

# WIRRAL COUNCIL

## ECONOMY & REGENERATION

7<sup>TH</sup> NOVEMBER 2011

<b>SUBJECT:</b>	2011/12 Second Quarter Performance and Financial Review: Economy and Regeneration
<b>WARD/S AFFECTED:</b>	All
<b>REPORT OF:</b>	Acting Director of Housing, Regeneration and Planning
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	Councillor Phil Davies, Councillor George Davies
<b>KEY DECISION:</b>	No

### 1.0 **EXECUTIVE SUMMARY**

1.1 This report sets out performance of the Council's Corporate Plan 2011-14 for July to September 2011 in relation to economy and regeneration, and provides members with an overview of performance, resource and risk monitoring.

### 2.0 **RECOMMENDATION**

2.1 That the contents of this report be noted.

### 3.0 **REASON/S FOR RECOMMENDATION**

3.1 Council approved the Corporate Plan on 18<sup>th</sup> April 2011. This report provides a quarterly progress on delivering the economy and regeneration section of the Council's Corporate Plan, including performance of relevant projects and indicators and associated financial and risk monitoring information.

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

#### 4.1 **Performance Summary**

The presentation accompanying this report provides an overview of quarter two performance with more detail outlined in this report including corrective action for performance issues.

#### 4.2 **Your ECONOMY**

##### **What's working well**

- Following on from the extremely successful Wirral Apprentice programme Wirral Council has launched the Wirral Intermediate Labour Market (ILM), a flexible programme to support businesses to grow and enable them to employ more people on an anticipated 52 week contract with the Council contributing funding for the first 26 weeks of that contract.
- A recent NESTA (National Endowment for Science, Technology and Arts) stated that Birkenhead had the highest concentration of fast growing companies in England. The research, published in The Sunday Telegraph, showed that 12% of Birkenhead companies had reached the minimum 20% growth in each of the last three years.
- Wirral's tourism businesses attending the bi-annual meeting of the Wirral Tourism Business Network at Tranmere Rovers in July received a presentation highlighting New Brighton, including the exciting £60m Neptune Development's project at Marine Point.
- 552 jobs were created or safeguarded via Invest Wirral, 90 above target.

- 215 businesses were assisted through Investment Marketing providing support that helped multiple businesses at once and the Partnership Officer meeting with several new tourism businesses, 140 above target.

**The following project has been submitted for consideration at the LGC Awards 2012:**

- Wirral's Investment Strategy - an ambitious, innovative and extremely effective approach to supporting / developing the local economy, endorsed by local business testimonials.

**Performance against Corporate Plan project(s) / indicator(s):**

All of the Corporate Plan projects and indicators are on target

**Performance against Strategic Change project(s):**

There are no projects falling within this theme in the Strategic Change Programme

**Resource implications**

Particular pressures within this area relate to planning and building control income with an underachievement of £0.5 million possible.

A number of initiatives are being progressed including through the business support programme and empty shops scheme. The Wirral Waters scheme continues to progress which will bring significant financial benefits to the area.

The capital programme forecast outturn has increased by £3 million due to grant funding for housing improvement activity being carried forward from 2010/11. Progress continues on housing improvement schemes with over £1.6 million spent so far this year. Progress is being made on delivering the Mersey Heartlands Growth Point Scheme.

**Future challenges and risks**

Growth in Wirral's economy will make it easier for the Council to deliver its vision of a more prosperous and equal Wirral.

Cabinet 21 July approved proposals to develop a series of targeted inward investment activities. Invest Wirral continues to build business network and to provide assistance to businesses. The Investment Strategy 2011-2016 was also approved by Cabinet on 21 July. The Regeneration and Planning Teams are supporting an increasing number of developers seeking to bring forward residential and mixed use schemes in the East of the borough.

The Wirral Waters scheme continues to progress with permission granted for the International Trade Centre which will bring substantial future benefits for the area.

**4.3 Your NEIGHBOURHOOD**

**Performance against Corporate Plan project(s)**

The following projects have been assessed as **red** or **amber**:

Portfolio	Key project	Status	Status	Corrective Action
		Q1	Q2	
Housing & Community Safety	Implement a new Sub Regional Choice Based Lettings Scheme by December 2011	Green	Red	Due to delays in agreeing configuration with partners, delivery date has now slipped to April 2012, but development has now started. The implementation date is now likely to be June 2012.

Portfolio	Key project	Status Q1	Status Q2	Corrective Action
Housing & Community Safety	Deliver a heating improvement programme to 140 vulnerable private sector residents per year in 2011-12 and 2012-13	Amber	Amber	Original target for Number of households assisted will be met over the two year period but with greater numbers in year 2. This is due to the start of the scheme being delayed until the Financial Assistance Policy has been approved, which is a statutory requirement.

Portfolio	Key project	Status Q1	Status Q2	Corrective Action
Housing & Community Safety	Renegotiate / Retender Supported People/Housing services for people with Learning Difficulties (Existing LD contracts to be extended until September 2011 to allow time for renegotiated services to be implemented)	Amber	Amber	Cabinet (13/10/11) approved an extension of four months, with an option to extend further up to six months if required.
	Implement proposals to reduce under occupation in social housing by August 2011	Green	Amber	Re-forecast to December 2011. Consultation is currently underway with those under-occupying with urgent need status.

### Resource implications

There are no resource implications identified at quarter two within this theme of the Corporate Plan.

#### 4.4 Customer Feedback

4.4.1 There were a total of 1,331 customer feedback contacts recorded in quarter 2 (Q2) for the Council, which represented a 21% decrease from the 1,688 contacts reported in previous quarter 1 (Q1) and significantly below the quarterly average of 1,656 contacts for 2010/11.

4.4.2 By channel, internet and email was used for 64% of all contacts (57% in Q1).

4.4.3 Compared to Q1, there was a 14% increase in corporate complaints offset by the following comparative reductions:

- 14% less councillor/MP contacts
- 29% less statutory complaints
- 32% less Local Government Ombudsman (LGO) contacts.

- 4.4.4 There was an increased average response rate for complaints, from 11 working days in Q1 to 15.5 working days in this quarter.
- 4.4.5 Responses to councillor/MP enquiries took on average 6 working days in Q2 compared to 6.5 working days in Q1.
- 4.4.6 LGO contacts took slightly longer to respond to in Q2 with an average of 15 calendar days taken compared to 14 days in Q1. The Law, HR and Asset Management and Corporate Services averages of 43 and 31 days respectively (slide 4 of presentation) both related to a single contact each for these departments.
- 4.4.7 There were significant departmental increases in complaints received by Corporate Services (74%); Adult Social Services (27%) and Finance (12.5%).
- 4.4.8 The focus for complaints and wider customer feedback is '*putting things right and learning from it*' and Technical Services reported 14% of their complaints resulted in some positive organisational learning for future service delivery.
- 4.4.9 Examples of organisational learning reported in Q2:
- Improved communication protocols to ensure letting agents have confirmed with landlord acting on behalf of that agrees to accreditation scheme inspection
  - Improved training instigated for SEN school escorts
  - Tighter controls on COLAS works undertaken to ensure expected standards adhered to
  - Re-emphasised guidance provided for COLAS to ensure sufficient notice given to local residents for planned works
  - Street included on list for future service review of green waste collections
  - autism awareness training to be developed for relevant staff within Adult Social Services
  - Improved disabled access provided at leisure centre
  - Improved contact arrangements between schools and admissions team to arrange 11+ exams
  - Customer questionnaire arranged in response to customer comments to review fitness suite opening hours
  - Transfer of fitness class to larger venue in response to customer suggestions

## **5.0 RELEVANT RISKS**

- 5.1 The successful implementation of actions to deal with issues arising from the recent report into Corporate Governance issues will be a key priority. There will therefore also be a key risk in ensuring issues arising are dealt with in a timely and appropriate manner.
- 5.2 Enhancements to corporate risk management arrangements and procedures were drawn up during the period for inclusion within the Risk Management Strategy approved by Cabinet on 13th October. The strategy over the medium term will provide a framework and processes which are in accordance with the latest British Standard for Risk Management.
- 5.3 The Corporate Risk Register has been updated during the quarter. Significant changes have been included within the relevant sections above.

## **6.0 OTHER OPTIONS CONSIDERED**

- 6.1 Not applicable

## **7.0 CONSULTATION**

7.1 Consultation in relation to the draft Corporate Plan engaged individuals and organisations from across Wirral's diverse communities and this is reflected in the Corporate Plan.

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

8.1 The Corporate Plan sets out commitments and clear actions in relation to working with voluntary, community and faith sector organisations to improve outcomes for local people.

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

9.1 The Council Budget 2011/12, Schools Budget 2011/12 and Capital Programme 2011/13 have been agreed and support the delivery of the Corporate Plan. Resource implications relating to the delivery of actions in the Corporate Plan have been set out in individual departmental plans. Further details are contained in Appendices 2, 3 and 4 which are placed within the Library.

9.2 The projected general fund balance at 31 March 2012 is £7.3 million as shown below

Details	£million	£million
<b>Projected General Fund balance at 31 March 2012 when setting the budget for 2011/12</b>		6.9
<b>Cabinet decisions</b>		
17 March – Fernleigh retained		-0.5
2 June – New Homes Bonus/ Local Services Grant		+0.5
23 June - Financial out-turn 2010/11 showed a net increase in the balance of £1 million after meeting a net revenue overspend of £0.3 million		+1.0
23 June - Integrated Transport Unit additional funding		-0.3
23 June - EVR/VS scheme funded as part of 2010/11 thereby releasing the requirement to fund in 2011/12		+4.4
21 July – Social Services Re-provision		-3.5
21 July – National Insurance changes		-1.0
21 July – Support for School Pay		-0.2
<b>Projected variances / potential overspends</b>		
None declared although pressures identified at the end of September 2011 within:		-
- Adult Social Services	£7.1 million	
-Children and Young People	£2.0 million	
- Corporate Services	£0.5 million	
<b>General Fund balance at 31 March 2012 based upon the latest projections</b>		7.3

9.3 The Adult Social Services Children and Young People and Corporate Service Departments have highlighted pressures on their departmental budgets. Any subsequent overspend would impact upon the general fund balances.

9.4 The capital programme is summarised below:

<b>Spend</b>	<b>Original Approval £000</b>	<b>Forecast Jun £000</b>	<b>Forecast Sep £000</b>
Adult Social Services	1,154	2,943	2,943
Children & Young People	25,889	39,195	24,444
Corporate Services	5,181	10,788	13,488
Finance	1,000	3,671	3,671
Law, HR and Asset Mgt	8,163	8,779	8,779
Technical Services	7,872	11,564	11,564
<b>Total Programme</b>	<b>49,259</b>	<b>76,940</b>	<b>64,889</b>

<b>Resources</b>	<b>Original Approval £000</b>	<b>Forecast Jun £000</b>	<b>Forecast Sep £000</b>
Borrowing	15,905	28,553	22,819
Capital Receipts	3,000	3,000	3,000
Revenue, reserves, contributions	300	4,194	1,434
Grants - Education	23,441	26,283	21,536
Grants - Integrated Transport	1,155	1,155	1,155
Grants - Local Transport Plan	3,095	3,095	3,095
Grants - Other	2,363	10,660	11,850
<b>Total resources</b>	<b>49,259</b>	<b>76,940</b>	<b>64,889</b>

9.5 The outturn forecast for the 2011/12 capital programme has reduced by £12 million since quarter 1. This is in the main a result of the re-profiling of a number of CYP capital schemes with expenditure to take place in later years. The Corporate Services forecast has increased due to further grant funding relating to housing improvement schemes being carried forward from 2010/11.

9.6 Progress continues to be made on a number of schemes including those at Pensby and Cathcart Primaries and numerous other school capital projects funded from the capital maintenance and basic need grant. Work has begun on the Landican Crematorium Mercury Abatement building works programme and the Town Link Viaduct in Birkenhead.

## **10.0 LEGAL IMPLICATIONS**

10.1 Legal implications relating to the actions set out in the Corporate Plan will be addressed by departments as appropriate.

## **11.0 EQUALITIES IMPLICATIONS**

11.1 The Corporate Plan has a clear focus on supporting those who are disadvantaged, including the delivery of specific services and through ensuring that all of Wirral's diverse communities are equally able to access services.

11.2 Equalities implications relating to the actions set out in the Corporate Plan will be addressed by departments as appropriate, and details set out in individual departmental plans. This work is also monitored by the Corporate Equalities and Cohesion Group and the Council Excellence Overview and Scrutiny Committee.

## **12.0 CARBON REDUCTION IMPLICATIONS**

12.1 Carbon reduction is a specific goal in the Corporate Plan, with associated actions and measures as set out in the agreed Interim Carbon Budget 2011-12. Any carbon reduction implications have been identified in Section 4 of this report.

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

13.1 Planning and Community Safety is a specific goal in the Corporate Plan, with associated actions and measures. Any planning and community safety implications have been identified in Section 4 of this report.

**REPORT AUTHOR:** **Carol Sharratt**  
Performance Management Officer  
Telephone: (0151 691 8069)  
Email: [carolsharratt@wirral.gov.uk](mailto:carolsharratt@wirral.gov.uk)

## **APPENDICES**

### **To be placed in the web library:**

**Appendix 1** – Financial Monitoring Summary  
**Appendix 2** – Capital Monitoring Summary  
**Appendix 3** – Corporate Risk Monitoring Summary

## **REFERENCE MATERIAL**

Previous Council and Cabinet reports as detailed in the subject history below

### **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>CABINET – 2011/12 Q1 Performance and Financial Review</b>	<b>21 July 2011</b>
<b>CABINET - Delivering the Corporate Plan</b>	<b>17 April 2011</b>
<b>COUNCIL - Adoption of Corporate Plan 2011-14</b>	<b>14 April 2011</b>
<b>CABINET - Draft Corporate Plan for 2011-14</b>	<b>17 March 2011</b>