



# Council

Town Hall  
Wallasey

26 February 2016

Dear Councillor

You are hereby summoned to attend a meeting of the Council to be held at **6.00 pm on Thursday, 3 March 2016** in the Council Chamber, within the Town Hall, Wallasey, to take into consideration and determine upon the following subjects : -

**Contact Officer:** Lyndzay Roberts  
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## AGENDA SUPPLEMENT

### 6. COUNCIL BUDGET (Pages 1 - 22)

Relevant minutes of the Cabinet (Budget Meeting) held on 22 February, 2016 are attached:

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Head of Legal and Member Services

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## **CABINET MINUTE EXTRACT (22 FEBRUARY 2016)**

### **96 CAPITAL MONITORING 2015/16 QUARTER 3 (TO DECEMBER 2015)**

Councillor Phil Davies introduced a report that provided the Cabinet with an update on the progress being made in delivering the Capital Programme 2015/16 at the end of December 2015. The report recommended that the Cabinet agreed the rephrasing of the 2015/16 Capital Programme down to £47.1 million and reported expenditure of £26.2 million.

Appended to the report were:

- Appendix 1 – Capital Programme and Funding 2015/16
- Appendix 2 – Capital Programme 2016/17 and 2017/18
- Appendix 3 – Capital Receipts 2015/16

#### **RESOLVED: That**

- (1) the spend to date at Month 9 of £26.2 million, with 75% of the financial year having elapsed be noted; and**
- (2) the revised Capital Programme of £46.9 million which includes the return of the £0.4 million Liverpool City Region Sustainable Transport Enhancement Package grant to Merseytravel be agreed and referred to the Council.**

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## **CABINET MINUTE EXTRACT (22 FEBRUARY 2016)**

### **99 COUNCIL BUDGET**

Councillor Phil Davies introduced a report that provided an update on the Council's Budget for 2016/17 which had been previously reported to the Cabinet at its meeting on 17 December 2015. The report set out the background and key elements contributing to the preparation of the Budget for 2016/17.

It was noted that the Cabinet had to recommend a Budget proposal to the Council on 3 March 2016. This included a recommendation on the Wirral Council element of the Council Tax to be applicable from 1 April 2016. This was required in order to formally set the Revenue Budget and Council Tax for the 2016/17 Financial Year.

The Council had to agree a Budget and set the levels of Council Tax for 2016/17 by 10 March 2016.

Councillor Phil Davies informed that he had agreed that two Trade Union Officials Messrs Alan Small (Unite) and Paddy Cleary (Unison) could address the meeting for up to five minutes. He then invited them to do so.

Mr Small addressed the Cabinet on behalf of Unite members. He raised concerns over the proposal to close Girtrell Court, the Council's only respite care centre for people with complex physical and mental disabilities in order to save £155,000 a year. He informed that this amount was equivalent to the annual salary of some Officers in attendance at the meeting. If the proposal was agreed it would result in the compulsory redundancies of 40 people.

Mr Small referred to the Wirral Plan and particularly to the following priority:

“Wirral is a place where the vulnerable are safe and protected, every child gets a good start in life and older residents are respected and valued.”

Mr Small asked how the proposal to close Girtrell Court fitted in with this priority. He informed that a wide age range of people used the facility and that their parents and carers were very worried about the future of their loved ones. Mr Small considered that the majority of those on the lists of independent sector alternatives were not satisfactory. Most of them were for elderly care, people over sixty-five years of age. There was a wide range of people who used Girtrell Court and the future was pretty scary for them and their families. Mr Small asked the Cabinet to reconsider the proposal.

Mr Small then drew attention to the budgetary proposal to transfer Beechwood Recreation Centre into the independent sector. He informed that

he was of the view that it should remain within Leisure Services and that the Council should invest in it. Mr Small also believed that the Council should continue to invest in all of its Leisure and Recreation Centres and that they should all stay in-house.

Mr Cleary then addressed the Cabinet on behalf of Unison members and made reference to the Girtrell Court budget proposal and informed that he could not understand why a Labour led Administration was considering this option to save £155,000 a year. The Council had pledged to help the most vulnerable in our society but closing this facility did not protect some elements of that group - the users - and it made a mockery of that pledge. There was little evidence the savings could be achieved or that users had other options. Assessments for all users had been taking place since the option was put forward. Some users had not been assessed for over ten years. Mr Cleary asked how a saving could be quantified when it was not known what provision would be needed for these people. The cost of alternative provision was estimated at up to £100k per person per annum but five people currently living at Girtrell Court were missing from the figures.

At a time when the users, their families, the public and staff had seen furniture being delivered costing the Council over £60k and a Strategic Director leaving his employment with a £250k severance package. This proposal did not sit right with those concerned.

Mr Cleary reported that the people of Wirral had come out in support of the campaign to prevent the closure of Girtrell Court. He informed that today he would lodge with Council Officers a petition of over 3,000 signatures from users, staff and the general public. Girtrell Court was an in-house adult social care service and once it was gone it would be gone forever. Mr Cleary added that the Council should not allow the expertise and dedication of over forty staff that faced compulsory redundancies to leave without the actual proof that a saving could be achieved from it.

Mr Cleary then turned his attention to the proposal for the Council to work with community organisations and volunteers to increase their involvement in running Council-funded library buildings and informed that there was no evidence that there was anyone available to take on libraries. Consequently, Unison had walked away from the consultation on this proposal. He understood totally what people were facing and he understood the pressures that the Council was facing but he considered that the library provision needed to be looked at properly.

Mr Cleary urged the Cabinet to drop the Girtrell Court closure proposal and the Library proposal.

Councillor Phil Davies moved his Budget Resolution which was seconded by Councillor Ann McLachlan before being circulated to all in attendance at the meeting.

Councillor Phil Davies informed that the Council would have to reduce its spending by a further £28m over the next year. This was due to Government cuts and increasing demand, and was part of at least £126m which must be saved before 2020. However, a contribution from the Government's £150m - a-year Transitional Budget could have softened the blow but unfortunately; none of the Merseyside Councils had received a contribution from it at all.

Also, rather than the Government providing a grant to cover the rising costs of elderly care, it had introduced a new 2% social care levy on local residents to fund vital elderly service. For a Borough like Wirral this appeared unfair. The Borough had an aging population, demand for care services for the elderly was growing faster than the national average and with a lower council tax receipt than councils in London and the South, the money raised through this social care levy still fell short of the rising costs the Borough faced.

In addition, the Government had ended the grant that allowed councils to freeze council tax rises as this Council had done for the past two years. The Council had to balance its books by passing on charges to residents instead.

Due to the scale of the cuts expected, forecasts suggested Wirral would lose at least £126m over the next five years and this meant some services would inevitably be impacted. Councillor Phil Davies considered that the Council must lobby the Government over the way it was funding local government.

There had been consultation over the Cabinet's Budget proposals. There had been a collaborative effort and engagement with residents, Policy and Performance (Scrutiny) Committees and Stakeholders. Even though the Council was facing huge cuts it would still deliver key services and it would be protecting vulnerable people, tackling anti-social behaviour and improving the local environment etc.

Councillor Phil Davies informed that over the next five years the Council would face budget cuts and would have to redouble its efforts to make savings. The current model was no longer sustainable. Further consideration would need to be given to shared services, trusts and social enterprises and alternative funding streams. Difficult decisions would have to be made but the Council would balance its budget each year.

Councillor Phil Davies referred to the proposal to close Girtrell Court which was an important issue and to the fear it had generated in respect of its users and their families. He informed that the proposal was not purely about budget savings but also about trying to give people with disabilities greater choice. A statutory consultation process was underway and Officers would explore

options with the families concerned. Members would need reassurances that the options that had been put forward were viable. They needed to be as good, if not better, than what was available now. Councillor Davies would be instructing the appropriate Cabinet Member and Director to take account of all the feedback received and provide a response that fit in with widening the choice available.

Councillor Phil Davies referred to the Budget proposals and informed that:

- The Council had received a lot of representations regarding the proposal to make savings by closing the Welfare Rights Unit. This proposal was to be withdrawn for 2016/17. The work carried out by the Unit was valued and it was noted that other external agencies carried out welfare rights work. The Council would need to ensure value for money.
- Making savings in respect of Library provision had been visited before. This proposal was to be withdrawn for 2016/17 to allow time for a robust plan to make savings whilst delivering a Library Service would be drawn up.
- The proposal to change the terms and conditions for staff in relation to overtime and enhancements was being withdrawn for 2016/17.

Councillor Phil Davies reported that the Council would invest in vital front line services. It would be investing in Leisure Services, it had invested £2m in 2015/16 and it intended to invest a further £2m in 2016/17. It was considered that it was important to retain the free swimming policy but that it should be focused on families who were the most disadvantaged. The Council faced a Government unsympathetic to northern councils. In conclusion therefore, Councillor Davies informed that this was the most challenging Budget the Council had ever had to set. The Council was still on track to deliver its 20 Pledges but it had an incredibly challenging five years ahead of it.

Councillor Ann McLachlan informed that there were tough times ahead, not of the Council's making but on its watch. By 2020 the Council would have lost £280m out of its Budget. Consequently, the Council would be forced to do more with less. The Rate Support Grant would be deleted by 2020. The Business Rates formula which was fairer had been withdrawn and this meant a £6m a year net loss. The only way the Council could generate funds was by Council Tax, Business Rates and its fees and charges.

Councillor Ann McLachlan also informed that the Council would work hard to create business growth and jobs and to provide modern value for money services. It would move at a pace on this and would tailor its support and services to meet the needs of local people.

Councillor Bernie Mooney informed that she was pleased that there had been a rethink on Welfare Rights Unit. She also raised concerns that the



Government was stripping off millions and millions of pounds and destroying local government. She urged Conservative Councillors to stand up for their residents and hold the Government to account for what it had done.

Councillor Adrian Jones referred back to a recent Council meeting where Councillor Phil Davies had spelled out the effects of the Government's cuts on Wirral whilst Conservative Councillors sat grinning. Councillor Jones considered it a disgrace that they were not trying to persuade their Government to behave differently.

Councillor Tony Smith introduced the Schools Budget for 2016/17 report. He informed that it included the changes made by the Schools Forum at its meeting on 13 January 2016 and recommended a change in the treatment of School Staff redundancy costs from September 2016.

The Schools Budget covered education provision for all Wirral pupils aged to 16 in Early Years, Primary, Secondary and Academy schools and for pupils in some cases up to the age of 25 in Special Schools and High Needs providers.

Most budgets were delegated to schools, with some central provision for support services including school admissions, PFI, School Intervention and High Needs additional support.

It was noted that the costs of School Redundancies were at present mainly funded by the Council. From September 2016 it was proposed that only those redundancy costs in respect of schools experiencing falling rolls (limited to 75%) would be funded centrally.

Councillor Tony Smith moved the recommendations set out in the Schools Budget 2016/17 report and they were seconded by Councillor Phil Davies.

Councillor Phil Davies reported that the information required on the Police and the Fire and Rescue Service's precepts were not yet available but that it would be available for the Budget Council meeting scheduled for 3 March 2016.

**RESOLVED: (unanimously)**

**That the following Budget Resolution be agreed and recommended to Budget Council:**

## **BUDGET RESOLUTION 2016/17**

**Cabinet notes the following:**

### **NATIONAL CONTEXT**

1. The 2016/17 Budget is being prepared against the most difficult financial backdrop this Council has ever faced. Local government is under attack from the Conservative's austerity agenda. We believe their vision is of a country where residents in every borough are left to fend for themselves.
2. Their policy of removing the Local Government Revenue Support Grant in its entirety is, in the opinion of this Cabinet, akin to the Government telling every Wirral resident – "don't call us; you're on your own".
3. We believe this policy makes a mockery of the Conservative election campaign slogan "We're all in this together". It shows no understanding of, nor concern for, the plight of those for whom local services are an important and often vital part of life. Those who rely on carers are looking for safe affordable housing, value our libraries and leisure centres, or enjoy our parks and beaches. Rather than bringing us closer together, this Cabinet contends that this policy simply widens the gap between the rich and the poor.
4. Conservative Council leaders across the country, seemingly fearful of the electoral backlash in May, warned the Government of the danger of its actions. Even backbench Tory MP's spoke about their unease with this policy. The Prime Minister's own mother joined the protest at the cuts to local grants in her community.
5. It is worth noting, however, no such concern or support came from the Conservatives in Wirral: no campaign, petition or lobby from them – it's always somebody else's responsibility to clean up their mess and the irresponsible £17million overspend we inherited.
6. The Government did indeed respond to the outcry from across the political spectrum, but in a way that only further proved to this Cabinet how indifferent to the needs of the country they really are. The Government announced a £300 million Transitional Fund sweetener – in the words of the minister – *"To help Councils transform from dependence on central government grants to greater financial autonomy"* - but almost exclusively targeted it at Conservative-run

Councils, including those containing Mr Cameron's seat in Oxfordshire and the Chancellor's constituency in Cheshire East.

7. Where is Wirral's share? Where is the estimated £2million per year that Wirral should have been entitled to, based on other funding formulas? Where is the money that could have gone towards tackling anti-social behaviour, improving skills and training for our young people, money to support vital services? Cabinet has received no support or heard of no concern from the local Conservative party to challenge this Government policy and support local residents.
8. The funding shortfall for local services will be compounded by the changes proposed for Business Rates. While Westminster and other London Councils can raise business rates from Global PLC's, Banks and Hedge Funds headquartered in their boroughs, the impact on predominantly northern or rural boroughs is frightening. If the government goes ahead with its plan to stop providing additional funding to balance the different levels of business activity across England, it is estimated Wirral could lose a further £6m as a result of this change.

#### THE WIRRAL CHALLENGE

9. The immediate picture for local government is also challenging. Wirral is required to reduce its spending by at least £129 million before 2020, including a £28 million funding shortfall for the coming year (2016/17). These funding cuts to Wirral come at a time of increasing service demands from an ageing population, complex needs for deprived communities and an increase in costs of providing the services and support which people rely on.
10. Cabinet believes these reductions to be both unfair and unsustainable.
11. However, as residents know, we are a responsible Administration. We refuse to allow this Government to break the services our residents care about and rely on. We are pragmatic, and are able to make the difficult decisions needed to protect the most vulnerable and to deliver the 20 Pledges we committed to in our Wirral Plan.
12. We will continue to lobby government in the strongest possible terms to reverse these policies and to fight for Wirral's fair share and treatment.

Once again I call on Elected Members from all parties in Wirral to join me in this effort.

#### A COLLABORATIVE BUDGET

13. Cabinet will never set its budget in isolation. Time and again we have demonstrated we are an open, progressive Administration who listens.
14. We have listened to residents about what they value most. Once again this Council delivered the most far-reaching consultation and engagement exercise of any authority in the UK, with more than 10,000 local people engaging with us to share their views.
15. Cabinet thanks every resident and organisation who took part in this consultation. We have carefully considered all the responses and feedback we have received.
16. Cabinet also thanks Elected Members – of all parties – who took part in the comprehensive scrutiny process to look in detail at the budget proposals. The feedback from that process has been provided to Cabinet and has proved extremely helpful in making these difficult decisions.

#### MEETING OUR PLEDGES

17. Regardless of the scale of Conservative Government cuts to this Council's budget, we are a Labour Administration and our budget will be set in a pragmatic and legal framework, with social justice and fairness at its heart. Three core principles have been used to inform our budget, and ensure we make the savings required of us while still achieving the 20 Pledges we have committed to:
  - The vulnerable are safe and protected and we tackle inequality.
  - Wirral is a place where employers want to invest and businesses thrive.
  - We have an attractive and sustainable environment, where good health and an excellent quality of life is enjoyed by everyone who lives here.
18. In July 2015, when we launched the Wirral Plan and the 20 Pledges we will deliver over the next five years, we immediately set to work on making them a reality. We have published our first Annual Report, and I am proud of the achievements highlighted in it - £150million in inward investment coming online during 2016, nearly a thousand new jobs,

and 230 new homes built or improved already. We have also created a new Local Authority Trading Company, Wirral Evolutions, to deliver Day Services for adults and developed a joint company – Edsential – with Cheshire West and Chester Council to deliver services to schools such as catering, cleaning and school improvement.

19. There is still more to be done, but we have made a good start towards meeting our 20 Pledges to improve the health, wealth and quality of life enjoyed by Wirral residents.
20. In 2016/17 - this Council will invest more than £260 million into improving residents' lives – protecting the vulnerable, improving our environment and encouraging growth.
21. More than £70million will be spent supporting our elderly and disabled residents. Our pledge to support people to live independently will see us invest £5 million into providing high-quality, extra care housing options in Wirral. Extra care homes allow our elderly, frail and vulnerable residents to live with dignity and independence while still having the additional support and care they need.
22. We will also invest more than £70 million into protecting our young people; keeping them safe and ensuring they can aim for and achieve higher goals. Already this year we have supported 200 more Wirral families looking to become foster carers for the 700 children living in care in the borough. We are taking an innovative approach to making sure our young people have world-class sports and recreation facilities through the new Youth Zone, a £6 million partnership project between the Council and the private sector which is under construction as we speak.
23. We also know residents expect to be safe, and feel safe. In some parts of the borough, community safety and anti-social behaviour remains a blight on people's lives. We will continue to invest more than £2 million to clamp down on this abhorrent behaviour. This money will be targeted where our resources and those of our partners will have the biggest impact – pooling resources and putting our Anti-Social Behaviour teams under a single command structure led by the Police.
24. We will be investing around £50 million into making sure Wirral's environment remains a source of great pride for our residents. This will also enable Wirral to play its part in tackling climate change. A renewed

drive to increase our recycling rates will continue, we will capitalise on the huge cultural, social and health benefits offered by our fantastic parks and we will continue to clamp down on those who damage our environment through littering and fly-tipping. This year we will go further, and will take the same hard line to tackle those people who allow their dogs to foul pavements and parks. This issue is one which residents have told us is important to them: we have listened and we are taking immediate, sustained action.

25. Creating the thriving economy we want for Wirral will also continue at pace. The regeneration of Birkenhead – turning Wirral’s sleeping giant into a fundamental part of the Northern Powerhouse - will help create thousands of jobs for local people. We have worked hard with our partners at the Wirral Chamber of Commerce to help secure a Business Improvement District in Birkenhead – generating an additional £2m in income to deliver improvements such as enhanced security and cleanliness.
26. Efforts to attract inward investment will be joined by our continued support for local high streets and businesses looking to grow and expand within Wirral. In the past 12 months our rates of business start-up have been faster than anywhere else in the Liverpool City Region and we saw an 11% increase in the number of businesses in Wirral. We will retain our successful car parking pricing structure to support local businesses to remain competitive and succeed.

#### DIFFICULT DECISIONS

27. It is also clear that, once again, we are forced to make far reaching, large scale savings. To ensure the £28million cuts in 2016/17 are delivered in a managed, appropriate way and that they don’t place unnecessary strain on services and residents, we have had to take difficult decisions, act prudently and be innovative in how we deliver the outcomes residents expect in new and sustainable ways.
28. Because the scale of the cuts is so extreme, we have taken pragmatic and carefully costed financial management decisions to ensure the shambles of the £17million overspend we inherited does not happen again.
29. Cabinet also notes that generating additional new income - through new homes, new businesses and the extra revenue they generate -

means we can protect the front line services residents care about and rely on.

30. Having been forced to cut £156 million from our budget since 2010, and losing the basic revenue support grant entirely by 2020, we are inevitably faced with difficult decisions about how to provide services now and in the future. We have to look at the services and outcomes residents need, but also think about how we will be able to deliver them going forward.
31. The grants that allowed us to do things in a certain way in the past are, in many cases, no longer available. Services funded by and delivered by the Council are becoming increasingly unsustainable for the long term. To ensure the outcomes our residents rely upon can continue to be delivered, we must work closely with our partners in the public, voluntary and private sector to find new ways to deliver higher quality and more cost effective solutions. As we state in the Wirral Plan, the challenge going forward is to deliver improved outcomes for the £2billion which the public sector collectively spends in Wirral.
32. The statutory consultation process in regard to the Girtrell Court budget proposal is ongoing. Rightly, every service-user and their family will be consulted about the service they will receive going forward and therefore we instruct the Director of Adult Social Services to complete the consultation process and, having regard to the feedback from that consultation process, in conjunction with the Cabinet Member for Adult Care and Public Health, make a determination on the most appropriate course of action regarding the proposal.
33. This proposal is not made because of some misplaced ideology or political dogma. When the ward member for Moreton West and Saughall Massie was a member of the last Conservative cabinet - they instructed Council to re-provide residential and respite care from five Council-run facilities, not because it was a consequence of government cuts, but because they believed private provision was better. Their resolution to Council is set out below.

*“Cabinet recognises that Wirral currently has empty capacity in independent sector residential homes and that unit costs to the Council are higher than our neighbours. Cabinet recognises that there is an opportunity to reduce unit costs and develop the range of care supplied by a wide range of providers...”*

*“The respite care and interim care currently provided at Maplehome, Pensall, Poulton, Meadowcroft and Fernleigh be reprovided by suitable voluntary, community, faith-based or organisations [in] the independent sector under the terms of the existing Contract for Residential and Nursing Home Care together with appropriate care for the small number of long term residents in these homes and Manor Road. The Interim Director of Adult Social Services is also instructed to carry out further consultation with service users and their families, and with the small number of long term residents in these homes about the details of that re-provision.”*

*Conservative-led Administration, Wirral Council, 09 December 2010.*

34. Short memories or political opportunism – you decide - but they have clearly performed a ‘U-turn’ on this position in the last few weeks, or maybe they just didn’t tell the residents and service-users they have been courting, that closing respite care facilities was their policy in the first place.

#### BUDGET PROPOSALS

35. We have listened to local people, and propose the Budget Report for 2016-17 be recommended to Council for approval, with the exception of the following:
36. This Council spends significant sums every year on providing information, advice and guidance regarding welfare rights. We believe there is a better, more efficient way of investing this money and instruct officers to complete a full review of all spend in this area, with a view to ensuring efficiency while at the same time ensuring the best value and best service for the investment we make. The Council’s Welfare Rights service will form part of this review and this savings proposal will therefore be withdrawn while the review takes place.
37. Residents and friends groups have played an active role in the operation and direction of our libraries for many years. Cabinet does not feel that a robust and sustainable plan for delivering library services is yet in place. Cabinet therefore recommends that the projected saving from the library service will be withdrawn to allow for a full review of the options during 2016/17.
38. We have spent the past few months in consultation and negotiations with our Trade Union colleagues and have reached an agreement on



the proposed savings related to terms and conditions, upon which Trade Unions are now consulting their Members. This agreement proposes our workforce will continue to take four days unpaid leave – for a further five years – but we will protect our lowest paid colleagues through retaining our pay enhancements and essential car user allowance for the immediate future.

39. Wirral's leisure offer continues to go from strength to strength. We invested £2 million in upgrading the facilities in our leisure centres last year, and will invest a further £2 million in capital funding this year. Already, we have seen a 25% increase in use as more residents take advantage of the opportunity to get fit and keep healthy. Cabinet agrees with the drive to make our leisure centres more sustainable commercially, and equally believes the most vulnerable in our community should also be able to access the facilities and keep fit and healthy. Therefore, we will retain free swimming in school holidays for those young people who receive a pupil premium because their families are most economically disadvantaged.

## COUNCIL TAX

40. Throughout his time as Chancellor, George Osborne has known there is a funding crisis in adult social care. But rather than address the problem he made it clear in his Spending Review and all of the financial projections coming out of Whitehall that most eligible Councils in the UK are expected to implement a 2% Adult Social Care Levy. We believe his response is not to fix a crisis, but to ask hard-working Wirral residents to fix it for him.
41. Over the past three years, we were able to freeze Council Tax to help take the pressure off working families. Sadly, this year, in a cynical post-election move, the Government dropped the grant that enables us to repeat that again this year. In our view this is yet another example of the Government telling us, very firmly, local services are 'not their problem', and if we want to provide them for Wirral residents, then we need to raise the funds ourselves.
42. We want to secure the best outcomes for residents, so Cabinet therefore proposes to increase Council Tax by 1.99% for the coming financial year, and to implement the 2% Adult Social Care Levy. These measures will enable the Council to generate over £4 million to further protect services for residents.

## CONCLUSION

43. Once again, this budget has been extremely difficult. Ongoing, draconian reductions in funding and a lack of support from Central Government require this Council to make tough decisions. We will continue to lobby Government in the strongest possible terms to rethink these policies and their impact on Wirral.
44. We believe the Government is letting down this borough – residents should rest assured that we will not.
45. I am pleased that once again we have protected the services residents care about and rely on. Over the coming year it is our absolute imperative to put in place an ambitious but deliverable programme of transformation, to take a fresh look at what this Council does and find new, innovative ways of meeting residents' needs and aspirations.
46. I am proud that this Labour Administration has once again met its duty to the people of Wirral – taking tough decisions and setting a balanced budget, identifying innovative solutions to provide sustainable outcomes and is getting on with the job of delivering our 20 Pledges to create a better Wirral for all of our residents.

## RECOMMENDATIONS

- 1 Cabinet, having had regard to the budget consultation responses and findings, recommends to Budget Council for approval:-

### Revenue Budget (Agenda Item 8A)

- a) The savings for 2016/17, detailed in Appendix 1, being agreed with the removal of the savings proposals in respect of the Welfare Rights Unit £106,000, Libraries £203,000 and £1.2 million relating to Terms and Conditions. It is confirmed that the Public Health contract proposed savings for BME Health Improvement Service £53,000 and On Line Counselling £25,000 will not be taken in 2016/17.
- b) The Budget Growth 2016/17, detailed in Appendix 2, being agreed.

- c) The fees and charges, detailed in Appendix 3, being agreed with delegated authority given to the Acting Section 151 Officer to (i) update the Council Fees and Charges Directory prior to publication before 1 April 2016; (ii) with the relevant Director, in consultation with the relevant Portfolio Holder, vary/change existing fees and charges as considered appropriate providing any variation/change can be met from existing approved budgets.
- d) The level of General Fund balances continuing to be based on a locally determined approach to the assessment of the financial risks that the Council may face in the future and that the Council maintains balances at, or above, this level.
- e) The release of reserves, as detailed in Appendix 5, be agreed and be used to fund the 2016/17 Revenue Budget Contingency.

#### Capital Programme and Financing (Agenda Item 8B)

The new bids as detailed in Appendices 2 and 3 be approved.

Any new bids supported by grant funding not commencing until written confirmation has been received from the granting authority that such grant(s) have actually been approved.

The Capital Programme 2016/19 (as detailed in Appendix 4).

#### Medium Term Financial Strategy (Agenda Item 8C)

The Treasury Management Strategy 2016-19 including the:-

- i) Treasury Management Strategy 2016-19.
- ii) Adoption of the Prudential Indicators.
- iii) Minimum Revenue Provision policy for 2016/17
- iv) Council Officers listed in Annex G to approve payments from the Council's bank account for all treasury management activities.

The Medium Term Financial Strategy 2016/17-2020/21

- i) The Medium Term Financial Strategy 2016/21.
- ii) To regular updates of the Medium Term Financial Strategy in accordance with the action plan.

#### Schools Budget (Agenda Item 8D)

The Schools Budget of £243,273,400 having taken account of the views and changes proposed by the Schools Forum that:

- i) The contributions to Combined Budgets should be £1,698,800.
- ii) The use of Dedicated Schools Grant (DSG) reserves totalling £568,900 to set the Schools Budget.
- iii) The Schools Funding Formula is submitted to the Education Funding Agency and its make-up is unchanged from decisions made in previous years.
- iv) That the permanent changes to High Needs Places are agreed together with the allocation of High Needs Growth of £532,000.
- v) The necessary steps are taken to trade or cease services when direct central funding is withdrawn at the end of the Summer Term for Minority Ethnic Support, City Learning Centres and Wellbeing.
- vi) Following consultation and discussion with schools and the Schools Forum the school redundancy policy is changed with effect from September 2016. In future the only costs that will be supported centrally will be where staffing decisions are taken as a result of falling school rolls. All other redundancy or severance costs will be charged to the delegated schools budget concerned.

#### Carbon Budget (Agenda Item 8E)

To ensure the Council better understands and meets its carbon legal obligations and aspirations, a revised 3 or 5 year policy on carbon emissions and management be developed for the borough, having regard to the Wirral Plan and presented for consideration and approval at Policy Council. The current carbon budget be extended until that time.

The Cabinet in making these recommendations has had regard to the Chief Financial Officer Statement regarding the robustness of the estimates made for the purpose of the Budget and the adequacy of the General Fund balances and reserves.

- 2 Cabinet recommends to Budget Council that a separate recorded vote be taken in respect of Council Tax levels for 2016/17 and that :-
  - a) For Wirral Council Services the Council Tax be increased by 3.99% for 2016/17 which includes a 2% increase in respect of Adult Social Care.
  - b) The Wirral Council Tax will include the precepts from the Police & Crime Commissioner for Merseyside and from the Merseyside Fire & Rescue Service.
  - c) Having regard to the fact that the precepts may be determined after the Council has determined its Council Tax levels for

2016/17 authority be delegated to the Acting Section 151 Officer to publish the final Wirral Tax levels for 2016/17.

### 3 The Statutory Calculations and Resolution

It be noted that in accordance with Section 31B of the Local Government Finance Act 1992 (as amended), that Cabinet on 17 December 2015 calculated the Council Tax Base 2016/17 for the whole of the properties in its area as 90,481.9 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2016/17 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) ("the Act");

- a) £120,274,139 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2016/17 (item R in the statutory formula). This amount (D) is determined as being the difference between:
  - i) £798,891,200 this being the aggregate of the amounts calculated in accordance with Section 31A (2) of the Act (as amended), i.e. the aggregate of the amounts that the Council estimates that will be charged to a revenue account for the year in performing its functions, that are required to be set aside for contingencies and reserves and required to be transferred from its General Fund to its Collection Fund in the year and
  - ii) £678,617,061 this being the amount calculated in accordance with Section 31A (3) of the Act (as amended), i.e. the aggregate of the amounts of income that the Council estimates will be credited to a revenue account for the year in accordance with proper practices, the amount of reserves that are estimated to be used to provide for the items referred to in paragraph (a) above, and required to be transferred from its Collection Fund to its General Fund in the year.
- b) £1,329.26 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2016/17. This amount being calculated as item R divided by item T (as above).
- c) That in accordance with section 36(1) of the Act that the following amounts are calculated for each valuation band in the area:

Wirral – Basic Amount of Council Tax Per Valuation Band

A	B	C	D
£886.17	£1,033.87	£1,181.56	£1,329.26
E	F	G	H
£1,624.65	£1,920.04	£2,215.43	£2,658.52

These amounts being the amounts given by multiplying the amount calculated as the Basic Amount of Council Tax by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings in a particular valuation band which is applicable to dwellings listed in valuation Band D.

It be determined that the amount set in (c) above as the Council's Basic Amount of Council Tax for 2016/17 is not excessive in accordance with the principles determined by the Secretary of State under section 52ZC of the Act (as amended) and that no Referendum to approve the Basic Amount of Council Tax is required. The principles require a Referendum to be held for any increases of 4% or above for those authorities with Adult Social Care responsibilities.

Wirral – Basic Amount of Council Tax Comparison For Referendum

	2015/16	2016/17	Change	Change
	£	£	£	%
Band D	1,278.26	1,329.26	51.00	3.99

To note that the Police and Crime Commissioner for Merseyside and the Merseyside Fire and Rescue Service issue precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area. This will be as indicated in the tables which when received will be included in updated tables to Council.

Police and Crime Commissioner for Merseyside (figures are awaited)

A	B	C	D
E	F	G	H

Merseyside Fire and Rescue Service (figures are awaited)

A	B	C	D
E	F	G	H

That having calculated the amounts for Wirral together with the Police and Fire the Council in accordance with Section 30 (2) of the Act hereby sets the following amounts as the total amount of Council Tax for the year 2016/17 for each of the categories of dwellings.

Total Council Tax for Wirral (awaiting figures for Police and Fire)

A	B	C	D
E	F	G	H

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