

## **REFERRALS TO COUNCIL**

### **CABINET – 8 DECEMBER 2011**

#### **MINUTE 210 – CORPORATE PLAN 2012/13 - UPDATE**

The Chief Executive presented the Council's draft Corporate Plan for 2012-2013. He commented that the Plan reflected the needs of Wirral and the priorities for local people and it also put in place a clear commitment and actions to ensure that the Council's corporate governance failings were addressed through engaging the entire organisation in the challenge and opportunities this presented.

The Corporate Plan provided a clear framework for budget and departmental planning for 2012-2013 and it would directly inform the Council's budget for 2012-2013. Departments would prepare individual business plans, which would set out in more detail how the actions set out in the Corporate Plan would be delivered.

**Resolved – That the draft Corporate Plan be approved and referred for adoption by full Council on the 12 December 2011, for implementation from the 1 April 2012.**

#### **MINUTE 211 - COUNCIL TAX BASE 2012/2013**

The Deputy Chief Executive/Director of Finance provided details of the method used to calculate the Council Tax Base for 2012/2013, which was used to calculate the individual amounts of Council Tax that needed to be raised to cover expenditure. Within the Council Tax were amounts for the Precepting Authorities (Police and Fire and Rescue), who would be formally advised as to the Tax Base to allow them to calculate their own requirements.

The figures used were an estimate based on the Valuation List of 5 October 2011 and the calculations had resulted in a Council Tax Base of 106,058 for 2012/2013. The Director provided comparative figures for previous years and commented that all previous year collections had ultimately met or exceeded the collection rate of 98.5%. The Director was satisfied that the rate would be achieved for 2012/2013.

**Resolved – That the figure of 106,058 be approved as the Council Tax Base for 2012/2013 and recommend it to Council.**

#### **MINUTE 215 - CAPITAL PROGRAMME AND FINANCING 2012-2015**

The Deputy Chief Executive/Director of Finance presented a draft Capital Programme for 2012/2015, which also included the related capital financing requirements based upon the prudential indicators that informed the Treasury Management Strategy. The purpose of the Capital Programme was to enable the Council to prioritise and effectively deliver capital investment that contributed to the achievement of Council objectives and links to the revenue budget ensured that

revenue funding was provided to meet the financing costs, and any running costs, as a result of the capital programme investment.

The Director reported that the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code required local authorities to determine Prudential Indicators on an annual basis and they were required to be calculated in accordance with the Code. He indicated that the monitoring arrangements set out in the 'Delivering the Corporate Plan' report approved by the Cabinet (minute 379 (14 April 2011) refers) ensured that a structure was in place to manage performance and deliver the Corporate Plan.

**Resolved –**

- (1) That the new submissions as detailed in section 9.7, and the variations in section 9.10 of the report now submitted be approved and the Capital Programme be referred to Council for approval.**
- (2) That, if the changes are approved, the capital financing requirements be reflected in the projected budget.**
- (3) That the Prudential Indicators be noted and reported to Cabinet as part of the Treasury Management Strategy on 20 February 2012.**
- (4) That reports on the progress of the programme be presented in accordance with the agreed monitoring arrangements of the Corporate Plan.**

**MINUTE 216 - BUDGET PROJECTIONS 2012-2015**

The Deputy Chief Executive/Director of Finance reported that information in relation to the Provisional Local Government Finance Settlement (LGFS) was only now beginning to emerge from the Department for Communities and Local Government (DCLG) and more detailed information would follow, although it appeared that the basic Formula Grant figures were in line with figures previously reported. He was not able to substantiate reports in the national press of significant reductions in local government finances, but indicated that details of specific grants would come out in the coming months. In the absence of detail in relation to the LGFS, the Director presented the latest Budget Projections for 2012-2015.

He set out the assumptions that underpinned the budget projections and provided detail on grant negotiations, other legislative issues, balances, agreed savings and relevant risks. The budget projections set out in an appendix to the Director's report represented the most likely outcome from a wide range of available options and indicated a shortfall of £22.6m in 2012/2013, £30.8m in 2013/2014 and £46.9m in 2014/2015. The Government was consulting on a number of options which would impact on the budget projections and the Director confirmed that he responded to all consultation to try to ensure the best outcome for Wirral.

On a motion by Councillor Foulkes, seconded by Councillor P Davies, it was –

**Resolved –**

- (1) That Cabinet recognises that the projected budget gap is still subject to the Local Government Finance Settlement, which is expected from this afternoon, and which will need further analysis in order to reach a conclusion on the actual size of the budget gap faced by this Council.**
- (2) That, in a move to provide some good news at Christmas, however gloomy the economic forecasts may be, Cabinet is however prepared to give a commitment to Wirral residents that, whatever the details of the settlement, the final budget proposal will set a zero Council Tax increase for Wirral.**
- (3) Cabinet welcomes the enthusiastic response of Wirral residents both to the consultation on Neighbourhood Plans, which looked in detail at what people wanted in the areas where they live, and the Budget Simulator exercise which gave people the chance to set their own budget for Wirral and in so doing allow us to analyse in more detail what their priorities for services are.**
- (4) That Cabinet notes that this analysis is on tonight's agenda, and will be giving it full consideration before it draws up the final budget proposal. Cabinet also recognises that service specific consultation may be required should any decisions on budget reductions alter the level of service provided and affect third parties, and that it has particular responsibilities where services to people with disabilities are concerned.**
- (5) Cabinet notes that, should such a situation arise, the Chief Executive has been granted delegated powers, in consultation with the Leadership of the Council, to carry out the relevant consultation.**
- (6) That, in the meantime, pending the outcome of the final settlement, Cabinet proposes the following initial measures to continue the process of closing the budget gap.**
  - i. That the sum of £1.4m, which was the provision for pay for 2010/2011, which is no longer required, be set against this gap.**
  - ii. That the revenue sum of £1.075m, which is in the base budget for the provision of a broadband facility for businesses and is now additional to requirements, be set against this gap.**
  - iii. That, in view of the fact that it has not been physically possible to deliver the house insulation programme as quickly as the enhanced rate would demand, the programme be rephrased over a seven year, rather than four year period, and the additional sum of £1m be set against this gap.**
  - iv. That the budget for the Council's Early Intervention Grant, which totals £17.9m in 2011/2012, is reduced by £1m in 2012/2013 to reflect the current cost of services provided and commissioned. This will enable the Acting Director of Children's Services to continue the**

**same targeted and universal intervention programmes in 2012/2013 as 2011/2012.**

- (7) That the Director of Finance be asked to report back to Cabinet on the potential for Procurement Savings.**
- (8) That the Director of Finance also be asked to report back to Cabinet on projects within the Strategic Change Programme considering savings for 2012/2013, 2013/2014 and 2014/2015.**
- (9) That, in the light of the guarantee given by this administration that proper opportunity would be given to Scrutiny Committees to consider budget proposals, in line with the Constitution, Cabinet asks Council to approve those items where there is all party support and, in so doing, to suspend paragraphs 2(a) and 2(b) of the Budget and Policy Framework Rules. Where there is no such agreement, Council is asked to refer the relevant item to the appropriate Scrutiny Committee for discussion and subsequent referral to Cabinet and Budget Council.**