

CABINET**25 NOVEMBER 2019****QUARTER 2 2019/20 REVENUE FINANCIAL MONITORING**

Councillor Janette Williamson, Cabinet Member for Finance and Resources, said:

‘We continue to deal with huge financial pressures, resulting from a combination of austerity policies and continually increasing demand for and cost of services. We do everything we can to protect our front-line services from the worst of these cuts. We make commercial investments and decisions to make money to replace the funds which have been taken away from us, and we continually develop new ways to deliver services with less money.

“We will continue to act responsibly with public money, and get the best possible value for Wirral residents. This does not get any easier, as the cuts continue to bite and put almost unprecedented pressure on our finances and the services we provide. We will deliver a balanced budget for this year – despite the issues we face – and, later in the year, we will consult with local people on a new five year financial strategy which will aim to stabilise our long-term financial position.”

REPORT SUMMARY

This Statement provides a summary of the projected year-end revenue position as at Quarter 2, Month 6 (September 2019).

The year-end forecast recorded as part of September’s financial monitoring activity represents an adverse variance to budget of £7.155m. The Council is encountering significant cost pressures, which are being managed, but known total budget pressures of £12.955m exist. Due to the Council’s financial position, an adverse budget variance is not viable.

This matter is a key decision which affects all Wards within the Borough.

RECOMMENDATION/S**Revenue**

- 1 To note the Year end forecast position at Quarter 1 of £7.115 million Adverse.
- 2 To note the level of achievement of savings proposed for 2019-20.
- 3 To note the revisions to Medium Term Financial Strategy (MTFS) 2020-2025.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

1.1 Regular monitoring and reporting of the Revenue Budgets, savings achievements and MTFS position enable decisions to be taken faster which may produce revenue benefits and will improve financial control in Wirral Council.

2.0 OTHER OPTIONS CONSIDERED

2.1 No other options have been considered.

3.0 BACKGROUND INFORMATION

3.1 Revenue Budget and Forecast

3.1.1 The year-end forecast for revenue expenditure, recorded as part of September financial monitoring activity, represents an adverse variance to budget of £7.155m.

Table 1: Wirral Council 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				Previous Forecast Variance £m	
	Budget	Forecast	Variance (+ Fav, - Adv)			Adv/Fav
	£m	£m	£m	%		
Adult Care & Health	87.172	88.138	(0.965)	-1%	Adverse	(0.000)
Children	86.581	89.892	(3.311)	-4%	Adverse	(2.711)
Business Management	5.781	6.210	(0.429)	-7%	Adverse	(0.198)
Economic Housing Growth	28.854	28.561	0.292	1%	Favourable	0.079
Delivery	45.267	48.008	(2.741)	-6%	Adverse	(1.634)
Directorate Total	253.654	260.809	(7.155)	-3%	Adverse	(4.463)
Support / Admin Building Overhead	31.555	31.555	(0.000)	0%		0.000
Organisational Total	285.209	292.364	(7.155)	-3%	Adverse	(4.463)

3.1.2 The year-end forecast, recorded as part of September financial monitoring activity, represents an adverse variance to budget of £7.155m. The Council is encountering significant cost pressures, which are being managed, but known total budget pressures of £12.955m exist:

Table 2: Wirral Council 2019/20 Pressure Statement

Pressure Statement 19/20	£m	£m
Forecast Adverse Revenue Position		(7.155)
<u>Pressures</u>		
Adult Care & Health	(5.200)	
Children's Complex Needs	(0.600)	
Total Budget Pressure		(12.955)

3.1.3 Due to the Council's financial position, an adverse budget variance is not viable and Corporate Directors are being supported to ensure that a balanced budget can be achieved by year-end. The main actions being undertaken are detailed in the table 3.

3.1.4 There is an Action Plan in place to address the position. There are also a series of actions being developed, these include:

- Marketing activity to improve demand for leisure services;
- Marketing activity to improve garden waste subscriptions;
- Strategic transport review
- Assisted travel policy

Paragraph 3.2 provides more detail about the drivers of the pressures and existing mitigations.

Table 3: Wirral Council Summary of 2019/20 Action Plan to Mitigate Budget Gap

	Total	Adult Care & Health	Children	Business Management	Economic & Housing Growth	Delivery
	£m	£m	£m	£m	£m	£m
Gross Forecast Budget Pressure	(12.955)	(6.165)	(3.911)	(0.429)	0.292	(2.741)
<u>Actions (In Progress)</u>						
Use of Reserve (One Off)	2.200	2.200				
Settlement of old-year joint funded cases	0.600	0.600				
Full recovery of Third Party Top-ups	0.400	0.400				
Direct Payments Audit (year-end)	0.300	0.300				
Savings achievable from Wirral Community Foundation Trust and Cheshire Wirral Partnership	1.700	1.700				
Shift of existing placements from residential care to in house provision	0.600		0.600			
Sub-total	5.800	5.200	0.600	0.000	0.000	0.000
Net Forecast Budget Pressure	(7.155)	(0.965)	(3.311)	(0.429)	0.292	(2.741)

3.2 Revenue Budget Monitoring Position by Directorate

3.2.1 Adult Care and Health: Forecast - £0.965m Adverse Variance Position

3.2.2 Demand for services is the key driver of risk in Adult Care and Health and has caused an adverse movement in expenditure forecast of £0.965m from a balanced position in the last quarter. Failure to achieve some or all of the Actions in Progress will result in a net budget deficit at year-end; the maximum risk exposure is £6.2m.

Table 5: Adult Care and Health 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				Adv/Fav
	Budget	Forecast	Variance		
	£000	£000	£000	(+ Fav, - Adv) %	
Health & Care Outcomes	91,110	90,656	454	0%	Favourable
Integrated Commissioning Programme	(1,578)	764	(2,342)	-148%	Adverse
All Age Disability Service	(2,178)	(3,100)	923	42%	Favourable
Health & Wellbeing	(183)	(183)	0	0%	Favourable
Directorate (Surplus) / Deficit	87,172	88,138	(965)	-1%	Adverse
Support / Admin Building Overhead	3,498	3,498	(0)		
Total (Surplus) / Deficit	90,670	91,635	(965)	-1%	Adverse

3.2.3 Health & Care Outcomes

- The forecast budget deficit of £0.492m relates to care packages. This is due to increased demand for domiciliary care packages, where demand has risen by 5.8% since April 2019, causing an adverse variance to budget of £0.996m. This is partially mitigated by reduced demand for long-term residential care and direct payments, which are forecast to outturn a favourable variance of £0.504m.
- The forecast budget surplus of £1.109m relating to income. Due to an overall increase in demand for social care services, the income budgets for client charges and NHS joint funding are forecast to be in surplus by £0.662m and £0.321m respectively. Additional grant income accounts for the remaining surplus balance of £0.126m

3.2.4 Integrated Commissioning Programme

- A forecast budget deficit of £4.542m exists, relating to increasing demand and acuity in care packages. This is partially mitigated by the anticipated use of £2.200m of social care reserves (subject to audit approval).

3.2.5 All Age Disability Programme

- £0.173m forecast budget deficit relates to care packages and is caused by increased demand for direct payments and home care services.
- There are some forecast budget surplus of £0.722m, which has been caused by staff vacancies and £0.374m relating to income from the national Social Care Support Grant. This is mitigated by a forecast budget deficit in NHS joint funding.

3.2.6 Health & Wellbeing

- This represents the activity relating to the use of ringfenced Public Health grant (total value £28m), and is forecast to be balanced against budget.

3.2.7 Children: Forecast - £3.311m Adverse Variance Position

- 3.2.8 The £3.311m forecast adverse position is a £0.737m increase from Quarter 1 forecast position (£2.711m). The adverse position is largely due to the Looked After Children Placement and additional service pressures described below; some of these pressures are forecast to be mitigated by employee vacancy savings.

Table 6: Children 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year			Variance %	Adv/Fav
	Budget £000	Forecast £000	£000		
Children's Social Care	45,013	48,977	(3,964)	-9%	Adverse
Modernisation & Support	5,250	5,061	189	4%	Favourable
Early Help & Prevention	10,192	9,958	234	2%	Favourable
Safer Wirral Hub	4,495	4,502	(7)	0%	Adverse
Schools - Core	20,789	20,552	237	1%	Favourable
Schools - DSG	841	841	0	0%	
Directorate (Surplus) / Deficit	86,581	89,892	(3,311)	-4%	Adverse
Support / Admin Building Overhead	8,179	8,179	0		
Total (Surplus) / Deficit	94,759	98,071	(3,311)	-3%	Adverse

3.2.9 Children's Social Care

- The average weekly rate for the residential placements continues to be high due to the market trend and complexity of needs. The average rate for this period is £3,178 per week, increased further compared with the average of the previous quarter (£3,091 per week).
- The current placement budget is based on the average weekly rate plus 2% inflation, however the weekly rate of the residential placements has increased by 23% driven by external market forces.
- The Looked After Children Commissioning budget for this quarter is forecast to £3.893m adverse position. The residential/semi-independent placements' forecast has increased to reflect the addition of and one new secure placement with the cost of £0.204m and increased contingency costs relating to existing placements increased weekly costs.
- The number of Independent Fostering Agency (IFA) placements has been reduced by 5 (from 105 placements at the end of August to 100 placements this period), reducing the cost by £0.099m. We have also secured Unaccompanied Asylum Seeking Children (UASC) grant income relating to 2 children (income £0.083m).
- The review of the existing placements is currently ongoing to transfer more of the residential and IFA placements towards the in-house provisions, in order to reduce the adverse position within this financial year.
- There is £0.201m pressure from the contact contract with Active8 (outsourced service for supervised contact visits) due to the extension of this contract and a delay to changing the operating model to an in-house service. This service delivery model is currently under review.
- £0.365m forecast adverse variance relates to items identified within savings targets, which remain at risk of non-delivery, however saving plans are in development, please see 3.5.3 for more detail.

3.2.10 Modernisation & Support

- Favourable position of £0.189m relates to staff vacancies

3.2.11 Early Help & Prevention

- Contextual Safeguarding shows an adverse position of £0.177m. Increasing concerns arising for the safeguarding of children has resulted in the need for a Complex Investigation Team. Some of the growth is offset by a favourable position in the Compass team due to staff vacancies and a joint funded approach is being investigated to mitigate the remaining pressure.
- Wirral Attendance Service shows an adverse position of £0.133m. This is due to loss of income from the cessation of a non-statutory service offered to schools. This service was aimed at supporting schools in managing the root causes of pupil non-attendance, many schools now oversee this activity in-house.
- Adverse position of £0.211m in the Integrated Front Door Service due to the use of agency staff.
- The pressure on the Emergency Duty Team is £0.186m due to delay in moving to new operating model and use of agency staff.
- The service pressures are being mitigation by the delay of the implementation of the Pause Programme (£0.450m), which works with women who have experienced, or are at risk of, repeated pregnancies that result in children needing to be removed from their care and aims to reduce demand for Children Social Care in the long term.
- The Troubled Families income target is challenging. The original target was based on a combination of a guaranteed Government Grant (£0.350m) and Payment by Results activity (£1.373m). The payment by result activity is forecast to deliver £0.873m, and the reduction is driven by the increased complexity of information demanded by the Government, leading to number of successful claims reducing and therefore less income. A review of the process is underway to increase the success rate of the claims. The forecast position is mitigated through the use of a reserve £0.5m.

3.2.12 Schools Core

- There is a £0.237m favourable variance in the Council funded elements of the schools' budget driven by in year staffing vacancies across a range of services. Until the vacancies are filled, the organisation is at risk on non-compliance in statutory services, such as Special Education Needs Assessments. Recruitment is underway to address this.

3.2.13 Schools Dedicated Schools Grant (DSG)

- Schools are funded by a ringfenced grant. Ringfenced reserves are not taken into account in assessing the Councils ability to set a lawful balanced budget, and as such a DSG deficit would not need to be covered by an equivalent amount in general reserves.
- Work has been ongoing with the service to establish a projected cost for 2019/20 and a £3.761m adverse variance is anticipated against the ringfenced schools grant.
- The pressure has arisen due to the increased volume and complexity of SEND pupils. This

has led to an increase in the number of Education Health & Care Plans (EHCPs), particularly in primary schools (2,600 units of funding in 2019 compared to 2,000 in 2018). There are also additional places required in special schools from September 2019, both maintained and independent.

- The forecast overspend would result in a call on DSG reserves of £3.761m if realised. However, at the end of 2018/19 there was only £2.209m remaining in the DSG reserves meaning the deficit would be £1.552m at the end of 2019/20.
- An additional £700m was announced as part of the government's autumn spending round, it is unlikely the deficit will be met without changes to service provision. Any changes to service provision are currently subject to the outcome of the independent SEN review expected from Premier Advisory Group during the autumn term.
- In addition, individual school budgets are under increasing pressure, and although additional funding for schools was announced by central government, the impact of this is not yet clear. There was £8.890m remaining in the school balances reserve at the end of 2018/19, this leads to a likelihood that the reserve will reduce further by the end of 2019/20.

3.2.14 Business Management: Forecast - £0.429 Adverse Position

3.3.15 The £0.429m forecast adverse position is a £0.238m increase from Quarter 1 forecast position (£0.198m). The adverse position is largely due to income targets not being fully met and increased costs from the Coroners Service. some pressures are forecast to be mitigated by employee vacancy savings.

Table 7: Business Management 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				Adv/Fav
	Budget	Forecast	Variance		
	£000	£000	(+ Fav, - Adv) £000	%	
Change & Organisational Design	5,847	5,788	59	1%	Favourable
Finance & Investments	(21,508)	(21,413)	(95)	0%	Adverse
Commercial Management	(523)	(416)	(107)	-20%	Adverse
Strategic Commissioner Environment	16,485	16,485	0	0%	
Culture & Visitor Economy	1,478	1,516	(38)	-3%	Adverse
Governance & Assurance	4,002	4,251	(248)	-6%	Adverse
Directorate (Surplus) / Deficit	5,781	6,210	(429)	-7%	Adverse
Support / Admin Building Overhead	9,875	9,875	(0)		
Total (Surplus) / Deficit	15,655	16,085	(429)	-3%	Adverse

3.2.16 Finance & Investment

- This is due to income shortfalls due to reduction in the Housing Benefit Admin Grant from Department of Work and Pensions (DWP). The grant is reduced each year and replaced with smaller ad hoc grants throughout the year, however, these grants are insufficient to

replace the shortfall. The overall shortfall against income is projected to be £1.204m. This pressure has been partly mitigated through a favourable variance within Employees of £1.106m due to part year staffing vacancies.

3.2.17 Commercial Management

- This is due to a projected shortfall of income within the Design Team and has been forecast prudently as the Design Team are not operating at full capacity due to staff vacancy. Recruitment for this role is underway and is expected to improve income from Quarter 2 onwards.

3.2.18 Legal & Governance

- The key driver for the deficit is within the Coroners service. The deficit position is due to an increase in Central Government costs and an increase in demand for the service. Currently the risk is not mitigated, but analysis is being undertaken with Liverpool City Council as this is a shared service, with the aim of reducing expenditure in future years.

3.2.19 Economic and Housing Growth: Forecast - £0.292m Favourable Variance Position

3.2.20 The £0.292m forecast favourable position is a £0.212m improvement from Quarter 1 forecast position (£0.079m). The favourable position is largely to Housing function moving to this directorate from Delivery.

Table 8: Economic and Housing Growth 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				Adv/Fav
	Budget	Forecast	Variance		
	£000	£000	£000	%	
Major Growth & Housing Delivery	23,234	23,374	(140)	-1%	Adverse
Corporate Director for Economic & Housing Growth	(5,193)	(5,250)	57	1%	Favourable
Regeneration & Inward Investment	990	990	(0)	0%	
Housing	9,822	9,447	374	-4%	Favourable
Directorate (Surplus) / Deficit	28,854	28,561	292	1%	Favourable
Support / Admin Building Overhead	1,552	1,552	0		
Total (Surplus) / Deficit	30,405	30,113	292	1%	Favourable

3.2.21 Major Growth & Housing Delivery

- The adverse forecast expenditure of £0.140m is due planning related expenses, a review is underway to manage these costs through the capital programme.
- Delivery of the Local Plan remains a key priority. Reserves have been set aside to cover the local plan costs, estimated cost of delivery is £1.400m in 2019/20, £0.200m in 2020/21 and £0.400m in 2021/22.

3.2.22 Corporate Director for Economic & Housing Growth Management

- Favourable variance of £0.057m due to salary budget slippage from vacant Director post Apr – Jul 2019.

- Income of £3.65m was originally anticipated in 2019/20 from development within the Wirral Growth company. However, as the partnership with Muse has matured, the partnership agreement has been refocused to ensure any development is designed in consultation with residents, members and partners to ensure the maximum financial benefits can be realised for the Council. This may result in additional income being received in future years. This will be funded by a transfer from the Economic Growth reserve which was established to cover such delays in regeneration developments.

3.2.23 Housing Services

- The favourable position within Housing is forecast from the current cost of Supported Housing contracts based on current occupancy rates.

3.2.24 Delivery Services: Forecast - £2.741m Adverse Variance Position

3.2.25 The £2.741m forecast adverse position is a £1.107m deterioration from Quarter 1 forecast position (£1.634m). The adverse position is largely due to delays / reversals of key decisions relating to income generation and Housing function moving from this directorate to Economic and Housing Growth (£0.374m favourable variance).

Table 9: Delivery 2019/20 Full Year Revenue Budget and Forecast Position

	Full Year				
	Budget	Forecast	Variance		Adv/Fav
	£000	£000	(+ Fav, - Adv)	%	
Community Services	14,432	15,719	(1,287)	-9%	Adverse
Delivery Services Management	183	189	(6)	-3%	Adverse
Highways & Streetscene Services	26,797	28,201	(1,404)	-5%	Adverse
Asset Management	3,855	3,898	(43)	-1%	Adverse
Directorate (Surplus) / Deficit	45,267	48,008	(2,741)	-6%	Adverse
Support / Admin Building Overhead	8,452	8,452	0		
Total (Surplus) / Deficit	53,719	56,460	(2,741)	-5%	Adverse

3.2.26 Community Services

- There are income pressures (£0.49m) within Sport & Recreation caused by: the slippage of the development of the 3G pitches at Leasowe has delayed the income generation in year; a delay to realising commercial opportunities at the West Kirby Lake Sailing Centre facilities whilst awaiting completion of the building improvements and the ongoing negotiations to transfer the Beechwood Leisure Centre to an alternative provider. The commercial team are developing plans to improve the leisure centre offer with new gym equipment and classes. This will increase demand for memberships and improve income streams.
- The expectation of the 2019/20 budget was for the approved budget savings relating to the transfer of operations at the Floral Pavilion and two golf courses to expert providers, to be fully achieved. However, continuing delays in the transfer of the Floral Pavilion (£1.5m capital receipt and £0.55m revenue adverse variance) and Members recommendation to not proceed with the transfer of the Golf Courses (£0.11m) will mean that the saving target will not be realised in 2019/20.

3.2.27 Highways & Streetscene

- Due to reduced demand, car parking income is expected to fall short of the budget (£0.3m adverse). A comprehensive review of the transport strategy is being undertaken in this area to recommend improvements to Members
- The termination of the Council's contract with Kingdom, which enforced fines for environmental breaches such as dog fouling, littering, trade waste and smoking offenses, has generated a budget shortfall (£0.5m adverse) within the Waste & Environment Service Area; alternative options are being reviewed with regard environmental enforcement.
- There has been a slower than anticipated take up of the Garden Waste Subscription service, if this trend were to continue the forecast adverse budget variance of £0.2m. Work is underway to attract new subscribers through promotional activity and advertising, to mitigate this variance in year.
- Assisted Travel (£0.4m adverse) is due to the increased demand for home to school transport and adult transport. There is currently a policy review of this area being undertaken to help address this organisation-wide issue of increasing demand which will be reported in November 2019.

3.3 Achievement of 2019/20 Savings

3.3.1 In March, Council approved £45m savings to balance the 2019/20 budget. As at Q2, £34.940m are achieved or expected to be achieved, see appendix 1 for a more detailed breakdown of the savings initiatives.

3.3.2 The remainder are partly achieved or require further work to ensure the full saving can be achieved by the end of the year.

3.3.3 Those at risk of not being delivered are:

- Children – Business Support Saving. This was originally planned to be delivered through a back-office review and restructure. The pressures in Children Social care mentioned in paragraph 3.3.9 puts this saving at risk of non-achievement.
- Children – Troubled Families Income. Changes in the funding assumptions have increased risk of the saving achievement, please see the comment in paragraph 3.4.4.
- Children – Looked After Children. The pressures in Children Social care mentioned in paragraph 3.4.2 puts this saving at risk of non-achievement.
- Transfer the Floral Pavilion to an expert provider - The saving was predicated on a full year saving of Revenue costs (£0.550m) and a capital receipt (£1.5m), which will not fully materialise in this financial year.
- Transfer of Golf courses to an expert provider – This decision has been reversed and the saving will not be realised (£0.11m)

3.3.4 Medium Term Financial Strategy (MTFS) 2020 - 2025 update

3.3.5 Government funding as part of the one year Spending Review for 2020-21 has been communicated, although not finalised, and current estimates illustrate an improvement to the Council's position of £11.7m in comparison to previous estimates, comprising £1.9m Business Rates, £3.4m for Council Tax and £6.4m in social care grants. However, pressures on expenditure have increased to £36.5m. The savings to offset these pressures in 2020-21 total £12.6m. This includes a change to Pensions calculations and innovative and preventative activities to offset demand, increase income and staffing

changes. Therefore, the anticipated budget gap for 2020-21 is £12.2m. Further savings proposals are under development to meet this gap.

3.3.6 In recent years, the Council Financial reserves have been heavily utilised, further utilisation of reserves to meet this gap may put the whole organisation at risk of financial failure.

3.3.7 At present there is uncertainty over the level of funding available from the Government for 2021/22 and beyond, based on existing assumptions and the additional pressures presented in 2020/21, our expected budget gap is £50m. The outcome of the funding formula review has not yet been announced, and the general election is likely to delay this announcement even further making it very difficult to plan over the longer term.

4.0 FINANCIAL IMPLICATIONS

4.1 This is the Quarter 2 budget monitoring report that provides information on the forecast outturn for revenue expenditure. The Council has robust methods for reporting and forecasting budgets in place and alongside formal Quarterly reporting to Cabinet, the financial position is reported monthly at each Directorate Management Team and corporately at the Strategic Leadership Team (SLT). In the event of any early warning highlighting pressures and potential overspends, the SLT take collective responsibility to identify solutions to resolve these to ensure a balanced budget can be reported at the end of the year.

5.0 LEGAL IMPLICATIONS

5.1 The entire report concerns the duty of the Council to avoid a budget shortfall. The Chief Finance Officer has a personal duty under the Local Government Finance Act 1988 Section 114A to make a report to the executive if it appears to them that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources available to it to meet that expenditure.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are no implications arising directly from this report.

7.0 RELEVANT RISKS

7.1 The possible failure to deliver the Revenue Budget is being mitigated by:

- (i) Senior Leadership / Directorate Teams regularly reviewing the financial position.
- (ii) Availability of General Fund Balances.
- (iii) Acceleration of 2020/21

8.0 ENGAGEMENT/CONSULTATION

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

9.0 EQUALITY IMPLICATIONS

9.1 No because this report is essentially a monitoring report on financial performance.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 This report has no impact on emissions of CO2

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APPENDICES

Appendix 1 – Savings Statement

BACKGROUND PAPERS

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Council	4th March 2019
Council Meeting	2nd September 2019

Appendix 1 – Savings Statement

		2019-20 £m						
		Agreed at Full Council	Achieved	Yet to be delivered			Mitigation	Commentary
Directorate	Saving Description	£	Blue £	Green £	Amber £	Red £	£	
Economic Housing & Growth	Increase in Planning Income	- 0.100	- 0.100					Budget adjusted to reflect the saving
Delivery Services	Assisted Travel Procurement	- 0.125	- 0.125					Budget adjusted to reflect the saving
Cross Cutting	Capitalisation of salaries	- 0.150	- 0.150					Budget adjusted to reflect the saving
Children	Remove Golden Hellos	- 0.200	- 0.200					Budget adjusted to reflect the saving
Cross Cutting	Reducing Interims	- 1.000	- 0.350	- 0.650				On target to be achieved during the year with £350k achieved at Q1
Business Management	Pensions regulatory changes	- 0.400	- 0.400					Budget adjusted to reflect the saving
Children	Children's Management restructure	- 0.500	- 0.500					Budget adjusted to reflect the saving
Corporate	Increase Council Tax Collection Rate	- 0.500	- 0.500					Budget adjusted to reflect the saving
Children	Reduced Agency	- 1.000	- 0.700	- 0.300				Delivered in conjunction with the Children Management Restructure. £700k has been achieved. Further analysis on £300k remainder is underway to ensure appropriate allocation
Children	Special Guardianship Allowance	- 0.800	- 0.800					Budget adjusted to reflect the saving
Business Management	Senior Manager and Back Office Reduction	- 1.900	- 1.100	- 0.800				Recent restructuring and EVR complete with £1.1m achieved. Remainder of saving will be achieved via vacancy management throughout the year
Adult Care & health	LD Transformation Programme	- 2.000	- 2.000					The department is building on the success of last year's £2m LD Transformation Programme in order to drive a further £2m savings in 2019/20. This includes reviewing accommodation arrangements and exploring a number of initiatives around the use of assistive technology
Business Management	Transformation funding reduction	- 2.000	- 2.000					Budget adjusted to reflect the saving
Business Management	Treasury investments	- 2.000	- 2.000					Budget adjusted to reflect the saving
Corporate	One Off Reserves	- 2.000	- 2.000					Budget adjusted to reflect the saving
Cross Cutting	Supplies and Services	- 2.500	- 2.400				- 0.100	Majority achieved with £0.1m being achieved via other means

		2019-20 £m						
		Agreed at Full Council	Achieved	Yet to be delivered			Mitigation	Commentary
Directorate	Saving Description	£	Blue £	Green £	Amber £	Red £	£	
Corporate	Changes in Assumptions to Funding	- 3.935	- 3.935					Budget adjusted to reflect the saving
Delivery Services	Street Lighting LED savings	- 0.050	- 0.050					The street lighting phase 2 LED project is progressing well, with work scheduled to start later in the year. The revenue saving from reduced energy costs of £50k are expected to be achieved
Cross Cutting	Efficiencies from centralising IT budgets	- 0.180		- 0.180				Project in progress to centralised all IT budgets and spend to hold central control of all software, hardware and licences
Delivery Services	Cems & Crems increased fees	- 0.200		- 0.200				The proposed implementation of the service offer are progressing well. A staffing restructure has been completed, the implementations of a new IT system has commenced and price changes across the service have been applied from 1 April 2019. It is anticipated that the savings will be achieved in 2019/20
Economic Housing & Growth	Benefits of Economic Regeneration	- 4.150		- 0.500			- 3.650	£3.65m is income from Wirral Growth Company which will be rephased to 2020/21 due to agreed strategic changes to approach within the Growth Company partnership. This will be funded from the Economic Growth Reserve. £0.5m income from Vue Cinema is achievable
Adult Care & health	Use of grant funding for Public Health Services	- 0.850		- 0.850				Existing Public Health contracts values are lower following retendering enabling grant funding to be used on other public health related services
Corporate	Asset Sales Capital Receipts	- 1.500		- 1.500				Forecast Receipts as at 31/5/2019 are £1.516
Cross Cutting	Contract review	- 1.500		- 1.500				Saving identified from re-tendering contracts in 2019/20 at lower value within a range of areas
Economic Housing & Growth	Sale of Freehold Investment Capital Sale	- 4.000		- 3.950			- 0.050	Current expectations is majority of target will be achieved, with 50k shortfall to be met from other capital receipts.
Adult Care & health	Mitigating Adult Social Care demand through maximising independence and well being	- 5.800		- 5.200	- 0.600			This expenditure pressure is being partially mitigated with £5.2m additional grant funded income (Better Care Fund, Social Care Support Grant, Winter Pressures Funding) in 2019/20. The remaining £3.0m is being met through partnership working with the Council's NHS partners (Wirral Community Trust and Cheshire & Wirral Partnership). This will manage demand for social care by maximising service users' independence and wellbeing. Target efficiency values have been agreed with each NHS partner and are being monitored through a robust contract management process.
Business Management	Culture income target	- 0.100			- 0.100			Income received as match funding from external sources and sponsorship being agreed during the year for the borough of culture events programme
Children	Looked After Children reduced numbers	- 0.400				- 0.400		Project in Progress: Work is being completed to reduce overall demand, however in year issues specifically related to the alignment of market rates for high complex cases remains challenging.
Children	Troubled Families Earned Autonomy funding	- 0.600			- 0.600			Project in Progress: This is an income target, made up of one off grant and results-based income. The Grant element was cut after the setting of the target, which has created an additional pressure on the results-based income. Work is in progress to analyse the impact of the change
Business Management	Service Review	- 1.000			- 1.000			Series of services reviews underway across the Council with potential for the saving to be achieved at the end of the year
Cross Cutting	Fees & Charges	- 1.000			- 1.000			Project in progress: Analysis is underway to identify where the savings will be allocated
Delivery Services	Expert Operator: Golf courses	- 0.110				- 0.110		A preferred provider has been identified, as an expert operator for the golf courses, however following an O&S Committee the saving is yet to be realised. The delay in the project will impact the level of revenue savings which can be achieved in 19/20. The £110k shown was predicted on a full year saving
Children	CYP Business Support Saving	- 0.400				- 0.400		Project in Progress: Full analysis being completed (Children / Finance Collaboration)
Delivery Services	Expert Operator: Floral Pavilion	- 2.050				- 2.050		Submissions from preferred providers of an expert operator model for the Floral will be received by 15th July 219, with a recommendation passed to the Portfolio Holder to enable negotiations. The saving was predicated on a full year saving of Revenue costs (£550k), which will not fully materialise in this financial year
		- 45.000	- 19.310	- 15.630	- 3.300	- 2.960	- 3.800	