improvement compared with a projected overspend reported at month 4 of £3.68 million. The report also provided further details of the measures being undertaken to address the General Fund overspend as requested by the Cabinet when it considered the Month 4 report at its 11 September 2014 meeting (Minute No. 46 refers).

The Cabinet noted that the projected overspend originated in the main from the Families and Wellbeing Directorate. Adult Social Services were currently projecting a £2.7 million overspend. This was mainly due to slippage or non-delivery of in-year savings and demand pressures. The Children's area of the Directorate was also forecasting an overspend of £543,000. This was mainly due to non-achievement of in year transport savings as well as the costs of external residential placements. It was noted that a series of management actions were taking place within the Families and Wellbeing Directorate to help compensate and/or limit any variances.

Appended to the report was the Revenue Monitoring and Reporting Timetable 2014/15, the General Fund Revenue Budget 2014/15 agreed by the Council on 25 February 2014, Monitoring Full Details, Growth and Risk, Income and Debt and Accounts Receivable.

The Leader informed that there were ongoing pressures within the two Departments and that officers were working hard to address the particular issues and keep within budget. It was both difficult and challenging within the Departments because the pressures being faced were demand led.

RESOLVED: That

- (1) the Cabinet notes that at Month 5 (August 2014), the full year forecast projects a General Fund overspend of £3,189,000; and**
- (2) Cabinet notes the risks relating to non delivery of savings as detailed within the report and the continued requirement for mitigation and actions to be identified.**

62 FINANCIAL MONITORING 2014/15 (MONTH 5) - CAPITAL

The Leader of the Council introduced a report by the Director of Resources which set out the capital position for 2014 to Month 5 (August 2014) and the Cabinet noted that, at this stage of the year, no variances had, as yet, been identified which would impact on the forecasted year end outturn.

The report provided information which outlined the 2014/15 Capital Programme and the sources of funding. Appended to the report were the Revised Capital Programme and Funding and Capital Receipts.

RESOLVED: That

- (1) the spend to date at Month 4 of £9.8 million, with 42% of the financial year having elapsed be noted;**
- (2) the revised Capital Programme of £60.5 million be agreed; and**
- (3) the Capital Programme be amended to include the Flood Risk Management works funded by Grant (£15,000) referred to in paragraph 3.28 of the report.**

CABINET – 6 NOVEMBER 2014

79 FINANCIAL MONITORING 2014/15 (MONTH 6) - REVENUE

Councillor Phil Davies introduced a report by the Director of Resources which set out the revenue position for 2014/15, which at Month 6 (September 2014) showed a projected General Fund overspend of £2.69 million (1% of the net revenue budget). It was noted that this was an improvement compared with a projected overspend reported at month 5 of £3.19 million.

The Cabinet also noted that the projected overspend originated in the main from the Families and Wellbeing Directorate. Adult Social Services were currently projecting a £2.7 million overspend. This was mainly due to slippage or non-delivery of in-year savings and demand pressures. The Children's area of the Directorate was also forecasting an overspend of £545,000. This was mainly due to non-achievement of in year transport savings as well as the costs of external residential placements. It was noted that a series of management actions were taking place within the Families and Wellbeing Directorate to help compensate and/or limit any variances.

Appended to the report was the Revenue Monitoring and Reporting Timetable 2014/15, the General Fund Revenue Budget 2014/15 agreed by the Council at its meeting on 25 February 2014, Monitoring Full Details, Growth and Risk, Income and Debt and Accounts Receivable.

RESOLVED: That

- (1) the Cabinet notes that at Month 6 (September 2014), the full year forecast projects a General Fund overspend of £2,688,000; and**
- (2) the Cabinet also notes the risks relating to non-delivery of savings as detailed within the report and the continued requirement for mitigation and actions to be identified.**

80 FINANCIAL MONITORING 2014/15 (MONTH 6) - CAPITAL

Councillor Phil Davies introduced a report by the Director of Resources which set out the capital position for 2014 to Month 6 (September 2014) and the Cabinet noted that a number of variances had, been identified which would impact on the outturn (Table 2). The report provided information which outlined the 2014/15 Capital Programme and the sources of financing.

The Cabinet noted, in particular, that the re-profiling of the Capital Programme following a half year review, plus previously agreed changes had reduced the borrowing requirement for 2014/15 by £8.8 million. The slippage would result in a one-off financing saving in 2014/15 of £800,000. Consequently, Councillor Phil Davies thanked everyone who had been involved with this. The full budget would be required in 2015/16 when the re-profiled expenditure occurred.

Appended to the report were the Revised Capital Programme and Funding and Capital Receipts.

RESOLVED: That

- (1) the spend to date at Month 6 of £12.7 million, with 50% of the financial year having elapsed be noted; and**
- (2) the revised Capital Programme of £46.7 million be agreed.**

92 YOUTH EMPLOYMENT GATEWAY (YOUTH CONTRACT UNDERSPEND)

Councillor Pat Hackett introduced a report by the Strategic Director – Regeneration and Environment that informed Members of the outcome of a Liverpool City Region (LCR) bid that had successfully secured £5.9m of funds from the national Youth Contract Underspend Programme to support young people into sustainable employment. The report provided an overview of the Programme and the opportunity for the Council to deliver activity to reduce youth unemployment in Wirral.

The Cabinet was informed that Knowsley Council was the accountable body for these funds across the city region and delegated authority was sought for the Strategic Director, Regeneration and Environment, in consultation with the Head of Legal and Member Services to accept funds from Knowsley Council, commence a competitive procurement procedure and subsequently appoint a supplier to deliver this Programme on Wirral on behalf of the Council.

The Strategic Director proposed that the call-in period for this report be waived to enable the procurement procedure to commence at the earliest opportunity and enable delivery on Wirral to start in this financial year. The Chief Executive agreed that the decision proposed was reasonable in all the circumstances and that it be treated as a matter of urgency in accordance with Standing Order No. 35(10)(a).

The Cabinet noted that it was a requirement of the funding that the Council secured additional European Union funds to add to the Programme. Authorisation was sought

for the Strategic Director, Regeneration and Environment, to submit a bid and, subject to a successful application, accept the funds.

Appendix 1 to the report contained commercially sensitive information regarding a future competitive tendering process, the disclosure of which was not considered to be appropriate. Accordingly, it was deemed to be exempt from disclosure under paragraph 3, Part 1 of schedule 12A of the Local Government Act 1972 (as amended). Appendix 1 was attached to the agenda at Item No. 24. – Exempt Appendix – Youth Employment Gateway - (Minute No. 97 refers)

Councillor Phil Davies informed the Cabinet that he was pleased that the outcome had been to successfully attract £5.9m of funding from the national Youth Contract Underspend Programme with additional money from Europe. This outlined the strength of the City Region. He also reported that he had signed a growth deal with the Minister the previous day.

RESOLVED: That:

- (1) the investment of £5.9m from the national youth contract Underspend Programme to deliver activity to reduce youth unemployment across the Liverpool City Region be welcomed;**
- (2) on receipt of a finalised funding offer letter from Knowsley Council authority be delegated to the Strategic Director, Regeneration and Environment, in consultation with the Head of Legal and Member Services to finalise and accept the grant agreement offer on behalf of the Council;**
- (3) the Strategic Director, Regeneration and Environment be authorised to commence a competitive procurement procedure and subsequently accept the most economically advantageous tender to select a supplier to deliver the Youth Employment Gateway programme in Wirral;**
- (4) the call-in period for the recommendations in this report be waived to enable the procurement procedure to commence at the earliest opportunity and enable delivery of the Youth Employment Gateway programme in Wirral to commence this financial year; and**
- (5) the Strategic Director, Regeneration and Environment be authorised to submit a bid for European Union's funds, namely European Social Fund and Youth Employment Initiative, to seek additional funds for the Youth Employment Gateway Programme and, subject to a successful application, accept the funding offer letter in consultation with the Head of Legal and Member Services.**