



Council

Town Hall
Wallasey

1 March 2017

This supplement for the Council meeting to be held at **6.00 pm on Monday, 6 March 2017** in the Council Chamber, within the Town Hall, Wallasey, should be read in conjunction with the Council Summons dated 24 February, 2017.

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SUPPLEMENTARY AGENDA

6. COUNCIL BUDGET (Pages 1 - 40)

The Budget Council Procedure (**Pages 1 - 5**)

- (i) The Cabinet Budget Resolution 2017/18 (Minute 91) revised to include Police and Fire Authority Precepts (**Pages 7- 23**)
- (ii) Conservative Group Budget Amendment (**Pages 25 – 32**).
- (ii) Liberal Democrat Group Budget Amendment (**Pages 33 – 40**).

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Assistant Director: Law and Governance

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Budget Debate Process

1. Cabinet Minute

- a. The Cabinet's Budget Recommendations (Minute 91) referred to at 6(i) of the Budget Council Procedure is formally moved by the Leader of the Council.
- b. The Cabinet's Budget Recommendations/Minute(s) is formally seconded.

2. Alternative Budget Proposal(s)/Amendments

- a. The Mayor will advise Council that Alternative Budget Proposal(s) or Amendments (submitted in accordance with 6(ii) of the Budget Council, Procedure) are to be proposed by both the other two Political Group Leaders and the Green Party Member (if applicable).

First Alternative Budget Proposal(s) or Amendment

- b. The Mayor will invite the Group Leader of the largest opposition political group to first propose his Alternative Budget Proposal(s) or Amendment.
- c. The Group Leader of the largest opposition political group formally moves his Alternative Budget Proposal(s) or Amendment.
- d. The Alternative Budget Proposal(s) or Amendment is formally seconded.

Second Alternative Budget Proposal(s)/Amendment

- e. The Mayor will invite the Group Leader of the other opposition political group to propose his Alternative Budget Proposal(s) or Amendment.
- f. The Group Leader of the other opposition political group formally moves his Alternative Budget Proposal(s) or Amendment.
- g. The Alternative Budget Proposal(s) or Amendment is formally seconded.

Third Alternative Budget Proposal(s) or Amendment (If applicable)

- h. The Mayor will invite the Green Party Member to propose his Alternative Budget Proposal(s) or Amendment.
- i. The Green Party Member formally moves his Alternative Budget Proposal(s) or Amendment.
- j. The Alternative Budget Proposal(s) or Amendment is formally seconded.

In the event that there is no seconder, the Third Alternative Budget Proposal(s) or Amendment(s) shall not be debated or voted upon.

3. Debating and Voting

The moved and seconded Cabinet's Minute and Alternative Budget Proposal(s)/Amendments shall be debated together (in accordance with the Rules of Debate set out below) and a vote then taken on each of them in turn.

Order of Speakers

- a. The Leader of the Council will speak to the Cabinet Budget Recommendations/Minute(s) (15 Minutes).
- b. The Portfolio Holder for Children's Services will speak to the Schools' Budget element of the Cabinet Budget Recommendations/Minute(s). (7 Minutes).
- c. The Group Leader of the largest opposition political group will speak to the First Alternative Budget Proposal(s)/Amendment (15 Minutes).
- d. The Group Leader of the other opposition political group will speak to the Second Alternative Budget Proposal(s)/Amendment (15 Minutes).
- e. If applicable, the Green Party Member will speak to the Third Alternative Budget Proposal(s)/Amendment (5 Minutes).
- f. Other members wishing to speak shall indicate to the Mayor, who will call them to speak in the order determined by the Mayor (Each Member - 3 Minutes).
- g. The budget debate shall end with the Seconders, **unless** they have spoken earlier. (Each Secunder - 7 Minutes save for the Secunder of the Green Party Alternative Budget Proposal(s)/Amendment who shall have 3 Minutes).
- h. Proposal(s)/Amendment who shall have 3 Minutes).

Right of Reply

- i. If applicable, the Proposer of the Third Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (3 Minutes).
- j. The Proposer of the Second Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (5 Minutes).
- k. The Proposer of the First Alternative Budget Proposal(s)/Amendment will be invited to exercise his right of reply. (5 Minutes).
- l. The Leader of the Council will be invited to exercise his right of reply. (5 Minutes).

Speakers

Speakers will be allocated the following time:

The Leader of the Council speaking to the Cabinet's Budget Recommendation(s)/Minute(s)	15 minutes
The Portfolio Holder for Children's Services (speaking on the Schools' Budget element)	7 minutes
The Group Leaders of the opposition political groups speaking to their respective Alternative Budget Proposal(s)/ Amendment	15 minutes
Green Party Member speaking to their respective Alternative Budget Proposal(s)/ Amendment (if applicable)	5 minutes
Other speakers	3 minutes
Seconder of the Third Alternative Budget Proposal(s)/Amendment (if applicable)	3 minutes
Seconder of First and Second Alternative Budget Proposal(s)/Amendment	7 minutes
The Seconder of the Cabinet Budget Recommendation(s)/Minutes(s)	7 minutes
Green Party Member (if applicable) – right of reply	3 minutes
The Group Leaders of the opposition political groups – right of reply	5 minutes
The Leader of the Council – right of reply	5 minutes

(For the avoidance of any doubt the times mentioned in the table above shall not affect the Mayor's discretion to permit a speaker to speak beyond the allotted time).

4. Voting

The order of voting shall be as follows (and subject to 4(d)(ii) below):

a. If applicable, Third Alternative Budget Proposal(s)/ Amendment

A vote will be taken on the Third Alternative Budget Proposal(s)/Amendment.

b. Second Alternative Budget Proposal(s)/Amendment

A vote will be taken on the Second Alternative Budget Proposal(s)/Amendment.

c. First Alternative Budget Proposal(s)/Amendment

A vote will be taken on the First Alternative Budget Proposal(s)/Amendment.

d. Cabinet Recommendation(s)/Minute(s)

(i) If all the Alternative Budget Proposal(s)/Amendments to the Cabinet's Budget Recommendation(s)/Minute(s) fall, a vote will be taken on the Cabinet's Budget Recommendation(s)/Minute(s).

(ii) If the Cabinet's Budget Recommendation(s)/Minute(s) are amended or an Alternative Budget Proposal(s) carried pursuant to 4a–c above, that decision will be regarded as an in-principle decision, and the Budget meeting of the Council shall be adjourned to 6:15pm on Thursday, 9 March 2017 unless the Leader of the Council confirms to Council that he does not intend to challenge the in-principle decision, in which case it shall become effective.

In the event that the meeting is adjourned, the Council will reconsider its decision having regard to the Leader of the Council's written submission which must be submitted to the Assistant Director: Law and Governance by 4.00pm on Wednesday, 8 March 2016.

At that the adjourned meeting, the Council can:

(i) accept the Cabinet Budget Recommendation(s)/Minute(s) (without amendment); or

- (ii) re-affirm its approval of the in-principle decision made on Monday, 6 March 2017, upon the occurrence of which it will shall become effective; or
- (iii) approve a different decision that does not accord with the Cabinet Budget Recommendation(s)/Minute(s).

NOTE: The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 requires a recorded vote (i.e. names of all councillors voting and how they voted) to be taken in respect of all votes.

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CABINET MINUTE EXTRACT - 20 FEBRUARY 2017
COUNCIL BUDGET

91



Councillor Phil Davies, Leader of the Council – Strategic Economic Development, Finance and Devolution, said:

“We have a responsibility to set a fair sustainable and balanced budget. This is a challenge which gets more difficult every year, as austerity policies continue to bite.

“We have committed to 20 Pledges in our Wirral Plan and, despite the continued reductions in our budget, we are determined we will deliver on what we promised.”

Councillor Phil Davies introduced reports on the following budgetary matters:

- (A) Revenue Budget and Council Tax Levels – an update on the Medium Term Financial Strategy and Council Budget that had been reported to the Cabinet at its meeting on 8 December 2016. It set out the background and the key elements contributing to the preparation of the 2017/18 Budget.
- (B) Capital Programme and Financing – providing the draft Capital Programme 2017/20 which represented a combination of Schemes originally approved as part of the 2016/19 Programme and updated through the Capital Monitoring reports in 2016/17 and some new bids, for consideration and referral to the Council for approval. It also included information regarding the revenue implications of this Programme and an update on the latest forecast for capital receipts.
- (C) Medium Term Financial Strategy (MTFS) – presenting the MTFS based on what was an evolving system of funding and a number of key questions yet to be answered. However it was clear that the scale of the financial challenges remained. The report set out the steps it was proposed should be taken to ensure the Council set balanced budgets while continuing to deliver the Wirral Plan. The Strategy included a set of indicative financial proposals for 2018/19 - 2020/21.
- (D) Schools Budget and Formula Funding Changes 2017/18 – covering education provision for all Wirral Pupils aged up to 16 in Early Years, Primary, Secondary and academy schools and for some pupils 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 and High Needs. The report proposed a number of changes to the funding formula for Early Years to take account of national changes and increased resources. There were also changes proposed to High Needs places and funding.

Councillor Phil Davies informed that the Council was facing its most challenging budget ever with £45m cuts in Government funding this year. This included a 3% precept to help relieve a financial crisis in adult social care and children's services. It had been an extremely difficult budget to draw up as the Council faced a massively unfair local government funding system which favoured the more affluent local authorities in the south over those in the north of England.

One by one Cabinet Members raised concerns about the Government's approach to local government funding and in particular the lack of funding for social care and agreed to continue to lobby Central Government against the cuts.

Councillor Chris Jones was concerned that social care was seriously underfunded by the Government and Wirral Council Tax Payers had the burden of having to pay the social care precept. The Council had requested an urgent meeting with the Secretary of State to try to secure the additional funding needed in this Borough but even if this meeting did take place Councillor Jones was not expecting fantastic results.

Councillor Matthew Patrick was outraged over the way the Conservative Councillors had behaved locally when the Council was being forced into making cuts and charges by a Conservative Government that was under funding local government. It had abandoned Wirral and inflicted pain locally through its actions.

Councillor Janette Williamson was outraged over what the Government had done to the most vulnerable people of the Borough. They had been deprived of millions of pounds.

Councillor Ann McLachlan referred to the inequity that existed across the country in respect of social care and that Wirral was a net loser. The Council was trying to build growth and facilitate more jobs but this would take time. Unfortunately, at the same time the Government was passporting the costs of care.

Councillor McLachlan also referred to the proposed car parking charges and to the Opposition's view that there were choices. However, the fact of the matter was that there were no choices as the majority of the Council's Budget was spent on social care and children's services. The Council would have to ask the people of Wirral to help pay for some of the services that they loved e.g. country parks. This was an absolute necessity and Central Government was forcing it to do this. All the Government believed in was a basic safety net and were not providing the level of funding required.

Councillor Stuart Whittingham reported that it was well documented that, across the country, social care was in crisis. This was a national issue.

Councillor Bernie Mooney informed that although Great Britain was the sixth richest country in the world, the message from those that helped to deliver social care services was that the country was in absolute crisis. There was a miss fit somewhere and the most vulnerable people were suffering. The Council had cross party agreement to go down to Westminster in pursuit of a balanced deal. This was a national problem that needed to be resolved. The Government must be held to account.

Councillor George Davies referred to the Thatcher Government of 1979 when the war against local government had first began. We now had 'Thatcher's children' and there were funding issues with public services e.g. Police and Fire. There was less money and less staff. The average Council tax band across the country was Band D but in Wirral 82% of Council Tax was raised from Bands A, B and C. This was a massive problem in itself but from 2021 there would be no Rate Support Grant provided by Central Government.

Councillor Tony Smith referred to the public sector and, in particular, to the National Health Service, Police, Fire and Schools all being under funded and that Wirral Schools would have a £10m reduction in their budget by 2020. He considered that tax evasion must be addressed as there was a culture in the country at the moment that people did not pay legitimate tax. Councillor Smith believed that the Government was not interested in public services. He said it was a very difficult time for Councillors because of the decisions they had to make in the light of the chronic under funding.

RESOLVED: (unanimously)

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

CABINET - 20 FEBRUARY 2017

BUDGET RESOLUTION 2017/18

NATIONAL CONTEXT

This Budget is being prepared in the most difficult financial position this Council has ever found itself in. We believe Local Government, and the services residents rely on, has been under attack from the Conservative Government's austerity agenda for almost seven years.

We believe their vision is of a country where residents are left to fend for themselves. The removal of the Revenue Support Grant is, in the opinion of this

Cabinet, a shameful and dangerous dereliction of duty which hits the young, the elderly and the most vulnerable the hardest.

This alternative Tory reality is one where local services are only funded by Council Tax, business rates and fees and charges Council can generate. This is great for the wealthier boroughs, but terrible for those who – in the words of the Prime Minister – are Just About Managing.

The City of Westminster Council, for example, will do very nicely from these policies. Collecting business rates from the HQ's of multinational companies and raising Council Tax on multi-million pound homes and apartments, they are surely counting down the days until they are able to retain all of this income for themselves – a move which adds £1.8 BILLION every year to their bank balance.

Wirral, on the other hand, with an ageing population and areas of real deprivation and need, will lose £6 million a year, money which could have funded improvements to highways and street lighting, added extra social workers, and supported efforts to clampdown on antisocial behaviour. We will continue to lobby the Government to address this imbalance through a fairer distribution of funding.

Even Conservative Council leaders warned the government about failing local services – but, predictably, they received a very different response from Whitehall. Upon learning of Surrey County Council's plans to prop up services through a 15% Council Tax hike the Government intervened with a secret sweetheart deal for their friends in the South.

Where is Wirral's deal? Where is Wirral's support? Where are we to find the money to tackle anti-social behaviour, improve skills and training for our young people, and support vital services?

This Administration has lobbied Government for Wirral and the rest of our region to be treated fairly. It cannot be right that while Westminster is counting their billions, Wirral and our City Region colleagues are left to pinch the pennies. Either we are in this together, or we are not. Cabinet proposes that we continue to lobby the government to introduce a fair system of local government funding which recognises the needs of authorities such as Wirral.

It is absolutely worth noting, that while this Cabinet has been fighting for Wirral - calling on Government to fund local services - Wirral's Conservative Party remained silent. For a party so quick to call special meetings and adopt posture politics, no petition or lobby from them to secure a fair deal for Wirral.

SOCIAL CARE IN CRISIS

Nowhere is the Tory's failure more apparent than the crisis in social care and health. We are seeing huge waiting lists for hospital and GP appointments, people being treated on trolleys in corridors, and councils across the UK struggling to afford even basic support for the most vulnerable. This is not acceptable in a modern Britain.

Cabinet believes the Government failed to address the social care crisis in the recent Autumn Statement. The Local Government Association reported that adult social care faces a funding gap of £2.6 billion by 2020, a deficit of £60 million across health and social care here in Wirral. Locally, social care providers, charities and the NHS have united to call for more investment. The Government's response was to pass the problem on to council taxpayers.

We have little choice other than to implement the Government's 3% Care Tax levy, even while knowing this places the burden at the feet of those people least able to pay.

The crisis in social care can no longer be ignored. Council has called for an urgent meeting with the Secretary of State for Health to put Wirral's case forward.

THE WIRRAL CHALLENGE

Wirral is forced to reduce its spending, or generate more income, by at least £130 million by 2021. Our immediate challenge is to meet a £45 million funding shortfall for 2017/18.

This is happening at a time of increased need - an ageing population, deprived communities with complex needs - and rising costs of the services and support which people rely on.

Cabinet believes these reductions to be unfair and unsustainable.

However, as residents know, we refuse to allow this Government to break the services our residents rely on. We will make these difficult decisions but will deliver the 20 Pledges we committed to in our Wirral Plan.

A COLLABORATIVE BUDGET

We will never set a budget in isolation. Consultation, engagement, and conversations with residents will always underpin every decision we take.

Cabinet 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.

DELIVERING OUR PLEDGES

Regardless of the scale of Conservative Government cuts to this Council's budget, we are a Labour Administration and our budget will be legal and sustainable, with social justice and fairness at its heart.

Our ethos as an Administration is underpinned by three core principles. These principles help inform our budget and makes sure we can deliver the savings imposed on us while still meeting our promises to Wirral residents.

- 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.

We are now almost two years into our five-year Wirral Plan. 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. I am proud of our achievements so far. These include:-

- More than 200 new jobs have been created through our work to support local businesses, with new developments such as the Contact Company HQ and the new Wirral Metropolitan College Campus opening their doors this year.
- The state-of-the-art, £6 million new Wirral Youth Zone – the Hive – will soon open its doors, providing our young people with youth services of the very highest quality.
- We have safeguarded jobs and enabled new, innovative services to be developed for schools and people with disabilities, through our two new companies – Edsential and Wirral Evolutions.
- Our Zero-Tolerance policy towards litter and dog fouling is paying huge dividends, with more than £250,000 in fines being issued to the irresponsible people who vandalise our environment.

- We have improved almost 2,000 homes to help older people live more independently and safely, and have brought more than 500 empty properties back into use.

Next year, we will invest more than £260 million into improving residents' lives – protecting the vulnerable, improving our environment and driving economic growth.

Safeguarding Vulnerable Children

We reaffirm that safeguarding vulnerable children remains this Administration's top priority. Our improvement work following the OFSTED inspection continues at pace. We received encouraging feedback from Ofsted following their first monitoring visit since the report was published. We will be investing to transform children's services, in addition to the £2 million invested in the current year to recruit more social workers, improve management and strengthen the service at all levels.

Growing our economy

We will be relentless in our drive to grow Wirral's economy. The International Golf Resort in Hoylake, our plans to transform Birkenhead, the support we will continue to provide to local high streets and employers through our partnership with Wirral Chamber of Commerce will help create thousands of jobs for local people in the coming years.

Wirral Apprenticeship Programme

As part of this drive, it is vitally important residents have the skills to excel in their careers. I am therefore delighted to announce a new investment of £150,000 in creating a Wirral Apprenticeship programme with starting salaries at the level of the Living Wage, and ask officers to immediately commence work on creating these opportunities.

Improving the environment

It is also important we enable local communities to direct resources at those things most important in their neighbourhood. Often, communities take direct action, coming together to clean up and improve their areas. To help, this budget will allocate £50,000 to support communities to enable this work, to be allocated through our constituency committees. These initiatives can therefore continue

pending the review of the role of constituency committees. Cabinet also expects any underspends within Constituency Committee budgets to be used in 2017/18.

Investing in Street Lighting

We will continue to invest in local infrastructure. I am pleased we are investing more than £4 million to improve our highways and make our roads safer. Following our multi-million investment in installing LED lights in key locations throughout the borough, I am pleased this new infrastructure investment also allocates a further £500,000 to improve our street lights.

Tackling Anti-Social Behaviour

In some parts of the borough, anti-social behaviour remains a blight on people's lives. As part of our Transformation Programme, we have been innovative and imaginative in adopting approaches to tackle this issue; creating the first integrated community safety hub in the region where council and police staff work hand-in-hand to keep residents safe.

DIFFICULT DECISIONS

Having made cuts of almost £200 million from our budget since 2010, and losing the Revenue Support Grant 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.

To minimise impacts on residents, we are proposing rolling out savings across four years. Even to do this, we had to seek Government approval first and, of course, they set conditions. To keep our income at current levels we must implement Annual Council Tax rises of 1.99%, add the additional 3% Care Tax levy towards the cost of adult social care.

Our Budget proposals for the next 4 years will be based on 3 key themes:

Delivering Differently: Whilst setting an annual Budget planning over four years buys time, and allows us to develop a major, fundamental redesign of how the council works and which services it provides. Achieving change of this scale is complex and takes time, but I am committing Wirral Council to deliver a complete redesign of every service by 2020. Detailed proposals for each area will be produced throughout the year as we seek to create modern, fit for purpose,

sustainable services which meet the needs of our residents. A key element of this work will involve us looking at a range of alternative delivery models.

Income & Resources: We will focus on doing better with the money we have, becoming more commercial and increasing the revenue we receive from Council Tax, Business Rates and general fees and charges.

Service Changes & Reductions: This will be the last resort, with very minimal direct service cuts and instead reductions in senior management and higher paid staff.

CAR PARKING

This Cabinet talked to residents and businesses throughout Wirral. It is clear the proposals originally put forward underestimated the potential impact on local businesses. For clarity, the original proposals regarding car park charges have been removed in their entirety. They have been replaced with a 20p increase in standard car park tariffs and a 50p charge at country parks for parking one-hour, £1 for 2 hours, or £2 all day.

We will continue to work with residents and businesses to make sure our country parks, and the organisations within them and associated with them, are able to thrive. The income generated through parking will be used to maintain the parks and ensure they remain a source of huge pride for residents.

We listened to local people, and I am pleased our new proposals have been welcomed by residents and business alike.

COUNCIL TAX

Councils in the UK are being forced to contemplate huge Council Tax rises, forcing residents to pay more for services. Cabinet believes it is unacceptable for the Government to simply pass the bill for the growing pressures in adult social care back to the most needy and say: "If you want the services, you will have to pay for them." Often the very reason they need social care support from the local authority is because they are unable to pay for it themselves.

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 Adult Social Care Precept of 3%. Overall, this works out at an increase of just over £1 per week for the average Band D property.

CONCLUSION

Once again, this budget has been extremely difficult. Seemingly endless cuts in funding and a lack of support from Central Government require this Council to make tough decisions. This Government, and their colleagues in the Local Conservative Party, are letting down the residents in this borough.

I am proud this Labour Administration has once again delivered on its promises to the people of Wirral – taking tough decisions in setting its budget, identifying innovative solutions and getting on with the job of delivering our 20 Pledges to create a better Wirral for all of our residents. Finally, Cabinet wishes to recognise the excellent work of our staff who, in spite of the savage cuts in our budget, have continued to deliver high quality public services for the people of Wirral.

RECOMMENDATIONS

- 1 Cabinet, having had regard to the responses to the proposals announced at the 8 December 2016 meeting recommends to Budget Council for approval:-

Revenue Budget (Agenda Item 6A)

- a) The proposals for 2017/18, detailed in Appendix 1, be agreed with the change to the car parking proposals which reduce the projected income by £460,000.
- b) The Growth 2017/18, detailed in section 3.29 to 3.35, be agreed with the addition of £150,000 for Apprentices and a fund of £50,000 to provide for community clean-ups.
- c) The fees and charges, as in Appendix 2, with delegated authority being (i) given to the Section 151 Officer to update the Council's Fees and Charges Directory prior to publication before 1 April 2017; (ii) given to the relevant Director in consultation with the relevant Portfolio Holder and Section 151 Officer to vary existing fees and charges and (iii) approval of the Pricing and Charging Policy as set out in Annex 1.
- d) The level of General Fund Balances being recommended, as set out in Appendix 3, as continuing to be based on a locally determined approach based on an 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 use of General Fund Balances, if required, to fund the financial consequences of the finalisation of the Local Government Finance Settlement.
- f) The release of reserves, as set out in Appendix 4, to General Fund Balances to support the Revenue Budget.
- g) 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 at Appendix 6.
- h) Endorsement of Wirral being part of the Liverpool City Region 100% Business Rates Retention Pilot Scheme as set out in the Memorandum of Understanding at Appendix 7.

Capital Programme and Financing (Agenda Item 6B)

- a) The new bids as detailed in Appendix 2.
- b) That any new bids supported by grant funding do not commence until written confirmation has been received from the granting authority.
- c) The Capital Programme 2017/20 (as detailed in Appendix 3).
- d) That progress on delivering the Capital Programme is presented in accordance with the agreed Capital Monitoring arrangement.

Medium Term Financial Strategy (Agenda Item 6C)

The Medium Term Financial Strategy 2017/21 including the:-

- a) Development of indicative proposals for the years 2018/19-2020/21 as part of the implementation of the Strategy as set out in Annex 1.
- b) Flexible Use of Capital Receipts Strategy 2017/18 as set out in Annex 2.

- c) Regular updates being presented to Cabinet on the progress of the implementation of the Medium Term Financial Strategy.

The Treasury Management Strategy 2017/20 including the:-

- a) Adoption of the Prudential Indicators.
- b) Minimum Revenue Provision Policy for 2017/18
- c) Council Officers listed in Annex G to approve payments from the Council's bank account for all treasury management activities.

Schools Budget (Agenda Item 6D)

The Schools Budget of £252,127,600 having taken account of the views and formula proposals from the Schools Forum that:

- i) The delegation of Private Finance Initiative (PFI) costs to schools are approved, subject to finalising amended schools agreements and confirmation from the Education Funding Agency (EFA).
- ii) The continuing Contributions to Combined Budgets should be £875,600
- iii) Dedicated Schools Grant (DSG) reserves totalling £568,900 should be used to set the Schools Budget.
- iv) There is a contribution to the cost of Education Services Grant (ESG) retained duties of £730,000.
- v) The funding for Education Services Grant (ESG) General Duties and School Improvement is agreed.
- vi) There is a transfer of £106,000 from the Schools Block to the High Needs Block following the transfer of central budgets to schools
- vii) The amendments to High Needs places and to the High Needs Formula are implemented from September 2017.
- viii) The Schools Forum review budgets and demands for High Needs alongside plans to undertake a review of High Needs provision following receipt of a national grant allocation of £132,000 for that purpose.

- ix) The changes to the Early Years Funding formula resulting from the receipt of additional funding are agreed with effect from the 1 April.

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 vote be taken in respect of Council Tax levels for 2017/18 and that :-
 - a) For Wirral Council Services the Council Tax be increased by 4.99% for 2017/18 which includes the Adult Social Care Precept of 3%.
 - b) The Wirral Council Tax will include the precepts from the Police & Crime Commissioner for Merseyside and from the Merseyside Fire & Rescue Service.

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 8 December 2016 calculated the Council Tax Base 2017/18 for the whole of the properties in its area as 91,309.5 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2017/18 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) ("the Act");

- a) £127,430,400 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2017/18 (item R in the statutory formula). This amount (D) is determined as being the difference between:
 - i) £808,854,400 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) £681,424,000 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) £1,395.59 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2017/18. 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
£930.40	£1,085.46	£1,240.53	£1,395.59
E	F	G	H
£1,705.72	£2,015.85	£2,325.99	£2,791.18

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 2017/18 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 5% or above for those authorities with Adult Social Care responsibilities.

Wirral – Basic Amount of Council Tax Comparison for Referendum

	2016/17	2017/18	Change	Change
	£	£	£	%
Band D	1,329.26	1,395.59	66.33	4.99

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

A	B	C	D
£110.65	£129.09	£147.53	£165.97
E	F	G	H
£202.85	£239.73	£276.62	£331.94

Merseyside Fire and Rescue Service

A	B	C	D
£49.56	£57.82	£66.08	£74.34
E	F	G	H
£90.86	£107.38	£123.90	£148.68

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 2017/18 for each of the categories of dwellings.

Total Council Tax for Wirral

A	B	C	D
£1,090.61	£1,272.37	£1,454.14	£1,635.90
E	F	G	H
£1,999.43	£2,362.96	£2,726.51	£3,271.80

- 3 Cabinet thanks all of the Council Officers who provide a fantastic service to the people of Wirral.

**WIRRAL COUNCIL
REVENUE BUDGET 2017/18**

	Base Budget 2016/17	Base Budget (Pilot Scheme) 2017/18
	£	£
INCOME		
Revenue Support Grant	50,710,000	-
Business Rates Baseline	34,827,900	-
Business Rates Pilot Scheme	-	67,941,000
Business Rates Top Up	41,630,000	51,834,000
Business Rates S31 Grants	2,193,700	6,460,000
Council Tax Requirement	120,274,100	127,430,400
New Homes Bonus	3,177,900	2,264,100
Contribution to Business Rates Reserve	-	- 5,373,400
Contribution from Balances & Reserves	11,782,100	15,632,500
FORECAST INCOME	264,595,700	266,188,600
EXPENDITURE		
People		
Adult Care & Public Health	71,835,700	75,835,700
Children & Families	74,056,600	79,356,600
People Total	145,892,300	155,192,300
Environment		
Environmental Protection	28,425,000	27,427,900

Housing & Communities	17,126,900	15,886,400
Leisure & Culture	17,789,800	16,482,200
Environment Total	63,341,700	59,796,500
Business		
Business & Tourism	2,360,600	2,560,600
Transport, Technology & Infrastructure	36,954,700	33,779,400
Resources	1,684,500	990,400
Transformation & Improvement	2,361,900	1,869,400
Business Total	43,361,700	39,199,800
Revenue Contingency		
Adult Social Services	3,900,000	5,400,000
Children and Young People	5,000,000	5,000,000
Other Areas	3,100,000	1,600,000
Contingency Total	12,000,000	12,000,000
FORECAST EXPENDITURE	264,595,700	266,188,600

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CONSERVATIVE GROUP BUDGET AMENDMENT 2017/18

Proposed by Councillor Jeff Green

Seconded by Councillor Lesley Rennie

Amendment to Cabinet minute 91 (1)

Wirral Conservative Group recognises the challenging environment for Local Government spending in the 2017/18 financial year. We note the base budget for 2016/17 contained some £127.1 million from Revenue Support Grant, Business Rates Top-Up and Business Rates Baseline and in 2017/18 contains £119.7 million from Business Rates Top Up and Business Rates Pilot Scheme. This excludes New Home Bonus and additional £4 million received for S31 Grants.

We note that Council income for 2017/18 is estimated at £266.2 million (£264.6 million last year) and the cost of services to be delivered £254.2 million (£252.6 million last year) and there is an excess of income over expenditure of some £12 million.

We note:

The Council will have more income than last year and will spend more

The Council has £72 million cash in the bank

The Labour Administration Budget envisages

- £50 million Reserves
- £10 million in General Fund Balances

In addition to the above we also note the hard working taxpayers of Wirral will once again be charged a further £12 million (in a Revenue Budget Contingency) as a cost of continued incompetence and in anticipation of the Labour Administration, yet again, failing to effectively deliver its change portfolio. **(Page 47 Budget Cabinet 20th Feb Appendix 5 refers)**

However, despite the challenging environment, the Conservative Group believe a number of the choices made by the Labour Administration in drawing together this budget are wrong. For example, their insistence in maintaining 'Wirral View' (which we believe is a Council Newspaper) at a cost of £270,000 while introducing car parking charges at Wirral Parks to raise £150,000.

Our budget amendment therefore seeks, within the overall spending and total income projections framework set out by Council Officers, to protect and enhance services and develop a Council that works for everyone.

We therefore amend the Cabinet Resolution in respect of the Revenue Budget and Capital Programme as follows:-

Wirral residents love their parks (over 17,000 people have signed petitions to this effect) and have already paid for their upkeep via Council Tax. We do not believe residents should be charged twice.

1)	Remove Cabinet car park charges in Wirral Parks	£150,000
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We believe any increase in parking charges will have a damaging effect on Wirral's shopping centres.

2)	Remove Cabinet 20p increase in car park tariffs	£220,000
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We do not believe it is fair to charge volunteers and charities up to £1000 to hold events in our parks or on our beaches.

3)	Remove Cabinet 'event' fees and charges for charities	£50,000
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At a time when the Government is devolving powers to City Regions we believe the Council should recognise that Constituency Committees have an increased role to play in determining and delivering local priorities, including environmental improvements, that are important to our residents.

4)	Remove Cabinet cut to Constituency Committee funding for 2017/18	£200,000
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Since the announcement of the intended closure of Girtrell Court, we have consistently campaigned on behalf of service users, families and staff. In this amendment we are honouring our pledge.

5)	Invite Sanctuary Supported Living to offer a 20 bed respite service at Girtrell Court. The Council to provide £1million for improvements and refurbishments at Girtrell Court through inclusion in the Capital Programme.	£395,000
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The Multi Systemic Therapy (MST) programme works with families where young people (aged 13+) are involved in violence, juvenile offending, drug and alcohol misuse.

6)	Replace withdrawn financial support for the (MST) Programme	£175,000
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We share the concerns of the Administration and the LGA regarding Social Care funding. However we believe new initiatives to integrate health & care services through highly skilled, self-managing teams (Nederlands' Buurtzorg Model) could provide a counter intuitive approach to the current delivery model, saving costs, raising quality and improving service users experience and satisfaction.

7)	Partner with University to develop options appraisal, business case and pilot introduction of 'Buurtzorg Model' of integrated Health & Home Care services into Wirral. As this is integral to taking forward the future of Social Care it will be a charge on the Capital Transformation Programme.	£100,000
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We welcome the £10 million capital (one off) investment for 2017-2018 to transform Children Services following the recent shaming Ofsted Inspection. We urge early all party discussions to ensure this investment can be maintained in future years.

If the Leader of the Council continues to avoid making a clear and unambiguous statement that the development of 'The Hive' will not lead to reductions in facilities or funding to the Council's existing pattern of Youth Hub provision up to 2020. Council should allocate the necessary funding to ensure current facilities remain open.

Savings

We believe, in a challenging financial period, all elements of the Council; Councillors, The Council Bureaucracy and Council staff need to play their part and do all we can if we are to ensure all residents receive value for the Council Tax we pay.

We have consistently warned that now is not the time for novices to the newspaper industry to produce a new print title. Wirral has two established, free, independent newspaper titles the Wirral News - circulation 28,095 copies and Wirral Globe total circulation 97,368 copies (71% of households). We note the appalling distribution record for the Council 'Newspaper' and also believe that the 'Wirral View' breaches the Government Code of Practice for Local Authority Publicity. In order to support front line services we will hypothecate the following saving to remove car parking charges at Wirral Parks.

1)	Delete budget for the Wirral View	£152,000
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The Council employs 3528 staff (2878 FTE) and has recently completed a management restructure. The Leader of the Council is no longer Chair of the Combined Authority and the City Region Mayor will be elected in May therefore:

2)	Delete post of Executive Support Officer to Leader of Council	£56,000
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Council was refused the opportunity to 'Call In' the Investor Development Manager post to scrutinise whether it was required. Council notes it already employs a 'Strategic Commissioner for Growth' therefore:

3)	Delete post of Investor Development Manager	£80,000
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The Leader of the Council has asserted that 'the Council is facing its most difficult financial position it has ever found itself in'. We therefore believe any budget proposal should demonstrate that 'back office' activities are being proportionately reduced to support front line services. Therefore:

4)	Delete 50% of 18 FTE posts in Press & PR Office	£350,000
5)	Delete 25% of 21 FTE posts in Performance & Intelligence Team	£250,000
6)	Delete 25% of 12 FTE posts in Policy & Strategy Team	£100,000
7)	Delete 25% of 18 FTE posts in Transformation Programme <i>It is recognised that this is a saving to the capital programme</i>	£160,000

We note that the Administration has no permanent budget for Interim and Contractor appointments and yet has still managed to spend £641,726 in 2016-2017.

8)	Note 2016/017 (excluding Children's & Adult Services) £641,726 costs of 'Interim' and 'Contractor' appointments. The Chief Executive is instructed to ensure that the spend in 2017/18 (excluding Children's & Adult Services) is cash limited and no greater than £500,000	£150,000
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We note the Leader of the Council's commitment to ensuring no housing development takes place in the Green Belt. Given the Hoylake Golf Resort is predicated on the building of 200 dwellings this will mean that this development is no longer viable.

9)	Following the Leader of the Council's changes of mind on housing development in Green Belt, delete the new fee and site investigation works budget for Golf Resort	£200,000
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Future Savings

We note that the Council workforce continues to reduce at the same time their terms and conditions are being eroded via unpaid leave, etc. Whilst not providing a saving this year we believe Councillors should play their part and instruct Council Officers to develop a detailed plan to reduce the overall number of Councillors by one third.

We note that last year we requested Officers to bring forward a report on how Wirral can become self-sufficient in energy use. To date the Administration has been silent regarding whether any initiative will be progressed – we recommend urgent action to identify savings to the £3.8 million the Administration will spend on energy in the 2016-2017 financial year.

Last year we warned that unless there was greater ambition, discipline, rigor, risk management and political accountability the identified Change Portfolio would not deliver the structural changes required to the Council. At that time we also recommended the establishment of a Strategic Change Board on an all-party basis to be led by the Leader of the Council.

It gives us no satisfaction to have to point out that following the Council Leader's rejection of this offer, his Labour Administration has yet again failed to deliver the

benefits of its own Change Portfolio (a £1.7 million shortfall in the delivery of the Future Council Re-modelling Project). We are concerned that unless serious and meaningful action is taken around governance and a clear focus applied to outcomes/benefits the £40 million savings promised by 2020 will be unattainable.

We note no reported action has been taken during 2016-2017 to better share IT, HR, payroll, finance, legal services & procurement across the Wirral Partnership. At a time when the Leader of the Council tells us the Council is facing the most difficult financial position it has ever found itself in' we believe the Administration continues to waste this opportunity.

With the Leader of the Council's stated aim to develop a range of new delivery models for Wirral services. We note that 8 permanent Senior Wirral Executives earn in excess of £100,000 and the Chief Executive receives a salary higher than the Prime Minister. We recommend a joint task force of Councillors and Trades Unions be formed to review Wirral Council's Executive's pay and performance.

A time of great change is also a time of great uncertainty for staff which can lead to stress, greater absences or drop in performance to the people the Council exists to serve. We believe that the Leader of the Council can mitigate this risk and alleviate staff fears by stating clearly that staff representation rights and their terms and conditions will remain the same in any new delivery models or new arm length organisations (ALOs) being developed as part of the Council's Transformation Programme.

This amendment is made having 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.

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 8 December 2016 calculated the Council Tax Base 2017/18 for the whole of the properties in its area as 91,309.5 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2017/18 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) ("the Act");

- a) £127,430,400 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2017/18 (item R in the statutory formula). This amount (D) is determined as being the difference between:
 - i) £808,434,400 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) £681,004,000 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) £1,395.59 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2017/18. 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
£930.40	£1,085.46	£1,240.53	£1,395.59
E	F	G	H
£1,705.72	£2,015.85	£2,325.99	£2,791.18

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 2017/18 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 5% or above for those authorities with Adult Social Care responsibilities.

Wirral – Basic Amount of Council Tax Comparison for Referendum

	2016/17	2017/18	Change	Change
	£	£	£	%
Band D	1,329.26	1,395.59	66.33	4.99

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. These have been notified as follows:-

Police and Crime Commissioner for Merseyside

A	B	C	D
£110.65	£129.09	£147.53	£165.97
E	F	G	H
£202.85	£239.73	£276.62	£331.94

Merseyside Fire and Rescue Service

A	B	C	D
£49.56	£57.82	£66.08	£74.34
E	F	G	H
£90.86	£107.38	£123.90	£148.68

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 2017/18 for each of the categories of dwellings.

Total Council Tax for Wirral

A	B	C	D
£1,090.61	£1,272.37	£1,454.14	£1,635.90
E	F	G	H
£1,999.43	£2,362.96	£2,726.51	£3,271.80

WIRRAL COUNCIL

REVENUE BUDGET 2017/18 – CONSERVATIVE AMENDMENT

	Base Budget 2016/17	Base Budget (Pilot Scheme) 2017/18
	£	£
INCOME		
Revenue Support Grant	50,710,000	-
Business Rates Baseline	34,827,900	-
Business Rates Pilot Scheme	-	67,941,000
Business Rates Top Up	41,630,000	51,834,000
Business Rates S31 Grants	2,193,700	6,460,000
Council Tax Requirement	120,274,100	127,430,400
New Homes Bonus	3,177,900	2,264,100
Contribution to Business Rates Reserve	-	- 5,373,400
Contribution from Balances & Reserves	11,782,100	15,632,500
FORECAST INCOME	264,595,700	266,188,600
EXPENDITURE		
People		
Adult Care & Public Health	71,835,700	76,228,700
Children & Families	74,056,600	79,531,600
People Total	145,892,300	155,760,300
Environment		
Environmental Protection	28,425,000	27,427,900
Housing & Communities	17,126,900	16,086,400
Leisure & Culture	17,789,800	16,532,200
Environment Total	63,341,700	60,046,500
Business		
Business & Tourism	2,360,600	2,408,600
Transport, Technology & Infrastructure	36,954,700	34,149,400
Resources	1,684,500	990,400
Transformation & Improvement	2,361,900	833,400
Business Total	43,361,700	38,381,800
Revenue Contingency		
Adult Social Services	3,900,000	5,400,000
Children and Young People	5,000,000	5,000,000
Other Areas	3,100,000	1,600,000
Contingency Total	12,000,000	12,000,000
FORECAST EXPENDITURE	264,595,700	266,188,600

LIBERAL DEMOCRAT GROUP – BUDGET AMENDMENT 2017/18

Date of Budget Council: **Monday 6 March 2017**

Date submitted: **Wednesday 1 March 2017 (at 1000hrs)**

Proposed by: **Cllr Phil Gilchrist**

Seconded by: **Cllr Alan Brighouse**

Council notes the Cabinet's Budget recommendations with the following observations:

SECTION 1 - REVENUE BUDGET AND COUNCIL TAX LEVELS 2017/18 (AGENDA ITEM 6A)

Council recognises the financial challenge that Wirral faces and endorses the concerns expressed by Lord Porter, the Chairman of the Local Government Association...

"Councils, the NHS, charities and care providers remain united around the desperate need for new government funding for social care. By continuing to ignore these warnings, social care remains in crisis and councils and the NHS continue to be pushed to the financial brink."

In the midst of this crisis, the diversion of resources to support the Leader with an Executive Support Officer, the appointment of an Investor Development Manager and an inordinate use of highly paid interims, agency and consultancy services cannot be an appropriate use of the Council's limited resources.

In the light of this, Council declines to fund the posts of the Executive Support Officer (costed at **£58,000**) or the Investor Development Manager (costed at **£50,000**) since doubts about the genesis, necessity for and effectiveness of these roles persist.

Similarly, there is no justification for the continued publication of Wirralview which has been plagued by problems with its irregular and incomplete distribution and questions around its legality. It has devoted far too much content to addressing the image of the current administration and has failed to establish itself as a respected publication. The publication should be discontinued, **saving £152,000**, and the energy put into its creation applied to more meaningful and targeted information and genuine consultation.

In November 2012, the Chief Executive stated that *"we should spend less on ourselves, taking savings first from our 'back office' and so mitigating as much as possible the impact on services to residents, particularly our poorest and most vulnerable."*

Council recognises the need to continue to scrutinise back-office and central corporate costs and believes a **reduction of £260,000** is achievable in 2017/18 by a reduction of six posts within the Performance, Policy and Communications elements of the Strategic Hub.

Careful management of the spending on highly paid interim, agency and consultancy posts would enable a further reduction in spending during the course of the year. However, the pressing needs of Adults' and Children's social services should continue to be recognised and safeguarded.

Council reaffirms its commitment to improving the health of local residents by encouraging the use of Wirral's country parks and the New Brighton waterfront. It acknowledges that the introduction of parking charges in all these areas would run counter to such a policy and, for consistency in policy, determines that parking charges for our Country Parks runs counter to that objective.

Also, at a time of uncertainty in the 'high street' and given the intense competition from on-line retailing, it would not be appropriate to increase car parking tariffs.

Council, therefore, calls upon the Cabinet to drop proposals which will have an adverse impact on retailing and reduce visits to our open spaces.

Therefore, a **sum of £370,000 income** foregone needs to be budgeted for.

Providing consistent funding for Constituency Committees

The suggested removal of core funding places projects at risk. The Constituency Committees need the flexibility to draw up their own priorities. Council believes that Cabinet should not impose restrictions on the use of funds allocated to Constituency Committees in 2017/18.

Council further recognises the valuable contribution made by the Constituency Committees and will **allocate a further £150,000** in 2017/18, thus restoring the original allocation levels.

Earlier confirmation of the Integrated Transport Budget would enable real progress to be made in involving communities in the planning of local safety and highway initiatives.

Establishing effective monitoring of the Budget

There is a need for a new mechanism for Members to get a grip on spending. Council believes that the release of Financial Monitoring reports to Members must be both timelier and more regular.

Members cannot take reasonable steps to monitor and control expenditure when there are considerable time lags in presentation, linked to a calendar of infrequent scrutiny meetings. In 2016, Cabinet considered the Quarter 1 Monitoring report (April – June) on 18 July, the Overview and Scrutiny Committees considered it on the 8, 13 and 21 September. The second Quarter ended on 30 September 2016 but Cabinet considered it on 8 December after the Overview and Scrutiny Committees had met on 28, 29 and 30 November.

A more regular analysis of the trends in income and expenditure, the delivery of savings and the progress of the Capital Programme is needed for Members to hold all those involved to account.

Council is concerned at the apparent ease and alacrity with which consultants and interims are engaged and at the high daily rates these can command. Council appreciates that certain skills and capacities arise in both the Children's and Adult Care sectors but is determined that, for other areas proposed, appointments must pass more rigorous tests.

It must be demonstrated that the investment in highly paid individuals will bring a net gain to the borough. The post of the Investor Development Manager cannot be continued without a rigorous review of any claimed benefits.

SECTION 2 - CAPITAL PROGRAMME AND FINANCING (AGENDA ITEM 6B)

Being clear on the ambitious use of Capital Receipts

A comprehensive report on Asset Management and Disposals was presented to Cabinet on 7 November 2013 and promised that...

"The introduction of agile working and improvements in the use of office space could result in running cost savings of circa £2m pa"

...and also claimed that...

"A series of area reviews across the Borough could deliver (1) more coherent access to a range of public services for customers (2) reduction in estate costs and (3) provide capital receipts."

The report stated...

"While significant savings can be made in rationalising operational estate and capital receipts generated in the form of releasing surplus land and assets for sale, the process by which this is done needs to be more measured, to look at the whole public estate in a given area and to include meaningful consultation with local residents." (3.3)

The Wirral Asset Strategy was approved by Cabinet on 27 June 2016. Concerns raised at the Business Overview and Scrutiny Committee in November 2016 led to the recognition that ward members had to be involved in shaping their communities.

The demolition of Bebington Town Hall and Liscard Municipal, for example, has appeared in the Capital Programmes approved on 18 February 2013, 12 February 2014, 10 February 2015, 22 February 2016 and in the latest programme.

The Transformation Programme in the latest Capital Programme suggests the use of £15,740,000 of Capital Receipts to bolster those areas of activity in 2017/18.

Council believes that Members need a clear explanation and understanding of the disposals expected to produce this level of receipts.

Securing our heritage

Council is recommended to consider the schemes set out on page 71 of the Cabinet agenda in Appendix 2 of the Capital Programme. The new capital bids relating to the Leisure and Cultural Review were set out separately. As 3.7 of the report made clear, these were not to be progressed pending that 'review'.

Council places on record its belief that the work at the Williamson Art Gallery and Museum must be considered for early attention, notwithstanding the status of the review. Council believes that the exhibits at the Williamson cannot be jeopardised and requests that **£350,000 capital should be allocated** and the programme amended accordingly.

Meeting residents' priorities

The Wirral Plan Business Theme 2016-2017 Quarter 2 pledge report stated that...

"The measured condition of the Borough's A, B and C roads has returned to an excellent position and means that Wirral still has some of the best roads when compared to all other councils in England."

Council notes that the report for Cabinet of 27 February 2017 contained a table which placed the more accurate data in context, highlighting that 6% of the unclassified roads required 'immediate' maintenance. This Council recognises that the condition of the network across England remains a matter of concern to all Councils.

However, Council is aware that, subject to successful legal matters and the granting of planning permission, the proceeds of the sale of assets are expected to be substantial (with £3.5 million expected from the sale of Acre Lane in this financial year alone).

Continued.....

Council is, therefore, requested to consider **allocating £250,000** into the Capital Programme to fund the reconstruction and widening of narrow roads on estates where the kerbs and verges are constantly damaged. The list should be drawn up in consultation with the Constituency Committees.

Council also notes that the approved Capital Programme contains an estimate of £225,000 capital spend for webcasting, audio and the electronic voting system replacement. Council believes this item should be withdrawn until the costs have been fully investigated and the benefits have been fully assessed and justified. This represents a **saving of £225,000** from capital spending.

SECTION 3 - SCHOOLS BUDGET (AGENDA ITEM 6D)

Supporting our schools through difficult times

Council believes that our schools are facing financial pressures as a result of the Government's spending priorities. The Government's attention is being distracted and its policies are focused on 'Brexit' and the uncertainty it has caused.

In these circumstances, the pressures on school budgets from pensions, national insurance, the Apprentice Levy and varying pupil numbers are in danger of being overlooked. The potential impact of the proposed national 'fair funding' formula has begun to alarm the education community. In these circumstances, the Council will continue to lobby against the impact of the proposed funding formula.

In respect of the Apprentice Levy, Council notes

1. the introduction of the Apprentice Levy from April 2017.
2. the fact that some maintained schools employee budgets are included within the overall council employee budget.
3. the fact that Voluntary Aided, Foundation, Academy and Trust schools' budgets are not included within the overall council budget and, as such, are not liable to pay the Levy unless their employee budget exceeds £3m.
4. that should the levy be applied to community and voluntary controlled maintained schools, it is estimated that their budgets will be negatively affected by a total of £369,711 as follows
 - Nursery Schools – £7,065
 - Primary Schools – £266,680
 - Secondary Schools – £35,100
 - Special Schools – £60,866

Council recognises that community and voluntary controlled maintained schools will currently have in place training and CPD budgets, part of which may be eligible for funding from Apprentice Levy credits.

Council considers the additional cost of the Levy can only be met from schools budgets by deleting teacher positions, enlarging class sizes or reducing available learning resources for pupils.

Council further notes the negative and challenging effect the Government's new national 'fair funding' formula will have, particularly on Wirral's secondary sector.

Continued.....

Council therefore resolves:

- (i) to instruct officers to manage the Apprentice Levy corporately within the HR corporate training budget on behalf of the Council and community and voluntary controlled schools.
- (ii) to instruct officers and the Cabinet member for Children and Young People to work with appropriate maintained schools to develop a mechanism whereby community and voluntary controlled maintained schools who access the digital account contribute the equivalent training costs from their delegated budget to the Council.
- (iii) to instruct officers within other Council departments to prepare workforce development plans to maximise the draw-down from the digital account, particularly in areas of recruitment historically difficult such as children's social work.

This Amendment is made having 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.

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 8 December 2016 calculated the Council Tax Base 2017/18 for the whole of the properties in its area as 91,309.5 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2017/18 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) ("the Act");

- a) £127,430,400 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2017/18 (item R in the statutory formula). This amount (D) is determined as being the difference between:
 - i) £808,484,400 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) £681,054,000 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) £1,395.59 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2017/18. This amount being calculated as item R divided by item T (as above).

Continued.....

- 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
£930.40	£1,085.46	£1,240.53	£1,395.59
E	F	G	H
£1,705.72	£2,015.85	£2,325.99	£2,791.18

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 2017/18 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 5% or above for those authorities with Adult Social Care responsibilities.

Wirral – Basic Amount of Council Tax Comparison for Referendum

	2016/17	2017/18	Change	Change
	£	£	£	%
Band D	1,329.26	1,395.59	66.33	4.99

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. These have been notified as follows:-

Police and Crime Commissioner for Merseyside

A	B	C	D
£110.65	£129.09	£147.53	£165.97
E	F	G	H
£202.85	£239.73	£276.62	£331.94

Merseyside Fire and Rescue Service

A	B	C	D
£49.56	£57.82	£66.08	£74.34
E	F	G	H
£90.86	£107.38	£123.90	£148.68

Continued.....

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 2017/18 for each of the categories of dwellings.

Total Council Tax for Wirral

A	B	C	D
£1,090.61	£1,272.37	£1,454.14	£1,635.90
E	F	G	H
£1,999.43	£2,362.96	£2,726.51	£3,271.80

WIRRAL COUNCIL

REVENUE BUDGET 2017/18 - LIBERAL DEMOCRAT AMENDMENT

	Base Budget 2016/17	Base Budget (Pilot Scheme) 2017/18
	£	£
INCOME		
Revenue Support Grant	50,710,000	-
Business Rates Baseline	34,827,900	-
Business Rates Pilot Scheme	-	67,941,000
Business Rates S31 Grants	2,193,700	6,460,000
Business Rates Top Up	41,630,000	51,834,000
Council Tax Requirement	120,274,100	127,430,400
Contribution to Business Rates Reserve	-	- 5,373,400
New Homes Bonus	3,177,900	2,264,100
Contribution from Balances & Reserves	11,782,100	15,632,500
FORECAST INCOME	264,595,700	266,188,600
EXPENDITURE		
People		
Adult Care & Public Health	71,835,700	75,835,700
Children & Families	74,056,600	79,356,600
People Total	145,892,300	155,192,300
Environment		
Environmental Protection	28,425,000	27,427,900
Housing & Communities	17,126,900	16,036,400
Leisure & Culture	17,789,800	16,482,200
Environment Total	63,341,700	59,946,500
Business		
Business & Tourism	2,360,600	2,408,600
Transport, Technology & Infrastructure	36,954,700	34,149,400
Resources	1,684,500	990,400
Transformation & Improvement	2,361,900	1,501,400
Business Total	43,361,700	39,049,800
Revenue Contingency		
Adult Social Services	3,900,000	5,400,000
Children and Young People	5,000,000	5,000,000
Other Areas	3,100,000	1,600,000
Contingency Total	12,000,000	12,000,000
FORECAST EXPENDITURE	264,595,700	266,188,600