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To: Members of the Cabinet

Date: 27 August 2015
Our Ref:
Your Ref:

Please contact:
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Dear Councillor

CABINET - THURSDAY 3RD SEPTEMBER, 2015

I refer to the agenda for the above meeting and now enclose the following report(s) which were unavailable when the agenda was printed.

Agenda No.	Item
10.	M58 Junction 1 - New Slip Roads (Pages 122 - 131) Report of the Head of Regeneration and Housing
11.	A565 North Liverpool Key Corridor Scheme (Pages 132 - 145) Report of the Head of Regeneration and Housing
14.	Revenue Budget 2014/15 Outturn (Pages 146 - 155) Report of the Chief Finance Officer
15.	Revenue Plan 2015/16 Update (Pages 156 - 187) Report of the Chief Finance Officer

Yours sincerely,

J. COULE

Head of Regulation and Compliance

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Agenda Item 10

Report to:	Cabinet Council	Date of Meeting:	3 September 2015 17 September 2015
Subject:	M58 Junction 1 - New Slip Roads	Wards Affected:	Molyneux;
Report of:	Head of Regeneration and Housing		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary

This report is intended to seek approval to the proposals to introduce new slip roads on Junction 1 of the M58 motorway, to seek a contribution from the Capital Programme in order to draw down funds from the Liverpool City Region Growth Fund and to seek approval for officers to begin negotiations with the landowners affected by the scheme.

Recommendation(s)

Cabinet

- i) That the progress of the M58 Junction 1 Improvements scheme be noted.
- ii) The preferred scheme layout be approved.
- iii) That Cabinet recommends that Council approves the inclusion of this scheme in the Capital Programme 2016/17 as a priority against available resources.
- iv) Officers begin negotiations with affected landowners on the understanding that no acquisitions will be completed until the Council receives the Growth Fund Contribution.
- v) Officers develop a Memorandum of Understanding with Highways England for the procurement and delivery of the scheme, to be submitted to Cabinet Member for approval.

Council

That Council approves the inclusion of this scheme in the Capital Programme 2016/17 as a priority against available resources..

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity	√		
3	Environmental Sustainability	√		
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy		√	

Reasons for the Recommendation:

An indicative allocation of £5.5m has been allocated to the M58 Junction 1 Improvements project within the Liverpool City Region Growth Fund. The Combined Authority expects the funds to be expended from 2016/17. The indicative development programme for the project requires the detailed design to be developed, the appropriate statutory approval process and the process of securing the necessary land to begin in early 2016 in order to enable works to begin in 2016/2017 and the Growth Fund money to be expended.

The process of securing the Growth fund money requires an Outline Business Case (OBC) to be submitted, and this needs to include confirmation for the Council's Section 151 officer that the necessary match funding is available. The OBC is targeted for submission in September/October 2015. If approved by the Combined Authority a Full Business Case (FBC) will be invited. This revisits and expands on details within the OBC. The FBC is targeted for submission in December 2015. If successful the funding offer should be with the Council in early 2016.

Alternative Options Considered and Rejected:

An Optioneering Report has been completed by Atkins, the Council's consultant, to examine other potential options for the junction. All the options proposed are broadly similar as there is little scope, due to geometric constraints and the need to comply with design criteria, of a significantly different layout. Some consideration was given within the report to a scheme including a cycle lane around the roundabout, which included amended parapets; however this scheme is due to be delivered separately by Highways England in 2016.

The proposed re-alignment of Giddygate Lane, the access track affected by the scheme, will be agreed following detailed discussions with the affected landowners and farmers.

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What will it cost and how will it be financed?

(A) Revenue Costs

None.

(B) Capital Costs

The current scheme estimate for the preferred option is £6,700k. This includes the estimated works, fees and land acquisition costs.

The estimate includes an Optimism Bias (OB) of 44% which effectively is the contingency recommended by the Department for Transport for inclusion in estimates provided for the OBC submission. It is hoped, due to the straightforward nature of the project that the final scheme costs should be below this figure.

The scheme received an indicative allocation from The Liverpool City Region Growth Plan of £5.5m towards the project costs.

In order to secure the Growth Fund allocation an Outline Business Case (OBC) must be submitted to the Combined Authority (CA). This is targeted for submission in September/October 2015. If approved by the Combined Authority a Full Business Case (FBC) will be invited. This revisits and expands on details within the OBC. The FBC is targeted for submission in December 2015. If successful the funding offer should be with the Council in early 2016.

The Council's Strategic Capital Investment Group have considered the scheme and have recommended the scheme be submitted to Cabinet for consideration.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial
The Council, as the Project Sponsor, will need to provide a statement from the Section 151 Officer to confirm a willingness to underwrite the scheme costs.
Legal
To deliver the scheme some land will be required. Initial discussions will be held with the landowners to determine whether land can be secured through negotiation. In order to avoid delay to the delivery of the project details will be secured to enable a Compulsory Purchase Order to be served.
Human Resources

Equality		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

Impact of the Proposals on Service Delivery:

None

What consultations have taken place on the proposals and when?

The Chief Finance Officer has been consulted and has no comments on the report (FD 3708/15)

Head of Regulation and Compliance has been consulted and any comments have been incorporated into the report. (LD 2991/15)

SCIG 27 August 2015, considered the project and agreed

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

Contact Officer: Andrew Dunsmore

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Background Papers:

There are no background papers available for inspection

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1. Introduction/Background

- 1.1 Co-ordination of strategic investment, including transport, is now undertaken at City Region level, through the Combined Authority, together with the Local Enterprise Partnership. The Liverpool City Region (LCR) Growth Plan was submitted to Government in December 2013. In summer 2014 Government announced £232.3m of funding for the City Region over the next 6 years.
- 1.2 Investment in the transport infrastructure element of the Growth Plan consists of approximately £120m for 13 major transport schemes and this also includes requirements for approximately 10% contribution to be provided locally.
- 1.3 The M58 Junction 1 Improvements is one of the 13 major projects within the Growth Plan and involves the provision of south-facing slip roads, to be delivered in 2018/19.
- 1.4 This scheme consists of the construction of the 'missing' slip roads at the junction, providing a northbound off slip and a southbound on-slip. The business case is being developed on the basis of the benefits that the scheme will provide to existing traffic conditions in the area. It will also facilitate potential future development in the Maghull area, depending on the outcome of the Local Plan process.
- 1.5 The Council's consultants, Atkins, have extended and updated the traffic model for the area and have just been commissioned to use the model for a series of forecast scenarios with and without the new slip roads and with and without potential development in the area. As well as providing evidence for the business case for the scheme the model is also being used to assess the traffic impacts of possible local plan developments.
- 1.6 A scheme design has been developed and cost estimates prepared. Preliminary environmental survey work has also been completed. The traffic modelling is nearing completion and the economic appraisal will be undertaken during August, which will enable completion of the Outline Business Case. This is expected to be submitted to the Combined Authority in September/October 2015.

2.0 Scheme Details

- 2.1 The existing grade separated junction provides traffic linkage between the M58 motorway and the local towns of Maghull and Kirkby. The layout of the junction currently provides facilities enabling movements onto the M58 northbound carriageway and movements off the M58 southbound carriageway. The scheme will improve the junction by providing additional slip lane facilities to also enable movements onto the M58 southbound carriageway and movements off the M58 northbound carriageway. This resulting junction will be capable of accommodating all possible traffic movements and will upgrade the current facility to provide a complete and unrestricted junction between the motorway and intersecting roads.
- 2.2 The preferred option for the scheme is shown in Appendix A.
- 2.3 The primary objective of the scheme is to improve the economy through better transport facilities, supporting existing businesses and facilitating new development, creating new jobs and homes. It is anticipated that the scheme will

support commercial and residential development in Maghull, increasing employment and facilitating new, more accessible development.

- 2.4 The scheme is expected to reduce congestion and accident risk on existing routes in Maghull and within Knowsley, by releasing potential capacity in the existing motorway local highway network. It is also anticipated that the scheme will facilitate improved access to the proposed Maghull North Rail Station and Park and Ride development, supporting multi modal journeys and public transport.

3.0 Scheme Funding

- 3.1 Atkins as part of the development of the Business Case have completed a scheme estimate for the preferred option for the project. The estimate includes an Optimism Bias (OB) of 44% which effectively is the contingency recommended by the Department of Transport for inclusion in estimates provided for the OBC submission. It is hoped, due to the straightforward nature of the project that the final scheme costs should be below this figure.

- 3.2 The scheme costs, with the (OB) applied, are as follows;

Land costs	£ 864,000
Construction	£ 5,493,000
Fees	£ 343,000
Total	£ 6,700,000

- 3.3 The scheme received an indicative allocation from The Liverpool City Region Growth Plan of £5.5m towards the project costs. This was based on an indicative scheme cost of £6.2m. As the Growth Fund requires a minimum contribution of 10% of the total scheme costs from the Project Sponsor, it was understood that the Sefton Council contribution would be approx. £700k.
- 3.4 In order to secure the Growth Fund allocation an Outline Business Case (OBC) must be submitted to the Combined Authority (CA). This is targeted for submission in September/October 2015. If approved by the Combined Authority a Full Business Case (FBC) will be invited. This revisits and expands on details within the OBC. The FBC is targeted for submission in December 2015. If successful the funding offer should be with the Council in early 2016.
- 3.5 The Council, as the Project Sponsor, will need to provide a statement from the Section 151 Officer to confirm a willingness to underwrite the costs. As such Sefton Council are required to contribute £1,200k from the Capital Programme. The Growth Fund allocation should remain at £5.5m providing that there are no significant changes to the scope of the project. Therefore, if the final scheme costs are less than the £6.7m predicted, the Sefton Council contribution will also be less.
- 3.6 Such are the benefits of the scheme to potential commercial and residential developers on new sites in Maghull, identified within the Local Plan it is anticipated that, as condition of any Planning Approval for the sites, a contribution will be sought, albeit retrospectively towards the project costs. The total contribution towards the project has been estimated at £1,000k.

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- 3.7 The Council's Strategic Capital Investment Group have considered the scheme and have recommended the scheme be submitted to Cabinet for consideration.

4.0 Programme

- 4.1 Subject to Cabinet approval in September, it is proposed to submit the OBC for approval in September/October 2015 and FBC in December 2015. It is hoped that the Combined Authority will formally offer the Growth Fund contribution in early 2016.

- 4.2 In parallel, detailed discussions will continue with the Highways England to determine a detailed Procurement proposal with a view to design works being undertaken in 2016/2017.

- 4.3 Allowing 18 months for the necessary land to be acquired and appropriate approval secured from the Department of Transport, it is hoped that works can begin on site in early 2018.

5.0 Procurement of the Design and Construction

- 5.1 The M58 Motorway and existing slip roads are managed by Highways England on behalf of the Department for Transport. Discussions have begun with Highways England to determine possible options for the design and construction options. These included the possible use of Highways England's design resource or the direct commissioning of consultants through the HE asset support framework.

- 5.2 An analysis of these options will be undertaken and a preferred approach will be presented to Cabinet Member for approval. It is proposed that the Council enter into a Memorandum of Understanding with Highways England which will set down the framework for the delivery and management of the project.

6.0 Land Acquisition

- 6.1 Although much of the land required for the project is within highway land an initial investigation has identified the need to acquire an element of farmland within private ownership for the delivery of the scheme.

- 6.2 It is proposed that detailed discussions are held with the landowners to accurately determine all the necessary ownership information, including an assessment of any easements or rights of the land forming the permanent works and that required for construction purposes.

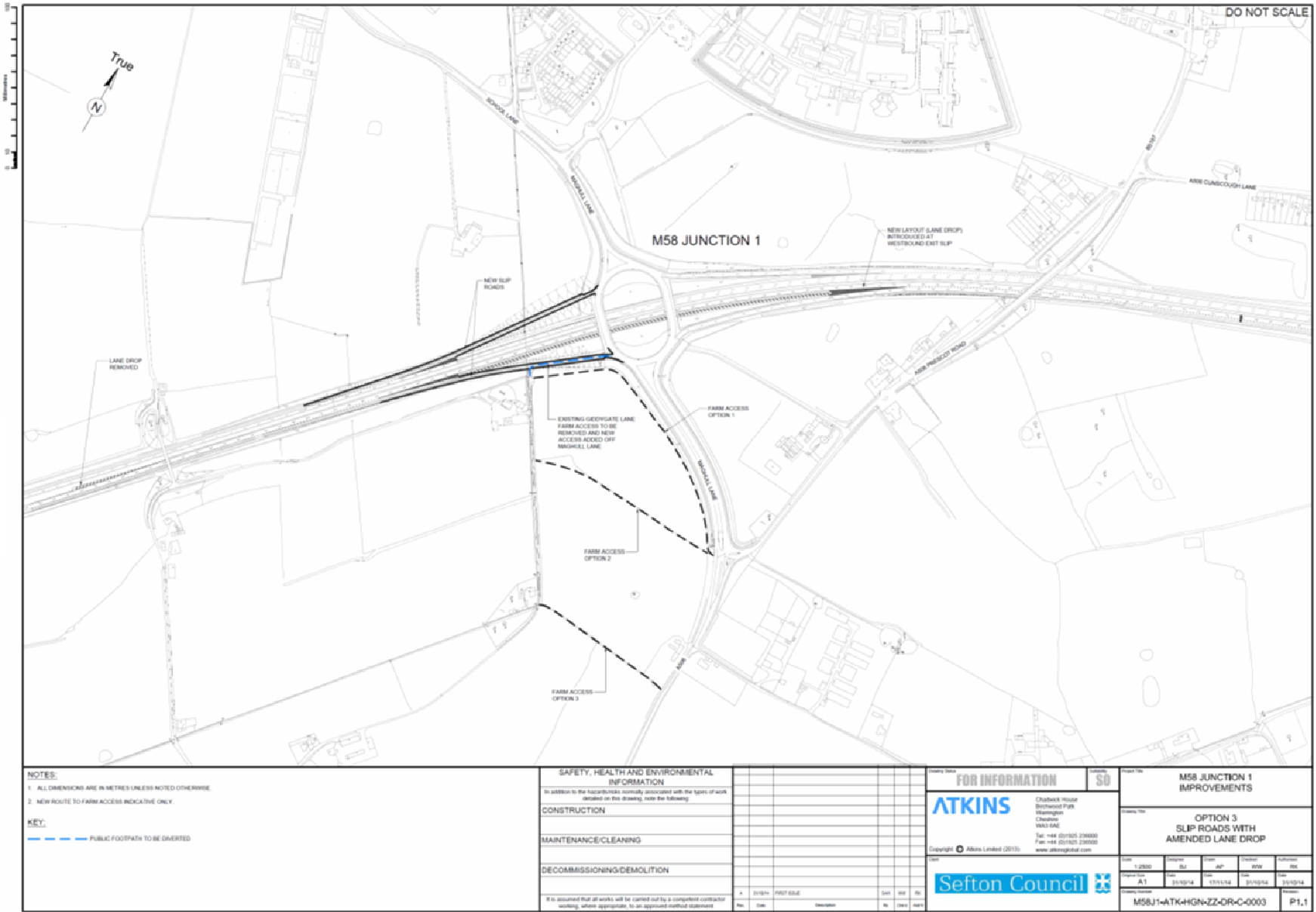
- 6.3 Once the Growth Fund money is secured it is proposed that detailed land acquisition discussions are held with any affected parties. Consideration will also be given to serving Compulsory Purchase Orders whilst these discussions are progressing.

7.0 Environmental Considerations

- 7.1 Atkins, as part of their commission, undertook an ecological constraints assessment which will be used in the development of the scheme design. The report provides an initial appraisal of any likely ecological constraints upon protected species and other features of ecological interest and identifies the need for any measures to avoid or mitigate damage and disturbance to habitats and species, and provides recommendations for further ecological survey as required. It is proposed that these further surveys are commissioned and undertaken in Spring and Summer 2016.

8.0 Conclusions

- 8.1 The M58 Junction 1 Improvements scheme is a long standing aspiration of Sefton Council and will bring many benefits to both the local and wider strategic highway network. The scheme has been identified as one of the LCR major transport schemes to be funded through the Local Growth Fund. An Outline Business Case (OBC) is being prepared for submission in September/October, to be followed by a Full Business Case in December 2015.
- 8.2 A preferred scheme layout has been presented for approval and an estimated local funding contribution of £1.2m is required. The majority of this contribution is expected to be provided through developer contributions in the future. Nevertheless, the Council is required to confirm its commitment to providing the local contribution as part of the OBC.
- 8.3 Discussions with landowners need to commence with a view to securing land acquisition by agreement. It is also proposed to prepare a Memorandum of Understanding with Highways England to provide the framework for the delivery and management of the project.



Appendix A – Preferred Option of the Proposed Slip Roads

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Report to:	Cabinet Council	Date of Meeting:	3 September 2015 17 September 2015
Subject:	A565 North Liverpool Key Corridor Scheme	Wards Affected:	Derby;
Report of:	Head of Regeneration and Housing		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary

This report is intended to update Members on the progress of the A565 North Liverpool Key Corridor Major Scheme which includes the proposed dualling of the A565 Derby Road from the junction of Millers Bridge (in Sefton) to Bank Hall Road (in Liverpool) and associated cycle improvements on Derby Road and to seek approval for the scheme. The report also seeks a contribution from the Capital Programme in order to draw down funds from the Liverpool City Region Growth Fund and approval for officers to begin negotiations with the landowners affected by the scheme.

Recommendation(s)

Cabinet

- i) Members note progress of the A565 North Liverpool Key Corridor scheme.
- ii) Members approve the proposed scheme layout (Appendix A)
- iii) Members approve the Draft Memorandum of Understanding between Sefton BC and Liverpool CC governing the delivery of the project.
- iv) That Cabinet recommends that Council approves the inclusion of this scheme in the Capital Programme 2016/17 as a priority against available resources.
- v) Sefton Officers begin negotiations with affected landowners with a view to acquiring the necessary land and associated rights to facilitate the delivery of the scheme in advance of Cabinet approving the necessary Compulsory Purchase Order(s)

- vi) The Head of Housing and Regeneration in consultation with the Head of Regulation & Compliance be authorised to negotiate and enter into agreements with interested parties with a view to agreeing terms for the purchase by agreement or payment of compensation for the purchase of any interest or rights over land included in the proposed scheme areas, including, where appropriate, compensation for disturbance and arrangements for relocation and to complete purchases and land transfers and pay compensation in accordance with agreements

- vii) Authority be granted for the Section 151 officer to sign off the Outline Business Case based on the best estimates contained within the report

Council

Council is recommended to approve the inclusion of this scheme in the Capital Programme 2016/17 as a priority against available resources.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity	√		
3	Environmental Sustainability	√		
4	Health and Well-Being	√		
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy		√	

Reasons for the Recommendation:

Liverpool City Council, as the scheme's sponsor, have determined a programme for delivery of the scheme to link with other proposed Key Corridor works within and around the city centre. They have also committed to achieving indicative spend targets of the Growth Fund within 2016/17 and 2017/18. In order to achieve the programme, the City Council has determined that Compulsory Purchase Orders will need to be served on affected properties along the corridor in November 2015. As such it is necessary to complete further consultation with affected owners to determine any details missing from the land referencing exercise completed to date and to begin negotiations over land value.

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Liverpool City Council have taken a report to their Cabinet on 7th August 2015 to seek approval for the scheme, to confirm the City Council's financial contribution to the project and to seek approval for negotiations with landowners within Liverpool.

It has been proposed that both Sefton BC and Liverpool CC would bring further reports to their respective Cabinets to seek approval for the serving of Compulsory Purchase Orders.

Alternative Options Considered and Rejected:

The scheme could be delivered as two separate projects, one in Liverpool and the other in Sefton. However, it is clear that the traffic management and control measures necessary for each separate scheme would impact greatly on traffic movements within the neighbouring district and as such, the adjacent works would need to be very carefully programmed and managed.

It is considered sensible, therefore, as over 80% of the project is within Liverpool, and that they submitted the original project to the Liverpool City region, as the project sponsor, that the project should be delivered by Liverpool as one scheme, albeit phased to minimise disruption.

What will it cost and how will it be financed?

(A) Revenue Costs

(B) Capital Costs

Liverpool City Council initially identified a scheme cost of approx. £15m and this sum was allocated within the Growth Plan for the delivery of the scheme. As the Growth Fund requires a minimum contribution of 10% contribution to be provided locally, Liverpool CC had proposed to fund this. Consequently Government allocated £13.3m towards the scheme.

To secure the Growth Plan allocation, a Business Case needs to be submitted, in accordance with the Assurance Framework agreed by the City Region. The Outline Business Case (OBC) which will set out the economic assessment of the scheme is targeted for submission at in September 2015 once the final estimated costs have been established and economic appraisal completed. The Full Business Case is targeted for submission in December 2015. It is anticipated that, if successful, the funding will be approved by the Combined Authority in early 2016.

The latest cost estimate, provided by Mott McDonald as part of their development of the scheme Outline Business Case, identified an estimated cost significantly in excess of the £15m figure. This cost has since been reviewed by Amey, Liverpool City Council's partner contractor, and includes an allowance for statutory undertaker's costs. Similarly, an assessment has been completed by the Sefton Council's Property Management team of the likely land acquisition and potential compensatory costs of the scheme within Sefton. This uses the methodology adopted by Liverpool CC in the determination of land costs within Liverpool and includes an allowance for costs associated with Compulsory Purchase Order Inquiry.

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Discussions have been held between officers from Liverpool City Council and Sefton to determine an appropriate division of funding to fund the gap between the estimated scheme cost and the £13.3m Government contribution.

From these discussions it is proposed that the Sefton contribution be limited to the acquisition costs of land within Sefton and a proportion of the works, fees and survey costs over the £13.3m. If a judicial review is required in order to secure the necessary land it is proposed that Sefton contribute to this based on this based on the relative numbers of objections received in each authority's area.

Amey, have provided an estimate of the works costs in total and the proportion of costs in Sefton. This shows a percentage of the works costs within Sefton to be 18.47%.

Liverpool City Council, in their report to Cabinet on 07 August 2015 have proposed a Sefton Council allocation to the works cost of £ 698,000. A preliminary estimate of land acquisition and possible disturbance costs has been completed. This totals £683,350. It is considered sensible to apply the Department of Transport standard Optimism Bias of 44% to these costs. This is effectively the contingency sum which the DfT expect to be used at this stage in the project development and will be used in the OBC submission.

Liverpool's interpretation of Sefton's contribution to the works –	£ 698,000
Sefton's estimate of Land acquisition and related costs -	£ 683,350
Sub Total	£ 1,381,350
Optimism bias (44%)	£ 607,794
Total anticipated Sefton Contribution	£ 1,989,144

The entire scheme cost, including land acquisitions, is estimated as £ 24,084,350

The Council's Strategic Capital Investment Group have considered the scheme and have recommended the scheme be submitted to Cabinet for consideration.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial

The Council, as a funding contributor to the scheme, will need to provide a statement from the Section 151 Officer to confirm a willingness to contribute to the scheme costs.

Legal

To deliver the scheme some land will be required. Initial discussions will be held with the landowners to determine whether land can be secured through negotiation. In order to avoid delay to the delivery of the project details will be secured to enable a Compulsory Purchase Order to be served.

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Human Resources	
Equality	
1. No Equality Implication	
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	

Impact of the Proposals on Service Delivery:

None

What consultations have taken place on the proposals and when?

The Chief Finance Officer has been consulted and has no comments to the report (FD 3717/15)

Head of Regulation and Compliance has been consulted and any comments have been incorporated into the report. (LD 3000/15)

SCIG 27 August 2015, considered the project and agreed

Implementation Date for the Decision

Following the expiry of the "call-in" period for the Minutes of the Cabinet Meeting

Contact Officer: Andrew Dunsmore

Tel: 0151 934 2766

Email: andrew.dunsmore@sefton.gov.uk

Background Papers:

Report to Liverpool City Council Cabinet on 07 August 2015 (EDR/22/15) to be found on Liverpool City Council's Website -

<http://councillors.liverpool.gov.uk/ieListMeetings.aspx?CId=1201&Year=0>

1. Introduction/Background

- 1.1 Coordination of strategic investment, including transport, is now undertaken at City Region level, through the Combined Authority, together with the Local Enterprise Partnership. The Liverpool City Region (LCR) Growth Plan was submitted to Government in December 2013. In summer 2014 Government announced £232.3m of funding for the City Region over the next 6 years.
- 1.2 Investment in transport infrastructure element of the Growth Plan consists of approximately £120m for 13 major transport schemes and this also includes requirements for approximately 10% contribution to be provided locally.
- 1.3 The North Liverpool Key Corridor scheme is one of the 13 major projects within the Growth Plan. This project consists of improvements to the A565 corridor through North Liverpool and into Sefton, to be delivered in three phases between 2016/17-2018/19.
- 1.4 This scheme consists of three elements, the dualling of the two remaining sections of single carriageway along the A565 between Seaforth and Liverpool and improvements to the parallel Regent Road corridor to improve facilities for walking and cycling. The part of the scheme most relevant to Sefton is the dualling of a section of the A565 from Millers Bridge to Bankhall Street, part of which is located within Sefton.
- 1.5 There will be a requirement for some land acquisition on the eastern side of the A565 to enable the widening, but no buildings are affected on the section within Sefton.

2 Scheme Details

- 2.1 The preferred scheme completes Phases 5 and 6 of the previously known Atlantic Avenue (A565) highway dualling scheme. Over the years phases 1 to 4 have been completed by both Merseyside Development Corporation and Liverpool City Council. The completion of the upgrade to the A565 was a key element of the Northshore Master plan; the first Local Transport Plan for Merseyside (2000/01 to 2005/06) and is still considered by Liverpool City Council to a priority due to the potential the scheme has to create considerable employment opportunities.
- 2.2 The A565 corridor is a major north-south commuter and goods route between Liverpool City Centre and North Liverpool and Sefton. Dualling the corridor improves local journey times whilst unlocking investment and employment opportunities. The project also includes highway improvements on Regent Road and King Edward Street, including the improvement of pedestrian facilities, with the aim of reducing congestion and improving local accessibility by enhanced east-west movement.
- 2.3 Appendix A shows the extent of the proposed works. Appendix B highlights the section of the improvements in Sefton including the section of Derby Road on which the section of dualling will be extended to the boundary with Liverpool and the section of Regent Road onto which a dedicated cycle route is proposed.

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2.4 The key features of the modifications within Sefton are as follows;

- The Central reserve which currently extends from the Millers Bridge junction to the south of the junction with Douglas Place will extend to the Sefton/Liverpool boundary.
- Access to Princes Street, Bedford Place, Dacre Street and Raleigh Street will be 'left in – left out' only. (Access to Douglas Place, Howe Street and Effingham Street is currently already left in left out).
- The junction of the A565 and Millers Bridge will have the right turn re-instated. The new alignment provides space for the right turn to be easily accommodated without having an impact on through traffic.
- No land is required on the western side of the junction and the footway will remain largely as existing.
- Land is required on the eastern side of the road to accommodate the additional carriageway width that the widening involves. No buildings are required within Sefton – most of the land is either soft and hard landscaping, car parking, or undeveloped redundant former industrial land.

3 Governance

3.1 The Majority of the scheme is located in Liverpool and as such Liverpool City Council is the lead authority and project sponsor. The attached Draft Memorandum of Understanding (MoU) for the management and delivery of the scheme has been developed and agreed by officers of both Authorities.

3.2 As well as setting out the determination of each authority's funding contribution the scheme the MoU includes the following areas;

- Governance of the scheme and project management responsibilities
- Financial Management arrangements
- Contractor Procurement
- Risk Management
- Responsibility for land acquisition and CPO processes

4 Scheme Funding

4.1 Liverpool City Council initially identified a scheme cost of approx. £15m and this sum was allocated within the Growth Plan for the delivery of the scheme. As the Growth Fund requires a minimum contribution of 10% contribution to be provided locally, Liverpool CC had proposed to fund this. Consequently Government allocated £13.3m towards the scheme.

4.2 To secure the Growth Plan allocation, a Business Case needs to be submitted, in accordance with the Assurance Framework agreed by the City Region. The Outline Business Case (OBC) which will set out the economic assessment of the scheme is targeted for submission in September 2015 once the final estimated costs have been established and economic appraisal completed. The Full Business Case is targeted for submission in December 2015. It is anticipated that,

if successful, the funding will be approved by the Combined Authority in early 2016.

- 4.3 The latest cost estimate, provided by Mott McDonald as part of their development of the scheme Outline Business Case, identified an estimated cost significantly in excess of the £15m figure. This cost has since been reviewed by Amey, Liverpool City Council's partner contractor, and includes an allowance for statutory undertaker's costs. Similarly, an assessment has been completed by the Sefton Council's Property Management team of the likely land acquisition and potential compensatory costs of the scheme within Sefton. This uses the methodology adopted by Liverpool CC in the determination of land costs within Liverpool and includes an allowance for costs associated with Compulsory Purchase Order Inquiry.
- 4.4 Discussions have been held between officers from Liverpool City Council and Sefton to determine an appropriate division of funding to fund the gap between the estimated scheme cost and the £13.3m Government contribution.
- 4.5 From these discussions it is proposed that the Sefton contribution be limited to the acquisition costs of land within Sefton and a proportion of the works, fees and survey costs over the £13.3m. If a judicial review is required in order to secure the necessary land it is proposed that Sefton contribute to this based on the proportion of objections received within each authority.
- 4.6 Amey, have provided an estimate of the works costs in total and the proportion of costs in Sefton. This shows a percentage of the works costs within Sefton to be 18.47%.
- 4.7 Liverpool City Council, in their Cabinet Report of 7th August have included both the Northern Key Corridor highway scheme together with works to one of the affected bridges which is being funded separately (mainly from the Challenge Fund). Sefton's contribution is based on a percentage of the highway scheme costs only.

The respective costs are believed to be;

Northern Key Corridor Highway Works	£23,401,000
Bridge Works	£ 8,967,000

- 4.8 In the LCC Cabinet Report, it is identified that the Sefton contribution to the works cost will be £698,000. The report also confirms that Sefton's Land acquisition and disturbance costs are not included.
- 4.9 The estimate of land acquisition and disturbance costs within Sefton has been determined at £683,350.
- 4.10 It is important to note, however, that in presenting costs in the OBC to secure approval for the Growth Fund allocation it is common practice to apply an Optimism Bias (OB) of 44% to the estimated costs. This is effectively a contingency determined by the Department for Transport to be appropriate for initial estimates included in OBC submissions. Liverpool CC and Amey consider

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that the final works costs should be less the 44% OB and have agreed that a £2m Risk Allowance is appropriate. This is reflected in their costs.

4.11 Similarly Liverpool CC are confident that the anticipated statutory undertakers diversion costs can be significantly reduced from the £4m allowance (shown in the Liverpool report at £6.2m to allow for costs related to the bridge works) but are not yet in a position to provide detailed estimates from the Statutory Undertakers. However trial pits, aimed at accurately locating underground equipment, have recently been completed and detailed discussions are ongoing with each of the authorities to determine realistic diversion or protection costs.

4.12 There is a concern that the £698,000 Sefton contribution, whilst included within the LCC Cabinet Report, may not accurately represent the final cost to Sefton when the agreed percentage is applied to the final works costs. As such, it is deemed sensible, from a budgeting perspective to apply the DfT criteria to determine the Sefton contribution. Applying the 44% OB to both figures identifies the following contribution.

Sefton's contribution to the works (in the LCC Cab Report)	£ 698,000
Sefton's estimate of Land acquisition and related costs -	£ 683,350
Sub Total	£ 1,381,350
Optimism bias (44%)	£ 607,794
Total anticipated Sefton Contribution	£ 1,989,144

4.13 The final Local Authority contributions will be based upon the final scheme costs which could be less or more than the estimate. It is proposed that the Sefton contribution will be capped at 10% more than the above estimate should final costs exceed this figure. It is proposed that this is set out in the MoU.

4.14 In the MoU it is assumed that the Growth Fund will be contribution will be received in full. It is proposed that a side agreement be included which will determine the responsibilities of ensuring that any conditions associated with the Growth Fund contribution are met in full. It is proposed that Liverpool CC, as principal sponsors of the project are given the chief responsibility for fulfilling these conditions as they will be contracting with Merseytravel on behalf of the Combined Authority.

4.15 The Council's Strategic Capital Investment Group have considered the scheme and have recommended the scheme be submitted to Cabinet for consideration.

5. Land Acquisition

5.1 Liverpool City Council engaged land referencing consultants to determine the number and extent of land interests along the A565 corridor. They have obtained all land registry titles and entered all details in a database. This information will be worked up to form a CPO schedule.

- 5.2 It is acknowledged that the consultants need to undertake contact referencing (visiting each site) to confirm the details secured to date, identify any third party rights and complete any gaps. It is considered this is essential in order to secure the necessary information to complete the schedule. The visit includes the handing over of a formal letter requesting information to which the recipient has 14 days to respond.
- 5.3 Liverpool City Council have appointed a Consultant to guide both Authorities through the necessary processes to secure the various interests. They have advised that the process of land negotiation should run in parallel to the serving of CPO notices. They have also advised that any discussions or negotiations with affected landowners should only be undertaken when the scheme has been approved.
- 5.4 Liverpool City Council's Cabinet received scheme details and a recommendation for scheme approval on 7th August 2015. Negotiations with landowners will only commence following the expiration of the call in period for both authorities.
- 5.5 In parallel with the process in Liverpool, it is recommended that negotiations with landowners in Sefton are commenced, to seek acquisition by agreement if possible.
- 5.6 Members will receive a further request to serve the necessary Compulsory Purchase Orders once all the details have been secured. It is anticipated that this will be in November 2015.

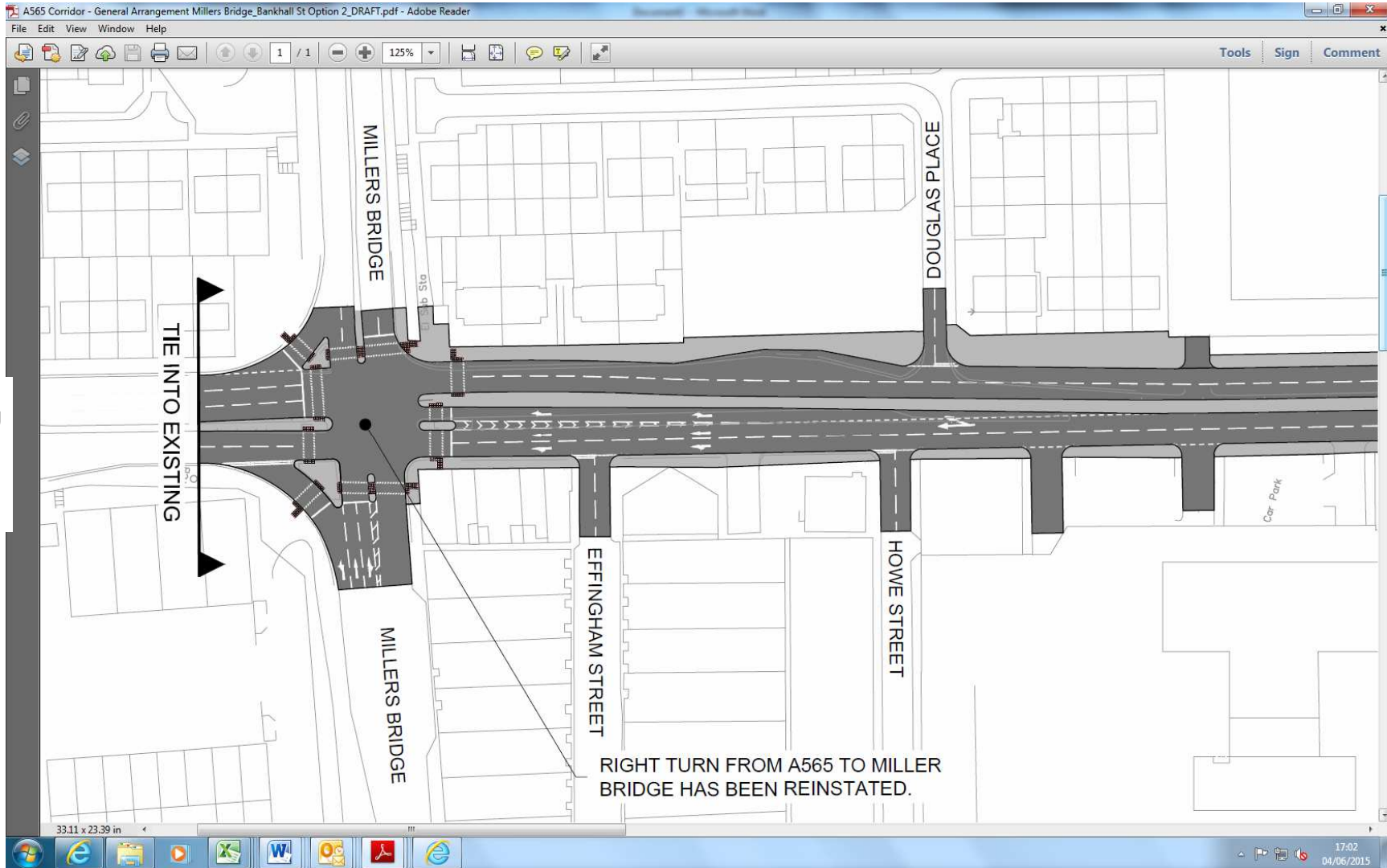
6. Conclusions

- 6.1 The Northern Key Corridor Scheme is a significant scheme within the Liverpool City Region and completes a long standing programme of improvements to the A565 corridor first promoted by the Merseyside Development Corporation. The Primary aim is to reduce congestion on this major North South route between Sefton and Liverpool and to provide the infrastructure for new development.
- 6.2 The scheme has been identified as one of the LCR major transport schemes to be funded through the Local Growth Fund. An Outline Business Case (OBC) is being prepared for submission in September, to be followed by a Full Business Case in December 2015.
- 6.3 Liverpool City Council are the project sponsor as over 80% of the works are within the City Boundary, A Memorandum of Understanding has been developed between the two authorities to govern how the scheme is delivered.
- 6.4 The scheme consists of the dualling of the A565. Land I required from the east side of the existing highway. Permission is sought to negotiate with the affected landowners.
- 6.5 It has been agreed that both authorities will fund the land acquisition and related costs within each authority's areas and will also fund a proportion of the gap between the total anticipated works costs and the Growth fund contribution.

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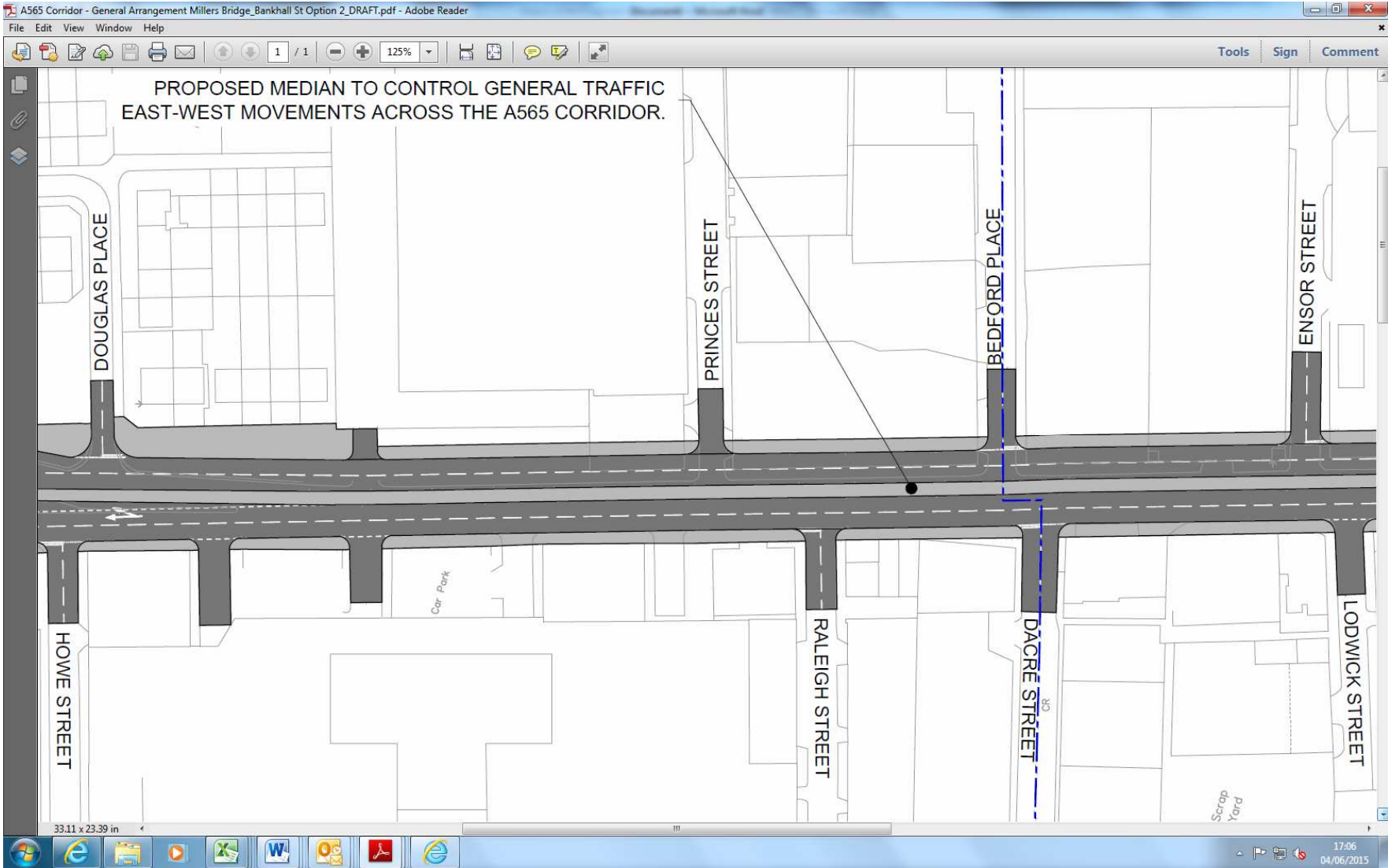
- 6.6 Sefton Council's contribution, applying a contingency, has been estimated at £ 1,989k to a scheme of total cost £ 24,084k .

Appendix A



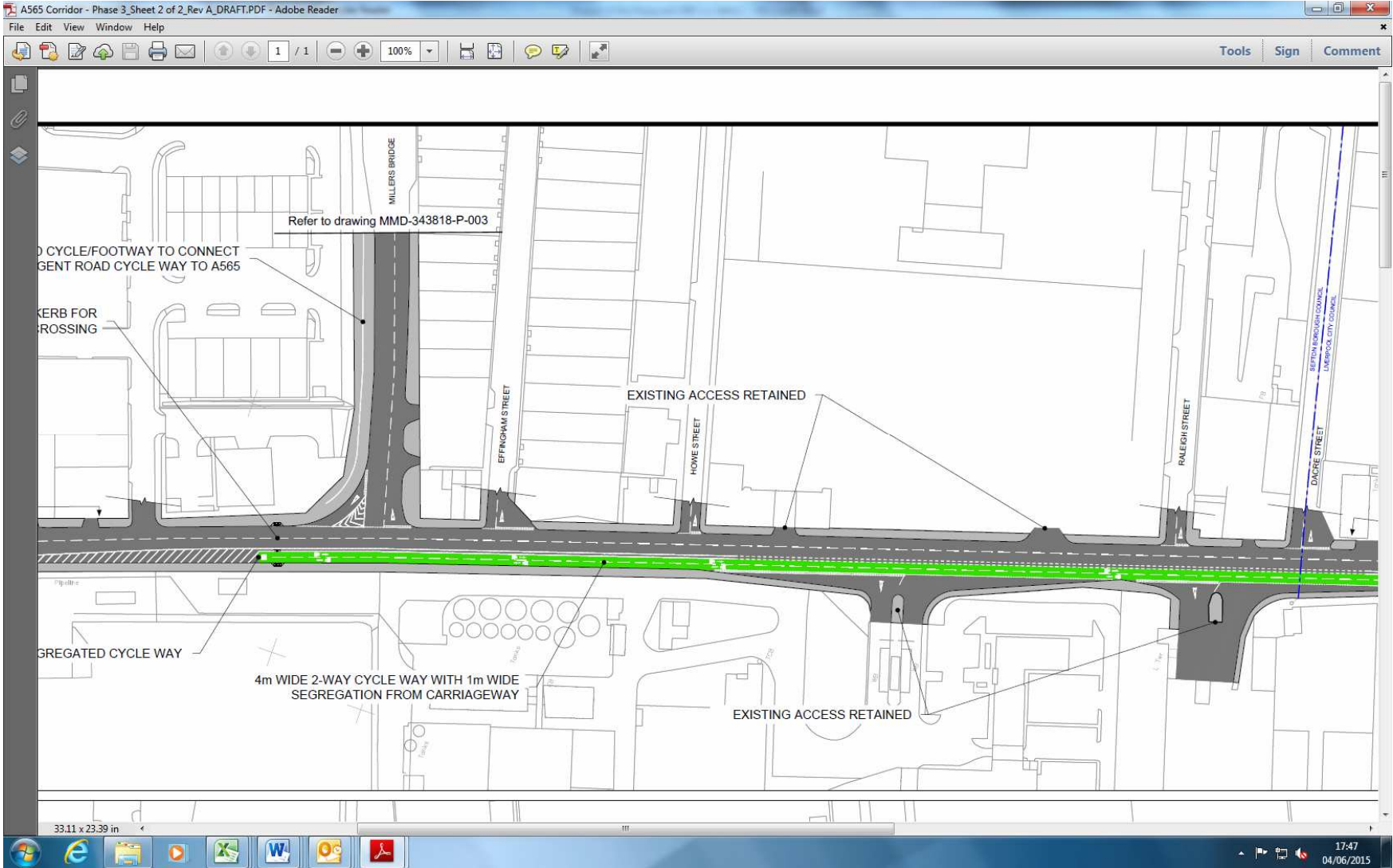
Northern Corridor Improvements showing the proposed dualling at the Millers Bridge Junction

Proposed A565



A565 Northern Corridor Improvements showing Douglas Place to the Liverpool boundary at Bedford Place

Proposed



Complementary Proposals to introduce a 2- way Cycle Way on Regent Road are part of the overall scheme

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Report to:	Cabinet	Date of Meeting:	3 September 2015
Subject:	Revenue Budget Outturn 2014/15	Wards Affected:	(All Wards);
Report of:	Chief Finance Officer		
Is this a Key Decision?	No	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary

To inform Cabinet of the revenue outturn position on the 2014/15 General Fund (including Schools' Delegated Budget) and to note the surplus of £1.5m compared to the approved 2014/15 budget.

The financial year 2014/15 was the second year of a two year financial plan with reduced resources of £50.8m, and followed three years of real term reductions of £64m. The Council has delivered service efficiencies and reductions in order to remain within budget. Running in parallel to the achievement of the 2014/15 financial targets was the identification and early implementation of any changes agreed for inclusion in the 2015/2016 budget.

Cabinet is asked to consider earmarking the underspend in 2014/15 to assist in developing community support, extending the period of the modern apprenticeship scheme, and providing additional recreational facilities at King's Gardens. In addition, the carry forward of unspent Emergency Limited Assistance Scheme monies into the 2015/16 financial year is also recommended.

Recommendation(s)

Cabinet is recommended to: -

1. Note the General Fund net surplus of £1.458m for 2014/15;
2. Note the Schools Delegated Budget net deficit of £0.346m for 2014/15;
3. Confirm the carry forward of unspent resources in the Emergency Limited Assistance Scheme monies (£0.379m) into the 2015/16 financial year; and
4. Allocate the surplus in 2014/15 to assist in developing community support, extending the period of the modern apprenticeship scheme and providing additional recreational facilities at King's Gardens as set out in paragraph 4.5 of this report.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity		√	

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3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy		√	

Reasons for the Recommendation:

To ensure Cabinet are informed of the revenue outturn position for 2014/15 and to seek approval to utilise available resources as set out in the report.

What will it cost and how will it be financed?

(A) Revenue Costs

Following the closure of the accounts for 2014/15, the Council's General Balances stand at £8.396m and Schools' Balances stand at £17.446m.

(B) Capital Costs

None.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal		
Human Resources	None	
Equality		
1. No Equality Implication		<input type="checkbox"/>
2. Equality Implications identified and mitigated		<input type="checkbox"/>
3. Equality Implication identified and risk remains		<input type="checkbox"/>

Impact on Service Delivery:

None.

What consultations have taken place on the proposals and when?

The Chief Finance Officer is the author of the report (FD3738/15)

Head of Regulation and Compliance has been consulted and any comments have been incorporated into the report. (LD 3021/15)

Are there any other options available for consideration?

None.

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Implementation Date for the Decision

Immediately following call-in.

Contact Officer: Margaret Rawding

Tel: 0151 934 4082

Email: Margaret.rawding@sefton.gov.uk

Background Papers:

None

1. Introduction

- 1.1 The report highlights the major variations in the General Fund (and schools' delegated budgets) outturn for the 2014/15 financial year, and identifies the overall revenue surplus position on non-school services. The report also proposes the utilisation of part of the General Fund surplus as set out in paragraph 4.5 of the report.

2. General Fund Revenue Outturn 2014/15

- 2.1 The Council has completed the closure of the Authority's Accounts for 2014/15 and submitted the Statement of Accounts to PricewaterhouseCoopers on 5 June 2015. This is the earliest that the Accounts have been prepared, and thanks are due to the Financial Management Division and to supporting service department colleagues.
- 2.2 The outturn figures for 2014/15 are presented in more detail in the following sections but can be summarised as follows:

Revenue Account 2014/15	Schools £m	Non- Schools Services £m
Actual Balances at 31 March 2014	17.792	10.066
Less: Schools' Delegated Budget Net Deficit 2014/2015	-0.346	
Less surplus in comparison to the 2014/15 revised estimate:		
- Budgeted Use of Balances 2014/15	-	-3.128
- Surplus in 2014/15	-	1.458
Actual Use of Balances in 2014/15	-	-1.670
Provisional Unallocated Balances at 31 March 2015	17.446	8.396

- 2.3 Unallocated Non-School Balances have reduced by £1.670m to £8.396m. It should be noted that the 2015/16 – 2016/17 financial plan currently includes the potential use of £5m of Balances (should additional budget reductions not be identified). Should this be required, Balances would reduce to only £3.396m.

3. Schools' Delegated Budgets Outturn 2014/15

- 3.1 The schools closing balance for 2014/15 is £17.446m which represents 11.1% of schools 2014/15 delegated budgets. Overall school balances decreased by £0.346m within the last financial year.

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- 3.2 The Government made recommendations within a revised Scheme of Delegation for local authorities, to relax or omit any school balances control mechanism from April 2011. However Sefton Schools Forum agreed to continue to have a school balances control mechanism and to increase the level of permitted balances to 8% of the annual budget for a secondary school, or 12% for a primary or special school in recognition of the tighter financial climate currently faced by the schools.
- 3.3 Schools balances are examined each year by a sub group of the Schools Forum, to ensure balances are not excessive. Schools Forum decided that where balances are above 12% of a Primary or Special schools' annual budget, or 8% for a Secondary school, these would be examined, and a special pro forma is supplied to each school having balances which meet this criteria, with a request for them to explain how they intend to use the excess in their spending plans going forward. This mechanism was further enhanced by Schools Forum from 2013/2014, to enable the sub group to recommend to Forum reductions to individual schools balances, where these are considered excessive without good cause, for redistribution to all schools.
- 3.4 Following the last exercise to examine balances, conducted in June 2014, the schools contacted were able to demonstrate robust plans for the committed use of surplus balances and no resources were clawed back for re-distribution. Schools Forum agreed to continue to robustly review school balances as part of the annual process for 2014/15.
- 3.5 However, given future funding uncertainties for schools, issues were raised at Schools Forum regards the relevance of continuing with a schools balance review, and the views of both Primary and Secondary Headteachers were sought through representation to Sefton Association of Secondary Heads (SASH) and Sefton Association of Primary Heads (SAPH) following the Schools Forum meeting of 29 September 2014 to obtain a steer on the continuation of the review scheme. Feedback from these groups suggested that a full consultation should be undertaken with every school. The consultation document was sent out to schools on 14 July 2015 with a return date of 13 November 2015. This would enable a formal recommendation to Schools Forum on 7 December 2015, as to whether to continue with a balances review or not. If the decision is made to discontinue with the balances review, this would need to be incorporated into the Fair Funding of schools document, and would be immediately effective from 1 April 2016.
- 3.6 As mentioned above, the level of school balances has decreased in 2014/15 by £0.346m.
- During the year, balances for Primary and Nursery schools increased by £0.690m, whilst Maintained Secondary school balances decreased sharply by £1.394m. This was largely due, in part, to the conversion of St Michaels High School to an Academy from 1 November 2014, and the need to transfer £0.580m of balances to the new school; together with the general need for some secondary schools to apply part of their balances to negate the budget deficit in 2014/15. Balances increased for Special schools by £0.113m and Sefton's two Pupil Referral Units, which became schools from September 2013, by £0.093m. The overall Schools balances reduced by £0.498m. This reduction was partially offset by an increase in the level of funding held on behalf of schools, by the Local Authority, for the costs of supply teachers, as part of the

supply teacher scheme £0.152m, making the overall reduction in school balances a net £0.346m.

- Some schools had planned the use of some of their balances (brought forward from 2013/2014) and spent them in 2014/15, whilst others have had to draw on balances to help them reduce expenditure through restructures or to make recommended improvements.

4. **Non-Schools General Fund Outturn 2014/15**

4.1 The outturn for 2014/15 shows that a net surplus of £1.458m has been achieved against the approved 2014/15 budget, with the level of General Fund Balances standing at £8.396m as at 31 March 2015. It is recommended that the specific initiative identified at para 4.5 be approved which utilises this surplus. These initiatives are in line with council priorities.

4.2 In line with previous practice, savings agreed by the Council in October / November 2014 for future years, were approved for immediate implementation. This has led to an overachievement of the savings targets in some areas for 2014/15 as a result.

4.3 Within this overall net surplus, there have been a number of significant variations in individual services. The major variances are highlighted in the following paragraphs: -

4.3.1 **Strategic and Corporate Management** - The net surplus on these services totalled £0.361m. The main variances included: -

- Overachievement of senior management savings and the reallocation of work following unplanned vacancies;
- Developments in systems, including the financial management system, were met from the savings arising from staffing vacancies and other supplies efficiencies;
- Additional income from Corporate Services SLAs and recovery of costs above budgeted levels; and
- Spend on the Voluntary Community Faith sector was above budgeted levels as a result of the extended consultation period during the implementation of agreed savings.

4.3.2 **Young People and Families** – There was an overall deficit on this service area of some £1.965m; the main variations across the service are highlighted below: -

- Learning & Support – Cabinet has been made aware throughout the year of the forecast deficit on Specialist Transport. This is reflected in the final accounts at a deficit of £2.164m, which is partially offset by surpluses in the Connexions contract, the South Sefton Adult Education Centre and a range

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of staff vacancies and supplies and services reductions. The net deficit for Learning and Support is £1.424m.

- The pressure on Children's Social Care has been highlighted throughout the year and remains an ongoing risk into future years. The increase in the number of Looked-After Children and the court ruling requirement to pay foster parent rates for Special Guardianships has contributed to the deficit on placements and care packages budget of £1.747m.
- The net Children's Services deficit has been reduced by £0.680m through reviews of commissioned services and staffing for early intervention and prevention. These reductions have been reflected in the budget savings approved for 2015/16 and future years. A further saving has been achieved in the cost of central management and administration of £0.301m.

4.3.3 Older People -

- During 2014 it became more evident that the budgeted growth required was less than included in the 2014/15 Budget. This was reflected in the 2015 – 17 financial plan, in that no growth was included other than through redirection of BCF resources. The growth built into 2014/15 was left in that year's budget to remain prudent as forecasts in mid-2014 were at that time tenuous. This surplus of £1.442m reflects lower than anticipated growth in elderly residential care and a move into targeted community support. The recovery of unspent direct payments also exceeded the budget.
- The employee budget underspent by £0.899m mainly due to vacant posts following a significant amount of change as a result of the reconfiguration of the Assessment and Care Management teams. There has been particular difficulty in recruiting staff to posts due to a lack of availability of qualified staff
- Housing Related Support costs were adjusted by £0.311m through reduced contract payments to reflect reduced client numbers being supported.
- The late notification of grants and Social Care Agreements to cover the cost of care during the winter months is also reflected in this year's accounts. In future years, this resource will be managed through the Better Care Fund pooled budget.

4.3.4 **Health and Wellbeing** – A net deficit of £0.321m on this service is largely due to an increase in the rateable value of the Atkinson (£0.310m) which is currently being appealed. Income at the Atkinson was below target due to the initial build-up of events but this was offset by savings in utilities at Leisure Centres and reduced staffing costs.

4.3.5 **Built Environment** – There was a net deficit of £0.142m on services within this Department, the main variations being as follows:

- Admin Buildings – A premises deficit (£0.263m) primarily due to rent increases following rent review at Magdalen House and stepped rental increase at Merton House.
- Other Properties - Rental income under pressure from tenant default and reductions in rents to lower market levels on lease renewals (£0.159m).
- Winter gritting – deficit of £0.311m due to the severity of the winter.
- Economy and Tourism overspent by £0.264m. This was mainly due to a shortfall in STBN (Southport Tourist Business Network) income (£0.091m), an under achievement of ERDF Grant income (£0.093m) and an under achievement of rental income at the Southport Market (£0.108m).
- Savings on vacant posts contributed to surplus on the following departmental employee budgets - Environment (£0.127m), IPI (£0.367m) and Planning (£0.163m) - totalling £0.657m.
- There were further surplus on Environment (£0.098m) and Planning (£0.092m) supplies and services budgets.

4.3.6 **Street Scene – Direct Services** - The overall deficit of £0.142m on traded services is a combination of the surplus on catering (£0.294m) being more than offset by deficits on the Building Cleaning service of £0.165m, Vehicle Maintenance (£0.107m) and the Security Force (£0.106m).

4.3.7 **Street Scene – Landscape Services** – There was an overall surplus of £0.629m on this service. The major variations were as follows:

- Higher than budgeted income on the Cemeteries and Crematoria service (£0.509) due to a continuing and increased demand for funeral services and memorialisation.
- A revaluation of rateable values at Southport and Thornton Crematoria resulting in a reduction in the costs of Business Rates of £0.182m when compared to the budget.

4.3.8 **Debt Repayment / Net Investment** – Better investment returns on temporary monies held by the Council and particularly the lower than planned need for borrowing from the Public Works Loan Board gave a surplus of £1.323m.

4.3.9 Other areas where there are variations to the budget include an additional contribution to the Business Rates income reserve to cover potential additional costs arising from appeals by businesses. This is a national issue. The Government put a time limit on the right to challenge the level of NNDR bills, which has meant that many businesses have recently put in appeals, many of which may well be speculative. However, at the current time it is unknown whether these will be successful or not. Consequently, resources have been

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put aside based upon an estimate of the potential cost, £2.380m. An additional contribution to the Sundry Debtor Bad Debt Provision of £0.404m and a shortfall in receipts from the VAT Shelter agreement with One Vision Housing of £0.313m.

4.3.10 **Emergency Limited Assistance Scheme** - Following the introduction of the Council Tax Reduction Scheme, the Government provided a grant to local authorities (ELAS) in order to provide financial support to residents (on a one-off basis) who are in severe financial difficulty. The budget for 2014/15 was not fully utilised during the year. Consequently, the carry forward of this resource (£0.379m) into the 2015/16 financial year is recommended in order to meet the ongoing demand for such support.

4.3.11 The table below summarises the outturn position for service departments: -

	£m
Strategic Management	-0.154
Performance and Intelligence	-0.155
Corporate Services	-0.052
Young People and Families	+1.965
Older People	-2.704
Social Care additional agreement funding	-2.491
Health and Wellbeing	+0.321
Built Environment	+0.142
Street Scene – Direct Services	+0.142
Street Scene – Landscape Services	-0.629
Debt Repayment / Net Investment	-1.323
Increase in Business Rates Income Reserve - To offset increase in Appeals Provision	+2.380
Sundry Debtor Bad Debt Provision	+0.404
Shortfall in receipts from the VAT Shelter agreement	+0.313
Other Net Variations	+0.383
Net Surplus 2014/15	-1.458

4.4 Health Intervention Services – The Public Health Grant has been applied across a range of services, including directly managed public health services (e.g. drug and alcohol misuse) and indirectly managed services which contribute to the delivery of improving public health and wellbeing across the Borough (e.g. leisure activities). The Grant has been able to support health and wellbeing activities provided by the Council by £0.6m more than originally anticipated when setting the 2014/15 budget.

4.5 Potential use of reserves during 2015/16

4.5.1 As a result of the in-year surplus, there is an opportunity to utilise this resource to finance the following initiatives:

- Increasing funding for the Community Transition Fund (as agreed by Council on 5 March 2015) by £1m.
- As part of the 2014/15 budget Cabinet made available £0.300m one-off funding to support and enhance the use of Apprentices and Advance Apprentices within the Council and other employers. The provision of this resource allowed Sefton to operate a rolling programme for apprentices which saw, from June 2015, some 59 apprentices being taken on across virtually every department across the Authority. It also provided resources for apprenticeship schemes in other Sefton employment sectors.

The scheme has been a real success, out of the latest cohort of leavers, many of whom were long-term unemployed or NEETS, 58% gained employment with a further 24% receiving extended support or progressing to the Advanced Apprenticeship Scheme.

For the present scheme to continue Members may wish to consider whether to provide further funding to the Apprenticeship Scheme at a cost of £0.300m, and,

- Providing additional recreational facilities for disabled children at King's Gardens (£0.025m), which would enhance the range of opportunities for children and families.

4.6 Conclusion

- 4.6.1 The Council continues to exercise strong financial management across the range of its activities. This has resulted in an overall surplus at outturn. The vast majority of this surplus has been achieved through the early implementation of approved savings plus the constant effort of budget holders to reduce spending where they can. There are a number of areas where demand has exceeded the budget and these need to be reviewed as part of the ongoing MTFP. In particular, Specialist Transport, Children's social care will need to be closely managed with the probability of increasing the budget permanently in these areas. This will of course add to any overall future deficit.

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Report to: Cabinet

Date of Meeting: 3 September 2015

Subject: Revenue Budget 2015/16 Update

Report of: Chief Finance Officer

Wards Affected: All

Is this a Key Decision? No

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

To inform Cabinet of: -

- i) Progress in the achievement of the approved savings for 2015/16 (and any residual savings carried forward from 2014/15);
- ii) To highlight other financial and staffing capacity risks elsewhere within the budget, and to request the provision of additional financial resources;
- iii) To request the addition of a number of Section 106 schemes into the Capital Programme; and
- iv) The forecast on Council Tax and Business Rates collection.

Recommendation(s)

Cabinet is recommended to:-

- i) Note the progress to date on the achievement of approved savings for 2015/16 and residual savings carried forward from previous years;
- ii) Note the wider financial pressures being experienced in the remainder of the Budget; and
- iii) Approve additional staffing and budget resources for social care purposes as set out in paragraph 4.3;
- iv) Approve the creation of a Cabinet Support Officer as outlined in paragraph 4.4 and to approve the use of the 2014/15 surplus to meet the 2015/16 costs;
- v) Include additional Section 106 projects, outlined in paragraph 4.5, to the Capital Programme; and
- vi) Note the forecast position on the collection of Council Tax and Business Rates;

How does the decision contribute to the Council's Corporate Objectives?

<u>Corporate Objective</u>		Positive Impact	Neutral Impact	Negative Impact
1	Creating a Learning Community		•	
2	Jobs and Prosperity		•	
3	Environmental Sustainability		•	
4	Health and Well-Being		•	
5	Children and Young People		•	
6	Creating Safe Communities		•	
7	Creating Inclusive Communities		•	
8	Improving the Quality of Council Services and Strengthening Local Democracy		•	

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Reasons for the Recommendation:

To ensure Cabinet are informed of the latest position on the achievement of savings for the current financial year and to identify wider budget pressures being experienced elsewhere in the budget. To provide an update on the forecast the outturn position on the collection of Council Tax and Business Rates. To highlight service staffing pressures and to seek additional resources to meet that demand. To include additional schemes financed from Section 106 monies into the Capital Programme.

What will it cost and how will it be financed?

(A) Revenue Costs

i) 2015/16 Revenue Budget

Any under-achievement of the agreed revenue budget savings for 2015/16 (and residual savings from previous years) will need to be financed from within any under-spending identified within other areas of the 2015/16 budget, or from the Council's general balances. Any usage of balances will reduce the amount available to support the phased introduction of savings in future years.

The current financial position on approved savings indicates that about £3.228m are at significant risk of not being achieved (the "Red" marked items in Annex A). Should other budget savings not be identified at the year end, then an equivalent level of general balances would be required to support the budget.

As at the end of July, a number of other budget pressures in the remainder of the Council's Budget are identified in the report. In previous years, underspends have tended to materialise toward the end of the financial year as departments restrain spending in order to remain within budget. The budget forecast will be closely monitored throughout the remainder of the year.

Significant staffing pressures are being experienced with regard to Looked-After Children. Additional resources are required for both social work and legal posts. The costs for 2015/16 are to be met from additional income received from inter-agency adoption fees, with the ongoing impact being considered as part of the consideration of the Government's Autumn Budget for 2016/17.

The report also considers additional capital schemes to be financed from Section 106 monies, and asks that they be added to the 2015/16 Capital Programme.

(B) Capital Costs

Implications: None

Legal:

Human Resources None

Equality

Equality Implication



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Equality Implications identified and mitigated

Equality Implication identified and risk remains

Impact on Service Delivery:

None.

What consultations have taken place on the proposals and when?

The Chief Finance Officer is the author of the report (FD 3737/15)

The Head of Regulation and Compliance has been consulted and any comments have been incorporated into the report. (LD 3020/15)

Are there any other options available for consideration?

None.

Implementation Date for the Decision

Immediately following the call-in period following the publication of the Cabinet Minutes

Contact Officer: Margaret Rawding

Tel: 0151 934 4082

Email: Margaret.rawding@sefton.gov.uk

Background Papers: None

1. **Introduction**

- 1.1 The Council approved a two year financial plan for 2015/16 to 2016/17 which requires a large change programme of £55m to be implemented over these two years. This follows on from significant savings target in the previous three years. It should be noted that only £50m of the £55m target has so far been identified. Council on 5 March agreed that the remaining £5m would be matched against balances, pending identification of further saving options.
- 1.2 This report presents the latest position on the achievement of agreed savings for 2015/16 (£20.162m), plus the ongoing savings requirements carried forward from previous years. It is important that the Council continues to remain within budget and also has a sound financial base for the future financial challenges that are expected beyond 2016/17.
- 1.3 The current financial position on the remainder of the Council's budget is also highlighted in the report.
- 1.4 The report also outlines the current position regarding other key income streams for the Authority, Council Tax and Business Rates, as variations against expected receipts will affect the Council's financial position.

2. **Approved savings for 2015/16 (and previous years carry forward savings)**

- 2.1 The table at **Annex A** identifies the current position of the agreed savings for 2015/16. They are analysed into four categories: -
 - Savings achieved to date (Blue);
 - Progress is satisfactory (Green);
 - Outcome is unknown and is at risk of not being fully achieved (Amber); and
 - Known shortfalls, or significant risk of not being achieved (Red).

This approach is designed to ensure complete transparency, effective risk management and improved consultation and engagement.

It should be noted that individual savings may be categorised into more than one area; for example, part of the work to achieve a required saving may be on track (and a value can be shown in Green), whilst another element is potentially at risk (and therefore shown as Amber).

- 2.2 The position as at the end of July 2015 for the achievement of savings for is that £24.720m of the total required savings in 2015/16 £30.358m (for the current year and carry-forward items) have been delivered or are on plan; with £2.428m are at some risk of not being fully achieved. This leave a further £3.210m of savings that are unlikely to be achieved in 2015/16 (identified as "Red"). At the present time, it is still anticipated that the savings will be achieved in 2016/17.
- 2.3 All budget savings will continue to be closely monitored, with regular reports being presented to Cabinet and Overview and Scrutiny Committee (Regulatory, Compliance

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and Corporate Services). Officers will continue to be mindful of the ongoing financial position and take appropriate action where further efficiencies can be found which do not require a change of policy.

3. Other Potential Budget Variations

- 3.1 In addition to the potential budget shortfall on the above specific saving areas, there are a number of other financial risks / potential areas of underspending that have been identified elsewhere in the Budget. The main areas of variation to the general budget are noted below: -
- 3.1.1 The service pressures experienced by Specialist Transport (STU) in 2014/15 are continuing; the latest forecast is that the additional expenditure above budget will total £2.2m. A review of transport policies is underway but any changes are limited and will be subject to consultation and discussion with Members over the coming year.
- 3.1.2 The Children Social Care budget is showing a forecast demand exceeding approved budget of £2.7m. This is mostly due to increasing numbers of children in care and the cost of packages and special guardianships orders. It is anticipated that the work in creating the new Community Adolescents Service using £1.1m DfE Innovation Grant may help alleviate some cost pressures concerning the care of young people aged 13 upwards via new ways of working. However, at the present time the value of any in-year saving is still being evaluated.
- 3.1.3 The Schools and Families related services are continuing to report a surplus and at this point it is estimated at £0.5m
- 3.1.4 The Admin Buildings budget is forecast to overspend by £0.7m. This is due to additional costs for Magdalen and Merton House (following rent reviews), additional maintenance costs on properties earmarked for redevelopment / sale and reduced income from Council rental properties.
- 3.1.5 The Adult Social Care budget is showing surplus of £0.2m on staff vacancies and following the Procurement of Homeless and Housing Related Support Services from July 2015 a part year saving of £0.1m will be generated in anticipation of the 2016/17 saving requirement for Housing Related Support. The resources for care packages will be carefully monitored.
- 3.1.6 In previous years, service department surpluses have tended to materialise toward the end of the financial year as departments restrain spending in order to remain within budget. The budget will be closely monitored over the remainder of the financial year and further action will be taken if the financial position does not improve.

4. Other Budget Issues

4.1 ILF Grant

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The Government has previously been responsible for providing financial support to clients as part of the Independent Living Fund (ILF). However, with effect from 1 July 2015, responsibility has been transferred to local authorities. Grant distribution for 2015/16 has recently been announced, with Sefton receiving an allocation of £1,832,183. Based on existing ILF client information that the Council is aware of, there appears to be sufficient resource to cover costs for 2015/16. There was an expectation that a 5% attrition rate would be factored into the allocation but this doesn't appear to be the case based on the current information. However, future years ILF funding will be announced as part of overall spending review. It is disappointing that insufficient resources have been allocated. Consequently, there will be a risk that future allocations may not be sufficient to meet demand.

4.2 Public Health Grant – Reduction

The Department of Health has announced proposed in year cuts in Public Health grant – £200m across England. The currently proposed methodology is an equal percentage reduction across all local authorities and would equate to a loss of grant for Sefton of £1.374m. Whilst this is still subject to consultation, and the methodology may change, the impact is likely to be significant. Further information will be presented as it becomes available. However, in the meantime officers will need to consider how this reduction can be accommodated. There is no further information as to what the reduction in grant is likely to be from 2016/17 onwards. The Council at its meeting of 16 July 2015 passed a motion condemning this approach. Unfortunately the Government is committed to reducing spending in year

4.3 Staffing capacity – Looked After Children

The pressure of staffing capacity to respond to the Support for Looked After Children has grown throughout 2014/15 and into 2015/16. The re-design of social care services in 2013 created the conditions for further whole system change; reduced caseloads, improved decision making and performance and morale. In order to maintain this progress and ensure a safe service additional staffing resources are needed to match the growth in looked after children and referrals. An increase in child protection and case proceedings also places unsustainable resource demand on the Council's legal services capacity. The number of children's cases open in the assessment service has risen from 395 in May 2014 to 497 in May 2015; at the same time the locality service are now supporting 556 open cases compared to 468 in May 2014.

The Family Court and recent case law in respect of threshold for removal continues to impact on the numbers of case orders at home and the 26 week timescale for proceedings places increased pressure on the Social Care and Legal teams to meet tight timescales for assessments, statements, plans and proceedings.

Cabinet is requested to approve the use of additional inter-agency adoption fee income to meet the cost in 2015/16 of the part year effect of the recruitment of nine additional social work posts and two legal posts. The part year effect, assuming appointments are made during the Autumn, is estimated at £135,000. The resourcing for 2016/17 will be considered as part of the Autumn budget review which will bring together a wide range of financial considerations including any changes in Government funding, in order to set the 2016/17 Council Tax. The cost in 2015/16 will be met from anticipated increased income generated through inter-agency adoption fees of £200,000.

4.4 Cabinet Support

It is acknowledged that the level of staffing resource supporting the Leader and Cabinet Members needs to be reviewed given that the level of resource has remained constant for many years. One FTE political group secretary provides secretarial support to all

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Labour Councillors (and a similar level of resource exists across the other political group offices), although the number of Members supported by this level of resource has increased by 46% over the last 3 years. In addition, the number of Cabinet Members within this cohort has increased from 40% to 100%. This additional resource will provide specific support to the Leader of the Council and the Cabinet.

It is recommended that a Cabinet Support post be established to provide additional support to the Leader of the Council and Cabinet Members and that the cost in 2015/16 be met from the surplus reported for 2014/15.

4.5 Additions to the Capital Programme

The Planning Committee and Ward Councillors have agreed the following use of Section 106 monies. Cabinet is recommended to add these fully funded projects to the Capital Programme.

Litherland & Ford Ward Areas

The table below lists the current available commuted sums for Trees and Greenspace in the Litherland and Ford ward areas.

Planning ref	SITE ADDRESS	£'s TREES	Area of Spend agreed - trees	£'s GREENSPACE	Area of Spend agreed – Greenspace
S/2007/05 20 FORD	74 Litherland Park, Litherland			£6,989.62	Hatton Hill Park, prioritising the bowling green.
S/2007/10 50 S/2009/06 66 S/2008/01 34	13 Linacre Lane, Bootle Captains Green Bootle Former Lanstar Site, Hawthorne Road, Bootle		Tree Planting where identified £20,000 Living Christmas Tree Linacre Hub £5,000 Shrubs/Planting £15,644		
S/2008/08 21 S/2009/11 03 S/2010/17 07 LITHERLAND AND GREEN SPACE	18-32 Linacre Road, Litherland Former Tannery Site, Hawthorne Road, Bootle Penpoll Trading Estate, Hawthorne Road, Bootle				Linacre Hub - £46,000, an emphasis on creating a community green space, a community garden and working in partnership with Y Kids and Food Banks around growing vegetables and fruit trees Hapsford Park – £20,000, an emphasis on making the park safe and more attractive, repairing paths etc.

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Planning ref	SITE ADDRESS	£'s TREES	Area of Spend agreed - trees	£'s GREENSPACE	Area of Spend agreed – Greenspace
S/2009/06 66 LITHERL AND GREEN SPACE	Captains Green, Bootle			£24,171.00	Greenspace Captains Green

Molyneux Ward

The table below lists the current available commuted sums for Trees and Greenspace in the Molyneux ward area.

Planning ref	SITE ADDRESS	£'s Trees	Area of Spend agreed - trees	£'s Greenspace	Area of Spend agreed - Greenspace
S/2012/03 12	191-193 Altway, Aintree	£1,443.53	Altway	n/a	n/a
S/2011/03 83	Marks &Spencers, Racecourse Retail Park	£457.43	Ormskirk Rd	n/a	n/a
S/2012/09 04	Unit 6 Racecourse Retail Park	£29,351.68	1.Ormskirk Rd (primary focus between Altway and Oundel Drive. 2.Haileybury Ave grass verges. 3.Keble Rd, Bradfield Ave, Radley Drive, Oriell Rd, Aintree Lane, Sedbergh Ave, Spencers Lane 4.Community Orchard Fruit Planting		

Netherton and Orrell Ward

The table below lists the current available commuted sums for Trees and Greenspace in the Netherton and Orrell Ward

Planning ref	SITE ADDRESS	£'s Trees	Area of Spend agreed - trees	£'s Greenspace	Area of Spend agreed - Greenspace
S/2011/05 61	Former Build Center, Heysham Rd	n/a	n/a	£3,103.65	Giro Park
S/2007/06 88	Atlantic Park, Dunnings Bridge Rd	n/a	n/a	£3,295.55	Giro Park
S/2010/04 31	Former Peerless Site,	£27,017.52	Oswalds Lane, Park Lane West, Park Lane,	£23,657.14	Giro Park, Abbeyfield Park.

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	Dunnings Bridge Rd		Deerbarn Drive, Orchard Hey, Gardner Ave, Copy Lane, Netherton Grange, Elton Ave, Ashborne Ave and Barnfield Close		
S/2007/0500	14 Moss Lane	n/a	n/a	£7,759.12	Giro Park

Church Ward

The table below lists the current available commuted sums for Trees and Greenspace in the Church ward area.

Planning ref	SITE ADDRESS	£'s Trees	Area of Spend agreed - trees	£'s Greenspace	Area of Spend agreed - Greenspace
S/2012/0413	Merlin Animal Foodstore, Peel Port,	n/a	n/a	£50,477.04 £48,470.00	Potters Barn (TO CONTINUE ASAP) Entrance to Rimrose Valley, at the end of Glenwyllin Rd

5. Council Tax Income – Update

5.1 Council Tax income is shared between the billing authority (Sefton Council) and the two major precepting authorities (the Fire and Rescue Authority, and the Police and Crime Commissioner) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £104.087m for 2015/16 (including Parish Precepts), which represents 85.2% of the net Council Tax income of £122.191m. The forecast position for total Council Tax income, as at the end of July 2015 is shown below:

2015/16	Budget £'000	Forecast £'000	Surplus(-) £'000
Total Council Tax Income	-122,191	-125,631	-3,440

5.2 The forecast shows a surplus on Council Tax income largely because the level of Council Tax Reduction Scheme (CTRS) discounts claimed to date is lower than originally estimated. The MTFP assumed a gross surplus of £600k in 2015/16 (Sefton's share was £511k).

5.3 Due to the Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2015/16 but will be carried forward to be distributed in future years.

5.4 In January 2015 the Council declared a surplus of £5.325m for 2014/15 as part of the budget setting process. This is the amount that will be distributed in 2015/16. At the end of March 2015 the actual council tax surplus on the Collection Fund was £0.823m

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higher than January estimate (subject to audit). This variation will be carried forward to be distributed in 2016/17.

5.5 The total forecast surplus to be distributed in 2016/17 is shown in the table below:

Share of Council Tax Surplus (-) / Deficit to be distributed in 2016/17	%	2014/15 Carried Forward £'000	2015/16 Forecast (31/07/15) £'000	Total £'000
Sefton Council	85.2	-701	-2,930	-3,631
Police & Crime Commissioner	10.2	-84	-353	-437
Fire & Rescue Authority	4.6	-38	-157	-195
Total	100	-823	-3,440	-4,263

6. Council Tax Reduction Scheme – Update

6.1 Local Council Tax Reduction Scheme (CTRS) discounts replaced Council Tax Benefit in April 2013. The CTRS placed a significant new burden on local authorities meaning that the monitoring of Council Tax income is even more important than before. The following paragraphs provide an update of the position for Sefton as at the end of July 2015.

6.2 Overall the net CTRS is forecasting a favourable outturn position of £2.1m. This forms part of the council tax surplus forecast in paragraph 5.1. Members are requested to treat this with caution as the position relating to the new claims is frequently changing and is sensitive to local economic demands on families and householders who are also affected by Welfare Reform changes.

6.3 Details of CTRS claimants numbers and council tax collection against CTRS cases are shown below: -

Number of CTRS Claimants	01/08/14	01/04/15	01/08/15
Working Age - Employed	2,838	2,748	2,700
Working Age - Other	12,877	12,601	12,440
Working Age - Total	15,715	15,349	15,140
Pensioners	14,448	13,925	13,677
Total	30,163	29,274	28,817

Council Tax Collection CTRS Claimants 2015/16 (Data at 06/08/15)	Liability Raised £000	Income Received	
		£000	%
Working Age - Employed	1,346	365	27.2
Working Age - Other	2,508	762	30.4
Working Age - Total	3,854	1,127	29.3
Pensioners	1,885	863	45.8
Total	5,739	1,990	34.7

Council Tax Collection CTRS Claimants 2014/15 (Data at 06/08/15)	Liability Raised £000	Income Received	
		£000	%

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Working Age - Employed	1,417	1,122	79.2
Working Age - Other	2,663	1,981	74.4
Working Age - Total	4,080	3,103	76.1
Pensioners	2,005	1,996	99.6
Total	6,085	5,099	83.8

7. Business Rates Income – Update

7.1 The Business Rates Retention Scheme introduced on 1 April 2013 allows local authorities to retain 49% of their Business Rates income. This change made Business Rates income a key financial risk for the Council for 2013/2014 onward.

7.2 Business Rates income has historically been very volatile as it is subject to revaluation appeals and changes in the level of economic activity. The level of income is also subject to changes in the level of mandatory reliefs such as Small Business Rate Relief, Empty Property Relief and Charity Relief. This makes it very difficult to forecast Business Rates income accurately.

7.3 The forecast position for Business Rates income and related Section 31 Grants, as at the end of July 2015 is shown in the table below:

Business Rates 2015/16	Budget £'000	Forecast £'000	Variation £'000
Business Rate Yield (Net)	-65,580	-65,732	-151
Section 31 Grants – Rate Reliefs etc	-2,623	-2,818	-195

7.4 The forecast identifies a surplus compared to the budget position. The main reason for the variation in business rate yield is that gross rate changes have increased compared to a forecast reduction. The main reason for the variation in Section 31 Grant is that the Autumn Statement Reliefs (retail relief, new empty homes property relief and reoccupation relief) are higher than forecast. The variation in Section 31 Grants will need to be taken into account in 2015/16.

7.5 In January 2015 the Council declared an estimated surplus of £4,165k for 2014/15 as part of the budget setting process. This is the amount that will be distributed in 2015/16. At the end of March 2015, the actual business rates surplus on the Collection Fund was £1.575m higher than January estimate (subject to audit). Government rules require that this variation will be carried forward to be distributed in 2016/17, rather than just amending the 2015/16 distribution.

7.6 As part of the 2012/2013 accounts closure process an exercise was undertaken to estimate the size of provision required at 1 April 2013 to meet the cost of refunds to ratepayers as a result of successful appeals against the rateable value of their business premises. The provision required was estimated at £3.308m. The DCLG made regulations in January 2014 allowing local authorities to spread the cost of this provision over five years. Sefton chose to adopt this approach so we can credit £0.662m (20%) against any surplus (-) or deficit to be distributed in 2016/17.

7.7 The total forecast surplus to be distributed in 2016/17 is shown in the table below:

Share of Business Rates Surplus (-) / Deficit	%	Balance 31/03/16	Appeals Provision	Total
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		£'000	Spreading £'000	£'000
Central Government	50	-863	-331	-1,194
Sefton Council	49	-846	-324	-1,170
Fire & Rescue Authority	1	-17	-7	-24
Total	100	-1,726	-662	-2,388

8. Council Tax / Business Rates Income – Summary

8.1 All income from Council Tax / Business Rates is collected in an account called the Collection Fund. The total sum is split between the Council, the Fire and Rescue Authority, the Police & Crime Commissioner (Council Tax only) and the Government (Business Rates only). The forecast position as at the end of January shows additional income of £3.631m from Council Tax and additional income of £1.170m from Business Rates.

8.2 The forecast surplus on both Council Tax and Business Rates needs to be set against the forecast increase in Section 31 Grant for business rates reliefs and amounts included in the Medium Term Financial Plan for Council Tax Surplus and Appeals Spreading.

8.3 The forecast impact on the budget / MTFP is shown in the following table:

	2015/16 £'000	2016/17 £'000	2017/18 £'000
<u>Collection Fund Transfers</u>			
Forecast Council Tax Surplus		-3,631	
Forecast Business Rates Surplus		-1,170	324
<u>General Fund Grants</u>			
Section 31 Grant - Business Rate Reliefs	-195		
Section 31 Grant - Council Tax Annex's	-1		
<u>Remove MTFP Assumptions</u>			
Council Tax Surplus in MTFP		511	
NNDR Appeals Spreading in MTFP		-324	-324
Total	-196	-4,614	0

8.4 Members are requested to treat the figures with caution as the level of income from Council Tax and Business Rates can be highly volatile and the forecasts could change significantly during the year.

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2013-16 LISTED BUDGET SAVINGS PERFORMANCE AT JULY 2015

Savings achieved to date	15,650,050
Progress is Satisfactory	9,069,996
Risk of savings not being fully achieved	2,428,550
Known shortfalls or significant risk that savings will not be achieved	3,210,050
Total of Savings	30,358,646

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 27	Levies - Merseyside Waste and Recycling Authority and the Integrated Mersey Transport Authority have been requested to support the Council by finding 10% efficiency savings in setting their budgets for 2015/16/17	1,700,000	509,150				MRWA Levy did not reduce (although Transport Levy reduced by more than anticipated to partially offset this). Full saving (additional £2m reduction in 2016/2017) will need to be discussed with levying bodies.
(2014) 2.1	Review of the Commissioning of all residential care beds	600,000	395,000				This was part of a £1m saving phased over two years. Year 1 (2013/14) was set at £400k and was fully achieved through a restructure of In House Residential care. The balance (£600k) was for achievement in 2014/15 and was to be partially met from ongoing savings arising out of the In House Residential review (£305k), with the remainder (£295k) to be met from savings around Social Care Residential Agency Placements. In respect of the In House Residential saving, this was achieved except for £100k which was due to unexpected additional pay costs at Springbrook paid in October and in respect of overtime/relief staff for all homes. In respect of the Social Care Residential Agency placement saving, none of this was achieved as there was an overspend against the budget of £573k in 2014/15. There is currently a £1.37m projected overspend on Social Care Residential Agency placements in 2015/16. *The number of Looked After Children currently stands at 461. These savings assume LAC numbers remaining at 400.
(2014/15) C12.3	Reduced external audit, recoverable VAT fees & improved cash management pension costs	400,000	300,000				The unachieved balance from this 2013/14 saving relates to VAT shelter income from OVH. Receipts are currently forecast at £100k against OVH saving, therefore £300k is unlikely to be achieved again in 2015/16.
(2012/13) C5.1	Children in Care - Reduce Care Package Costs	396,000	396,000				This saving (£396k) is part of a £1.188m saving proposal phased over 3 years commencing 2012/13. It was very much in line with the Department's strategy to reduce our reliance on children placed in high cost Residential Care/Independent Foster placements and move them towards less expensive In-House Fostering with better outcomes for the child. The Department has made, and is continuing to make progress in this respect. However, Government policy and Family Court practice has been to increase the speed and number of children achieving permanence through Adoption; Special Guardianship and Residential Orders. There is an ongoing financial support associated with this practice, which has led to a significant financial burden on the Authority. Special Guardianship Orders overspent by £634k and Adoption Allowances by £148k in 2014/15, the latter of which was partially offset by one-off Adoption Reform Grant. These areas are forecast to overspend in 2015/16. *The number of Looked After Children currently stands at 461. These savings assume LAC numbers remaining at 400.
2015/17 Ref 97b	Budget Planning Assumptions - Review of services for vulnerable children	350,000	350,000				Likely to be unachievable - residential agency budget forecast to be significantly overspent.
(2014/15) I1.3	Financial Assessments	250,000	250,000				Work ongoing to identify and allocate savings.

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
(2014/15) I1.4	Customer Access Point	250,000	250,000				Work ongoing to identify and allocate savings.
2015/17 Ref 66	Parking - Review of service and charging regimes	180,000	180,000				The introduction of new Car Parks is being progressed but unlikely to be operational until early 2016 at earliest. Removal of refunds for leisure users currently is under review. RPP charge increase has been implemented.
2015/17 Ref 39	Neighbourhoods - Reduction and re-prioritisation of activity	150,000	20,000				£130,000 has now been achieved - the remaining £20,000 will not be achieved until 2016/17
(2014/15) D1.9	Budget re-alignment of salaries to be funded from grants, contracts and reserves	116,000	116,000				A Review of the Economic Development Service has recommended this saving proposal is reclassified to RED as part of a wider restructuring & refinancing to allow the Service to bridge a funding gap in 14/15 until new sources of funding including the next European programme come on-line in 15/16. The non-achievement also relates to historic budgets which have been deleted although current commitments including the £32k annual subscription to the Local Enterprise Partnership continue to be paid.
2015/17 Ref 47	Further Changes in Style and Standards of Parks Management - Further Changes in Style and Standards of Parks Management	80,000	30,000				This saving cannot be fully achieved until the parks have been redesigned and contractual changes have been implemented, it is envisaged that a part saving of £50k will be achieved in 2015/16 with the remaining £30k in 2016/17.
2015/17 Ref 28b	Reduced accommodation costs - Lease on Houghton Street	76,000	76,000				Saving unachievable as it is a duplication of 2015/16 Saving Ref 67 (£60k).
(2014) 6.6	Careline Service/Security Force (income target)	75,000	75,000				Some additional income has been achieved so far, and whilst there is a general economic downturn, it is expected that these services will continue to generate sufficient opportunities to meet budgetary requirements in the future. However, there is a pressing need to introduce a Direct Debit collection system to meet customer expectations and assist with the development of income generating opportunities, however this system is yet to be introduced, and as such these income generating opportunities have yet to be achieved.
(2013/14) E2.8	Area Finance / Finance Visiting Officers - Review	75,000	26,400				This £75k saving has been deferred from 2013/14 as part of the requirement to achieve D 1.38 Social Care Subsidies. A proposed restructure will be presented to Trade Unions with the intention of then holding open consultation with staff as soon as possible. It is anticipated that £48.6k will be realised by March 2016, subject to consultation. Officers have already indicated to the Senior Leadership team that there will be an approximate £26.4k under-achievement of this saving in 2015/16 and have requested that this residual saving is deferred for another 12 months on the understanding that the full saving will be realised in 2016/17, but this would be subject to further efficiencies being realised from the change to processes and development of systems.

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
(2014/15) C11.2	Improved procurement of Council wide communications activity	75,000	52,000				The 2014/15 saving of £75,000 will not be achieved. The £52,000 projected overspend reflects the fact that the potential impact of this non-achievement has been moderated by the inclusion of forecast income (£23,000) from the selling of advertising space on roundabouts.
2015/17 Ref 48	Parks Maintenance - Reduction in GM Contracts	60,000	30,000				This saving is based upon a contractual arrangement which will result in a £30k saving being achieved over the two year (2015/17) budget period.
(2013/14)	Management fee reduction - Formby Pool Contract	50,000	50,000				Independent reviewer has taken place and the results have indicated that discussions should take place with a view to revising the Contract Management fee. These discussions are progressing.
(2014/15)	Street Lighting - Review of lighting options	49,000	49,000				This saving will not be achieved due to the increase in provider electricity unit rate charges in September 2013. The scheme still delivered a reduction in energy need and no action would have resulted in an increase in the funding requirement.
(2014/15) E4.2	Review of Corporate Support Services (saving requirement £114,000)	20,000	20,000				£20,000 of original saving not achievable.
(2014/15) C5.4	Parks incl Nursery and net of frontline - Further changes to Parks Management and standards in parks (saving requirement £50,000)	19,000	19,000				This relates to the grounds maintenance contract and savings to be achieved on the indexation increase. For the first time in a number of years there was no positive indexation so the saving could not be achieved.
(2013/14)	Street Lighting - Review of lighting options	15,000	15,000				Pilot Street Lighting switch off scheme A565 and A59. This saving was not achieved due to the increase in provider electricity unit rate charges in September 2013
(2014/15) 1.30	Built Environment - Pest Control - introduction of a charge (saving requirement £10,000)	1,500	1,500				2014 - 15 additional £10k income target - £8,500 achieved
TOTAL SIGNIFICANT RED	SAVINGS TARGETS DECLARED AS AT RISK OF NON ACHIEVEMENT-	4,987,500	3,210,050	0	0	0	

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 83	Integrated Wellness - Integration of Lifestyle services	1,500,000	500,000			We have achieved savings of £981,277 through decommissioning a number of services. The target of £1.5 million has not been achieved as anticipated last quarter. Savings identified have not been realised due to the delay in completing the VCF review.
2015/17 Ref 53	Sports Leisure - Review and Restructure Management/Administration/Operations including deletion of Service Manager post. Retender direct debit collection. Reduce agency payments. Energy efficiency.	470,000	54,450			Review and restructure completed and implemented on 5th May. Due to notice periods there will be a reduced saving in 2015/16, but the saving will be achieved in full in future years.
2015/17 Ref 84	Substance Misuse - Reduction in Substance Misuse spend	300,000	56,100			Public health has achieved a direct saving of £243,900 against target of £300,000. Additional savings have not been achieved as anticipated at last quarter due to the delay in completing the VCF review and agreed staffing savings being assigned to other council budgets.
(2014/15) F3.1, F3.3, F4.2 & D1.28	Review of Commissioning - reducing funding support to community groups - Commissioning & Neighbourhood Coordination	261,000	261,000			This is a Council wide saving which impacts on all VCF budgets, and cannot therefore be achieved in full from Commissioning and Neighbourhood Coordination. The saving will impact on the Council wide VCF review which is forecast to take effect in 2016/17.
2015/17 Ref 28ii	Day Care - Day Care Review	250,000	250,000			Negotiations are underway with the provider, however contractual notice periods may impact on the amount saved in 2015/16
2015 Ref 8	Sefton Care Line and Sefton Securities - Increased income as result of increased service activity	238,000	238,000			Additional income is being achieved via additional external activity relating to fire and intruder alarms and CCTV installations. However, there is still a need to define the scope of internal work which can be provided via Sefton Arc and also to develop the business model to meet the increasing requirements for the use of Assistive Technology in all relevant areas via social work teams, reablement work, etc. This will have a positive impact upon income generating opportunities for the Council but will require further development as the year progresses.
2015/17 Ref 35	Libraries - Review of operation and management of libraries including bookfund and opening times	200,000	60,000			Review completed and implementation started on 5th May 2015. Due to notice periods there will be a reduced saving in 2015/16, but the saving will be achieved in full in future years.
2015/17 Ref 88	Catering - To increase the charge for each meal by 10p in September 2015 (start of the school term) and by a further 10p from September 2016	200,000	200,000			The increase in the price of a school meal has been designed to generate the required level of additional income. It is expected that there will be no negative effect on school meal take up. However, this can only be clarified once the new price is introduced. Following this implementation in September there should be more certainty that the income target will be met by year end.
2015/17 Ref 72	Arts - Review management and opening times at the Atkinson	120,000	60,000			Review completed and implementation started on 5th May 2015. Due to notice periods there will be a reduced saving in 2015/16, but the saving will be achieved in full in future years. Increasing income will be a challenge. This is on target and should be green. Full saving won't be achieved this year – about £40k slippage – because staff savings aren't full year due to when the savings were agreed.
2015/17 Ref 76	Corporate Communications Team - Deletion of vacant posts and Team restructure	104,000	104,000			Full saving unlikely to be achieved this year, as restructure process ongoing following authority from Council
2015/17 Ref 59	Outreach Respite Recovery - Restructure the delivery team	96,000	96,000			This team is now part of the Community Adolescent Service and the budget reduction is currently being considered. Likely saving will not be achieved until March 2016
2015/17 Ref 73	Sports Leisure- Active Sports - Increase in income due to increased charges and new programmes	84,000	54,000			Charges increased on 1st April. Programmes started at the beginning of the schools holidays in July, with good attendances.

	SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 68	FCERM (Flood and Coastal Erosion Risk Management) - Reduction in service, Reduced response times. Reduction in works delivery	82,000	82,000			Allocation of funding to Capital plus reduction in revenue funding undertaken. Service revision delayed due to senior management review. Progress expected to be made on this issue during quarters 2 and 3
2015/17 Ref 80	Learning & Development - Reduction in activity associated with learning and development	80,000	80,000			Amalgamation of budgets to take place, Employee VER/VR and Apprenticeship charging subject to Finance assistance
2015/17 Ref 89	Building Cleaning - To increase fees and charges to schools	70,000	70,000			Contract fees and charges are being increased across all external contracts operated by the Building Cleaning Service. As clients renew each contract there will be more certainty that the required level of additional income will be generated by year end.
(2014/15) F2.1	Street Cleansing - Bulky Items Collection Service - Restructure Crews and introduce charge for bulky items	60,000	15,000			It is expected that the service will recover at least £45k of this, and plans are currently being developed to try and address the projected £15k shortfall by year end.
2015/17 Ref 70	Public Conveniences - Closure of all public conveniences	60,000	60,000			Closure of the public conveniences is to be achieved on a phased basis over a two year period. Plans continue to be developed with a view to deliver the operation of the public conveniences at no cost to the Council.
2015/17 Ref 62	Schools Regulatory Services-An end to end review of activity, policies, procedures and processes.	60,000	18,000			£18K unlikely to be achieved salary costs
(2014/15) D1.19	Street Scene - Building Cleaning - change frequency of office cleaning	50,000	50,000			Due to the closure of a number of Council buildings this saving target may not be achieved. This will be reviewed further over coming months.
2015/17 Ref 37	Housing Standards - Reduction in housing enforcement services including cessation of corporate illegal traveller sites co-ordination	40,000	40,000			One Technical Officer post has been deleted from the establishment and other adjustments will achieve the financial saving required. The saving was linked to an 'approved proposal' to cease corporate illegal traveller site co-ordination services. This has been reviewed by Legal Services, who indicate that the Council has a legal obligation to provide this, or similar, service. No alternative service proposal has been put in place.
2015/17 Ref 22	Tourism - Revised estimate following policy decision	27,000	27,000			Currently tendering new concessions that should generate income to meet the 27k requirement. However we may receive a reduced income from the Pier for 15/16 and will make a substantial loss on the ice cream licence agreement for Kings Gardens (worth over 20k). This potential loss of income needs to be factored into any judgement about the ability to achieve the saving. Consequently there remains a risk that the saving will not be fully achieved.
(2014/15) C6.2	Public conveniences reviewed for efficiency savings	20,000	20,000			Savings were not achieved in 2013/14 due to one off costs of fitting coin mechanised doors at facilities that were previously provided free of charge. Savings should be achieved in 2014/15 but will be dependant on the level of maintenance and vandalism costs. Although charges have been increased / introduced, the financial benefit to the Council has been less than expected due to the relative ease of avoiding payment (particularly at busy periods). This issue is currently being reviewed.
(2014/15) E4.1	Learning and Development (saving requirement £75,000)	16,000	16,000			Charging regime now in place from April 2015 after Learning and Development Board approval exact figure to be achieved dependent upon take up of places
(2014/15)	Investment & Infrastructure - Increase income from Network Management	12,000	12,000			The additional £38,000 income target for 2013/14 was speculative and this achievement included one off payments which cannot be guaranteed. Indications are positive that the additional £12,000 income target will be achieved in 2014-2015, however, we need to be wary that situations can vary year on year
2015/17 Ref 74	Sports Leisure Aquatics - Maximise pool time at Meadows offering more swimming lessons to meet demand	36,000	5,000			Some increase in demand already, but needs to be monitored over the year.

TOTAL OF SAVINGS TARGETS DECLARED AS AT RISK - AMBER

4,436,000	0	2,428,550	0	0
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		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 83	Integrated Wellness - Integration of Lifestyle services	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			1,000,000		We have achieved savings of £981,277 through decommissioning a number of services. The target of £1.5 million has not been achieved as anticipated last quarter. Savings identified have not been realised due to the delay in completing the VCF review.
(2014/15)	Disabled Facilities Grant - Capitalisation	1,000,000			1,000,000		Depends on sufficient alternative resources being identified.
2015/17 Ref 95	New Options - Funding of highways, ICT and other developments from capital resources	1,000,000			1,000,000		Will be achieved subject to identification of suitable relevant expenditure through the year.
(2014/15) C12.3	Reduced external audit, recoverable VAT fees & improved cash management pension costs	800,000			800,000		Only risk if large numbers of VERs cannot be met from Earmarked Reserves.
2015/17 Ref 92	New Options - Funding revenue consequences of planning projects from Section 106	500,000			500,000		Will be achieved subject to identification of suitable relevant expenditure through the year.
2015/17 Ref 3	Burials and Cremations Service - Increased income as result of increased service activity	390,000			390,000		This saving should be achieved subject to continued demand for funeral services
2015/17 Ref 19	Finance - Reduced debt management charges	390,000			390,000		On Target
2015/17 Ref 32	Street Cleansing - Further expand the use of electric vehicles and reduce the number of cleansing operatives delivering a manual service	360,000			360,000		The whole Street Cleansing Service is currently being reviewed in terms of efficiencies and deliverability. At this stage it is expected that the full required saving will be achieved during the year.
2015/17 Ref 75	Public Health-Internal restructure to reflect the need to strengthen the influencing role of the team, and reduced need for commissioning capacity	316,000			316,000		Public Health have restructured the existing 2014/15 team and efficiency savings have been identified and met for 2015/16.
2015/17 Ref 84	Substance Misuse - Reduction in Substance Misuse spend	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			243,900		Public health has achieved a direct saving of £243,900 against target of £300,000. Additional savings have not been achieved as anticipated at last quarter due to the delay in completing the VCF review and agreed staffing savings being assigned to other council budgets.
(2014/15) C12.2	Increased housing benefit grant from reduced error rates	250,000			250,000		Anticipated that saving will be achieved from prescribed area.
(2014/15) E2.6	Central Support	202,000			202,000		Through a reorganisation of Support and Development Services the saving is on target to be achieved, although this will need to be reprofiled against the original proposal, following consultation and review with Service Directors' and Heads of Service
2015/17 Ref 50	Environmental Health - Reduction in front line environmental health regulatory services. Reduction in pest control services but retain full rat control service	200,000			50,000		Discretionary spend budgets reduced, vacancies deleted & proposed voluntary staff departures agreed by ECP.
2015/17 Ref 65	Highway management, development, design and safety - Changes to chargesService reorganisations	170,000			170,000		Changes have been introduced and are being monitored, service changes are on-going. Income to offset expenditure on Permits currently on target. Overall savings currently on target however income can fluctuate but will be monitored closely

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 93	New Options - Increase Cremation and Burial Fees by 5% above inflation	150,000			150,000		Fees have been increased and this saving should be achieved subject to continued demand for funeral services
2015/17 Ref 28i	Building Maintenance - Recharge Salaries to Capital Schemes	136,000			136,000		On Target
2015/17 Ref 78	Legal Services - Restructure of the legal management department Removal of the Monitoring Officer's budget.	134,000			134,000		Savings completed
2015/17 Ref 41	Planning - Increase in income across parts of the service Development Management, Building Control, and Technical Support [land charges] in light of economic forecast	130,000			130,000		On Target
(2014/15)	Parking - Strategic Review of Parking	100,000			100,000		Phase 1 of review complete. Proposals relate to charging, technological improvements and replacement of equipment. Due to recent Court case further legal and financial advice required. Budget Council on 6th March 2014 agreed to reduce this saving from £300k to £100k. The income target for 2014/15 has been achieved.
(2013/14) C6.1	Commercial waste increased income	100,000			100,000		Additional income was difficult to achieve in 2013/14 in part due to the general economic downturn across the private sector. An Officer post has been dedicated to generating additional business opportunities to maximise potential additional sources of income in 2014/15. In addition, new marketing and promotional systems are in place.
(2013/14) 6.4	Catering - Other catering activity (income target)	100,000			100,000		Saving is being achieved
2015/17 Ref 81	Personnel - Reduction in Personnel resource and efficiency savings	100,000			100,000		Achieved
2015/17 Ref 49	Coast - Reduction to visitor and site management activities. Extension to the length of the life guard contract on reduced terms. Car-parking income charges	75,000			56,000		The 2015/16 phased saving has been overachieved due to early implementation of an appropriate solution, part of 2016/17 phased saving will be achieved during 2015/16
2015/17 Ref 4	Catering Services - Increased income as result of increased service activity	66,000			66,000		The planned increases in service activity over the coming year will enable the required additional income to be generated.
2015/17 Ref 62	Schools Regulatory Services-An end to end review of activity, policies, procedures and processes.	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			42,000		£18K unlikely to be achieved salary costs
2015/17 Ref 67	Property Management - Closure and disposal of operational properties	60,000			60,000		Full saving expected by the end of June
2015/17 Ref 1	Registration Service - Increased income as result of increased service activity	54,000			54,000		This saving should be achieved subject to continued demand for wedding services

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 55	Client Contribution - Restructuring and integrating the above service with the specialist Substance Misuse Housing and Welfare Rights Team	54,000			54,000		A proposed restructure will be presented to Trade Unions with the intention of then holding open consultation with staff as soon as possible. It is anticipated that the full savings will be realised by March 2016, subject to consultation.
2015/17 Ref 85	Affordable Warmth - Cessation of SEARCH scheme and Easier Breathing Project	54,000			54,000		The funding has been ceased and public health can confirm savings target has been met for 2015/16.
2015/17 Ref 20	Health Protection and Infection Control - Efficiency following re-procurement of service	52,000			52,000		Savings have been identified and can be met in 2015/16
(2014/15) C12.1	Learning and Development	50,000			50,000		Saving is likely to be achieved.
2015/17 Ref 87	Public Health - Reduction in funding for commissioned intelligence work	50,000			50,000		Efficiency savings have been identified and public health can confirm target has been met for 2015/16.
2015/17 Ref 71	Bulky Items - Increasing collection charge from £7.50 to £10 per collection	48,000			48,000		The new increased charge, coupled with the return of previously leased vehicles and the subsequent reduction in transport costs, should deliver the required saving by year end.
2015/17 Ref 5	Commercial Waste Skips Services - Increased income as result of increased service activity	45,000			45,000		The Commercial Waste Service continues to develop additional external opportunities and new external contracts. As such, it is expected that the additional income target will be achieved during the coming year.
2015/17 Ref 64	Children's administrative support - Service redesign	43,000			43,000		The 2015/16 of £43k saving is currently 'not yet achieved but in progress'. A review of the administrative support structure has been completed and proposals for a restructure are currently being prepared, which if approved (and subject to consultation) will result in achieving the total saving of £63k (£20k in 2016/17). It is anticipated that the proposed restructure will be presented early September 2015.
(2013/14) J1.32	Public Conveniences increase charges	40,000			40,000		Savings were not achieved in 2013/14 due to one off costs of fitting coin mechanised doors at facilities that were previously provided free of charge. This reduction is being achieved in 2014/15 but continues to be dependant on the level of maintenance and vandalism costs.
2015/17 Ref 12	Member's Allowances - Reduce the budget provision for Members Allowances –as agreed by the Council on 5 July 2012	35,000			35,000		This can be removed from the budget and is achieved.
2015/17 Ref 52- Revised	New Options - Review of the CHAMPS service - improved commissioning across Merseyside; reduced social marketing activity and reduction in support for health protection.	28,000			28,000		The saving has been identified and agreed within 2015/16.
(2012/13) E2.8	Area Finance / Finance Visiting Officers - Review	25,000			25,000		A proposed restructure will be presented to Trade Unions with the intention of then holding open consultation with staff as soon as possible. It is anticipated that the full savings will be realised by March 2016, subject to consultation.
(2014/15) D1.33	Cleansing Service - Reorganisation of workload and work patterns	25,000			25,000		On track to be achieved.
(2014/15) C6.2	Public conveniences reviewed for efficiency savings	20,000			20,000		This saving is being achieved in 2014/15 but continues to be dependant on the level of maintenance and vandalism costs.

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 21	Civic Services - Civic Services (Attendants) – Voluntary Redundancy	20,000			20,000		This can be removed from the budget and is achieved.
(2013/14) D1.19	Street Scene - Building Cleaning - change frequency of office cleaning	19,000			19,000		Due to the closure of a number of Council buildings there was a slight under-achievement of this saving target in 2013/14. However, new additional income and a review of the operation of the service should result in the achievement of the 2013/14 savings in 2014/15.
(2014/15) C10.2	Eze Fitness contract - terminate	18,000			18,000		Saving will be achieved in 2015/16
2015/17 Ref 11	Procurement - Reduction in non-staffing expenditure	16,000			16,000		This can be removed from the budget and is achieved.
2015/17 Ref 44	Parks Maintenance - Botanic Gardens Shop Closure	15,000			15,000		The 2015/16 phased saving has been overachieved due to early implementation of an appropriate solution, part of 2016/17 phased saving will be achieved during 2015/16
(2014/15) F1.5	Parks and Green spaces - Increase Fees - allotments (saving requirement £40,000)	15,000			15,000		Full saving should be achieved in 2015/16. There was a £40k saving in 2014/15 – only £25k was achieved. £15k has slipped into 2015/16 because of the notice period required for allotment holders. £15k will be achieved this year.
2015/17 Ref 46	Parks Maintenance - The recharging of the cost of statutory checks to sports pavilions and repairs and maintenance of sports pavilions and associated hard infrastructure to sports users.	15,000			15,000		Saving likely to be achieved during 2015/16 subject to no decrease in use and full recovery of income from user groups

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 24	Democratic Services - Voluntary reduction in support staff hours	14,000			14,000		This can be removed from the budget and is achieved.
2015/17 Ref 91	Tourism - Additional income from events	13,000			13,000		As the target is built around income we are dependent on market response. To date, the events are ahead of the previous year so we are on course.
(2013/14) C11.2	Improved procurement of Council wide communications activity	10,896			10,896		It is anticipated that this saving will be achieved in the prescribed area
2015/17 Ref 90	Commercial Waste - To increase fees and charges	10,000			10,000		Fees and charges have been increased accordingly and it is expected that the Commercial Waste Service will provide the necessary increase in income by year end.
(2013/14) C6.5	Vehicle Management and Mtce - MOT Testing (income target)	7,600			7,600		£42,400 of total saving requirement of £50,000 achieved in 2013/14. Second MOT bay now operational therefore full saving expected to be achieved in 2014/15.
(2014/15)	Area Committees - Reduce from 7 to 3	5,000			5,000		Anticipated that saving will be achieved from Democratic Services Budget
(2013/14) C12.3	Reduced external audit, recoverable VAT fees & improved cash management pension costs				100,000		The unachieved balance from this 2013/14 saving relates to VAT shelter income from OVH. Receipts are currently forecast at £100k against OVH saving, therefore £300k is unlikely to be achieved again in 2014/15.
2015/17 Ref 72	Arts - Review management and opening times at the Atkinson				60,000		Review completed and implementation started on 5th May 2015. Due to notice periods there will be a reduced saving in 2015/16, but the saving will be achieved in full in future years. Increasing income will be a challenge. This is on target and should be green. Full saving won't be achieved this year – about £40k slippage – because staff savings aren't full year due to when the savings were agreed.
2015/17 Ref 47	Further Changes in Style and Standards of Parks Management - Further Changes in Style and Standards of Parks Management				50,000		This saving cannot be fully achieved until the parks have been redesigned and contractual changes have been implemented, it is envisaged that a part saving of £50k will be achieved in 2015/16 with the remaining £30k in 2016/17.
(2014/15) 2.1	Street Cleansing - Bulky Items Collection Service - Restructure Crews and introduce charge for bulky items				45,000		It is expected that the service will recover at least £45k of this, and plans are currently being developed to try and address the projected £15k shortfall by year end.

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 48	Parks Maintenance - Reduction in GM Contracts	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			30,000		This saving is based upon a contractual arrangement which will result in a £30k saving being achieved over the two year (2015/17) budget period.
(2014/15) E2.8	Area Finance / Finance Visiting Officers - Review	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			48,600		This £75k saving has been deferred from 2013/14 as part of the requirement to achieve D 1.38 Social Care Subsidies. A proposed restructure will be presented to Trade Unions with the intention of then holding open consultation with staff as soon as possible. It is anticipated that £48.6k will be realised by March 2016, subject to consultation. Officers have already indicated to the Senior Leadership team that there will be an approximate £26.4k under-achievement of this saving in 2015/16 and have requested that this residual saving is deferred for another 12 months on the understanding that the full saving will be realised in 2016/17, but this would be subject to further efficiencies being realised from the change to processes and development of systems.
2015/17 Ref 74	Sports Leisure Aquatics - Maximise pool time at Meadows offering more swimming lessons to meet demand	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			26,000		Some increase in demand already, but needs to ne monitored over the year.
(2014/15) C11.2	Improved procurement of Council wide communications activity	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			23,000		The 2014/15 saving of £75,000 will not be achieved. The £52,000 projected overspend reflects the fact that the potential impact of this non-achievement has been moderated by the inclusion of forecast income (£23,000) from the selling of advertising space on roundabouts.
2015/ f 53	Sports Leisure - Review and Restructure Management/Administration/Operations including deletion of Service Manager post. Retender direct debit collection. Reduce agency payments. Energy efficiency.	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			20,000		Review and restructure completed and implemented on 5th May. Due to notice periods there will be a reduced saving in 2015/16, but the saving will be achieved in full in future years.
2015/ f 73	Sports Leisure- Active Sports - Increase in income due to increased charges and new programmes	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE			20,000		Charges increased on 1st April. Programmes started at the beginning of the schools holidays in July, with good attendances.

TOTAL OF SAVINGS TARGETS DECLARED AS ON TARGET - GREEN

7,530,496	0	0	9,069,996	0
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		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
(2014/15) C12.5	Cash limit general non-pay budgets in 2013/14 and 2014/15 (retains £0.5m excessive inflation provision in each year and retains inflation for specific contracts)	3,250,000				3,250,000	Budget reduced. Only risk is if departments cannot remain within cash limited budgets due to excessive inflationary increases, e.g. utilities costs.
2015/17 Ref 25	General inflation provision - Remove general inflation provision set in MTFP at 2%. This will require all services to deliver general efficiency in the delivery of all services	2,180,000				2,180,000	Budget Provision reduced.
(2014/15)	Cleansing - Charge for Green Waste collections - A 2014/15 / 2015/16 proposal for an opt-in charge	1,000,000				1,000,000	Saving achieved
2015/17 Ref 29	Adult Social Care - Social care services will be required to contain net demographic growth within existing budgets for the duration of the plan. The figure has been adjusted to reflect Cabinet's previous decision relating to the underachievement of the services 2014/15 budget savings requirement. This assumption will need to be kept under close scrutiny to ensure deliverability	1,000,000				1,000,000	The Community Care budget has not been increased in 15/16 for potential demographic growth. This budget will be closely monitored during the year to ensure deliverability of this saving
2015/17 Ref	MTFP adjustment 14/15 growth £3.9m to £3m	900,000				900,000	The Community Care budget has been reduced by this amount in 15/16. This budget will be closely monitored during the year to ensure deliverability of this saving
2015/17 Ref 33	Highways Infrastructure - To continue for a further 2 years the reduction of £800k which was introduced as an annual saving in previous years	800,000				800,000	Funding deducted from budget
2015/17 Ref 28i	Review of previous budget assumptions and implications of previous budget decision - The estimates of the financial implications of all budget decisions have been reviewed in the light of implementation of options and subsequent changes in service demand. The original Medium Term Financial Plan can be revised to take account of this updated information.	765,000				765,000	Budget provisions reduced for Corporate Items. £136,000 relates to Building Maintenance recharges to Capital.
2015/17 Ref 26	Additional public health grant - Utilise increase in the public health grant to support the ongoing delivery of the Council's Health and Well Being strategy priorities	544,000				544,000	SLT Paper approved to use the 2014/15 public health grant support the co - commissioning of Health Trainers over 3 years on a non recurrent basis. The Public Health grant for 2015/16 has been allocated to the efficiency savings. This target has been met.

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
(2014/15)	Review pathway of support for children with additional needs to increase effectiveness and efficiency	400,000				400,000	Achieved - This is based on a Health Contribution of 25% of the total cost of the new Respite Service
2015/17 Ref 98	Budget Planning Assumptions - Management Arrangements	300,000				300,000	First stage of Senior Management Restructure completed from which saving will be achieved.
(2014/15) E2.1	Review of the Commissioning of all residential care beds	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE				205,000	This was part of a £1m saving phased over two years. Year 1 (2013/14) was set at £400k and was fully achieved through a restructure of In House Residential care. The balance (£600k) was for achievement in 2014/15 and was to be partially met from ongoing savings arising out of the In House Residential review (£305k), with the remainder (£295k) to be met from savings around Social Care Residential Agency Placements. In respect of the In House Residential saving, this was achieved except for £100k which was due to unexpected additional pay costs at Springbrook paid in October and in respect of overtime/relief staff for all homes. In respect of the Social Care Residential Agency placement saving, none of this was achieved as there was an overspend against the budget of £573k in 2014/15. There is currently a £1.37m projected overspend on Social Care Residential Agency placements in 2015/16. *The number of Looked After Children currently stands at 461. These savings assume LAC numbers remaining at 400.
2015/17 Ref 33	Highways Infrastructure - Reduction in Highways Maintenance programmes to focus on preventative, critical and high risk works'	160,000				160,000	Funding deducted from budget
2015/17 Ref 39	Neighbourhoods - Reduction and re-prioritisation of activity	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE				130,000	£130,000 has now been achieved - the remaining £20,000 will not be achieved until 2016/17
2015/17 Ref 58	Youth Offending Team - Merge services and potential to reduce management capacity	120,000				120,000	Achieved
2015/17 Ref 23	Trading Standards - Deletion of vacant post and reduction in supplies / services	114,000				114,000	Budget adjusted 1 April
(2014/15) D1.7	Social Care Commissioned Services - travel efficiencies	100,000				100,000	Achieved - Saving comes from work done via the restructured social care sections from 3 budget areas - reduced family support / Residency Orders / Care Matters
2015/17 Ref 63	14-19 Services - Changes to commissioning arrangements for Information, Advice & Guidance	80,000				80,000	Achieved
2015/17 Ref 2	Community Equip't - Improved efficiency	72,000				72,000	Actions have been taken to ensure this saving is achieved. However there is an increased demand pressure on the community equipment budget in 2015/16 with more clients requiring support due to the increased developments in Community Services
2015/17 Ref 40	Planning - Realign and reduce revenue budgets – including consultancy budgets	72,000				72,000	Achieved
2015/17 Ref 60	Locality Assessment - Redesign of Common Assessment Framework team Implement a stronger Lead Practitioner model Implementation of electronic –common assessment framework (E-CAF)	72,000				72,000	Achieved

2015/17 Ref 61	School Standards and Effectiveness - Reduction in the Local Authority support provided to schools which are not in receipt of statutory intervention, requiring improvement or are assessed at risk of being less than good	60,000			60,000	Saving achieved.
2015/17 Ref 42	Trading Standards - General reduction in enforcement activity. Limit resident service request response	55,000			55,000	Deletion of two posts. Budget adjusted.
2015/17 Ref 18	LEA playing fields maintenance - Improved efficiency in maintenance scheme	52,000			52,000	Achieved
2015/17 Ref 14	Complementary Education - Removal of vacant posts from the establishment	51,000			51,000	Achieved
2015/17 Ref 57	Attendance Welfare Service - Improved administration of legal procedures. Reduced eligibility for service interventions. Increase income	50,000			50,000	Achieved
2015/17 Ref 43	EEMS (Energy and Environment) - Reduction in Carbon reduction service and community energy service	42,000			42,000	Reduction of discretionary spend budget, deletion of post, use of external funds = yr1 & 2 savings target achieved.
2015/17 Ref 16	SEN Assessments & Monitoring - Spend to be directed to DSG High Needs Funding	36,000			36,000	Achieved
2015/17 Ref 7	Commissioning - Decrease in non-staffing expenditure	36,000			36,000	Actions have been taken to ensure this saving is achieved
2015/17 Ref 74	Sports Leisure Aquatics - Maximise pool time at Meadows offering more swimming lessons to meet demand				5,000	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE Some increase in demand already, but needs to be monitored over the year.
2015/17 Ref 15	Education Psychology - Spend to be directed to DSG High Needs Funding	25,000			25,000	Achieved
2015/17 Ref 97a	New Options - Remove the discretionary support to Parish Councils for Council Tax Reduction Scheme	25,000			25,000	Parishes notified and payments reduced.
2015/17 Ref 6	Coroners - Shared service agreed cost reduction due to completion of mortgage	24,000			24,000	Saving achieved

		SAVING REQUIREMENT	Red	Amber	Green	Blue	Comment
2015/17 Ref 69	Regulatory Services Support - Reduction in administrative support due to changes in working practices and increase to online services	24,000				24,000	Discretionary spend budget reduced from 1 April 2015
(2013/14) D1.25	Re-financing the Mersey Forest subscription to make a saving on the revenue budget; accept voluntary reduction in working hours from two staff; and make further savings in supplies and services	18,650				18,650	The commitment to pay an £18,650 annual subscription for the Mersey Forest ended in March 2015. Until that point the saving was identified as being unachievable. In 2015/16 the subscription has been renegotiated to a lower figure which can be contained within the fully reduced 2015/16 budget. The saving will therefore be made in full.
2015/17 Ref 17	DCATCH - The scheme has already closed to new pupils, saving reflects cohorts of pupils completing the programme	15,000				15,000	Achieved
2015/17 Ref 10	SEN 0-4 Inclusion Funding - Improved efficiency	12,000				12,000	Achieved
2015/17 Ref 9	Home Improvements DFG - Re-profiling the allocation of costs and increasing the level of recharges	10,000				10,000	Budget amended to reflect change
2015/17 Ref 13	Learning Support - LAC - Reduction in the LA budget	10,000				10,000	Achieved
2015/17 Ref 73	Sports Leisure- Active Sports - Increase in income due to increased charges and new programmes	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE				10,000	Charges increased on 1st April. Programmes started at the beginning of the schools holidays in July, with good attendances.
2015/17 Ref 27	Levies - Merseyside Waste and Recycling Authority and the Integrated Mersey Transport Authority have been requested to support the Council by finding 10% efficiency savings in setting their budgets for 2015/16/17	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE				1,190,850	MRWA Levy did not reduce (although Transport Levy reduced by more than anticipated to partially offset this). Full saving (additional £2m reduction in 2016/2017) will need to be discussed with levying bodies.

SAVING REQUIREMENT	Red	Amber	Green	Blue
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Comment

2015/17 Ref 53	Sports Leisure - Review and Restructure Management/Administration/Operations including deletion of Service Manager post. Retender direct debit collection. Reduce agency payments. Energy efficiency.	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE	395,550	Review and restructure completed and implemented on 5th May. Due to notice periods there will be a reduced saving in 2015/16, but the saving will be achieved in full in future years.
2015/17 Ref 50	Environmental Health - Reduction in front line environmental health regulatory services. Reduction in pest control services but retain full rat control service	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE	150,000	Discretionary spend budgets reduced, vacancies deleted & proposed voluntary staff departures agreed by ECP.
2015/17 Ref 35	Libraries - Review of operation and management of libraries including bookfund and opening times	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE	140,000	Review completed and implementation started on 5th May 2015. Due to notice periods there will be a reduced saving in 2015/16, but the saving will be achieved in full in future years.
2015/17 Ref 49	Coast - Reduction to visitor and site management activities. Extension to the length of the life guard contract on reduced terms. Car-parking income charges	FOR TOTAL SAVING REQUIREMENT SEE EQUIVALENT LINE ABOVE	19,000	The 2015/16 phased saving has been overachieved due to early implementation of an appropriate solution, part of 2016/17 phased saving will be achieved during 2015/16

TOTAL ACHIE	SAVINGS TARGETS DECLARED AS BLUE	12,474,650	0	0	0	14,720,050
	Use of One-Off Resources to Support the Budget	930,000				930,000
	Total Savings Requirement 2013-2016	30,358,646	3,210,050	2,428,550	9,069,996	15,650,050

TOTAL ACHIE
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Comment

SAVING REQUIREMENT	Red	Amber	Green	Blue
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