

Cabinet – 13 February 2012

310 COUNCIL BUDGET 2012/2013

Councillor S Foulkes moved and Councillor P Davies seconded the 2012/13 Budget proposal as follows:

1. Building hope for the future

A budget to tackle poverty and improve the life chances of Wirral residents.

This has been a turbulent year for Wirral. We started with unprecedented financial cuts, announced by government very late in the day, and the loss of 1200 staff, a fifth of the Council's workforce. We have had to spend time stabilising and restructuring services to make sure they continue to be delivered with far fewer people available to do so. We have had to make up shortfalls in the 2011/12 budget as the consequences of some decisions became more apparent and we have had to work hard to contain potential overspends as Departments struggled to manage on the more limited resources available.

We have also had to face some unpalatable home truths about the culture of the Council and serious failings both in Corporate Governance and in the protection of vulnerable adults, for which there is no acceptable excuse. A further critical report from the District Auditor on the handling of a Highways contract is expected very shortly and, again, there will be serious lessons to be learnt.

In 2012 we face a review of Local Government Finance which may radically affect the resources available to Wirral in 2013, and this review will be taking place in the context that we are already projecting a £78m shortfall in resources for 2013-2015. In these circumstances it is vitally important that we do nothing that could damage the Council in the future and that the budget we set is a sustainable one with a sensible base expenditure that is adequate to provide good future services for the people of Wirral in the years ahead, so we do not add to the very difficult times ahead.

It is also important that we manage scarce resources wisely and to that end we are focussing on providing an evidence base for decisions we take and, where that does not exist, to ensuring that action is taken to collect the necessary evidence through pilot schemes or other methods.

We are looking to move towards the prevention of problems, rather than simply reacting to them at a later date when they are fully developed and we are investing in research which will help identify the best way of doing this in a number of areas. It is also important that we take on board any criticisms that have been made, and take the opportunity of

this budget to direct additional resources into areas that need them and which will strengthen the position of the Council in the future so past mistakes are not repeated.

At the heart of this budget is the need to tackle poverty and deprivation on Wirral. The Vision for Wirral set out in the draft Corporate Plan is an ambitious vision which seeks to create a healthy and prosperous Wirral with a sense of well being that permeates all levels of our society.

Crucially, this Vision seeks to reduce dramatically the mortality gap which means that in the poorest areas of the borough you are likely to die ten years earlier than your counterpart in the richest areas of the borough, and if you are a man up to fifteen years earlier. The move to locate Public Health in Local Authorities provides a very real opportunity to tackle this scandalous inequality.

This Budget will be supporting Wirral's Investment Strategy and investing money to provide more jobs in the borough, and help support the long term unemployed back into work.

It will be supporting Wirral's Child Poverty Action strategy, and it will focus on the early years of a child's life which evidence shows are crucial in determining whether or not the cycle of poverty and deprivation will be repeated.

It will be looking at additional ways to improve safeguarding for adults and children.

It will be looking at ways to increase the wellbeing of individuals and to make their neighbourhoods safer, cleaner and healthier.

It will be listening to what residents have said they want in their Neighbourhood Plans.

It will be taking account of the analysed response to the You Choose Budget Simulator, where residents had the opportunity to set their own budget, and where the number of responses received in Wirral topped the charts in the country, coming second only to the original pilot authority.

2. Zero Increase Council Tax Levels

At a time when RPI inflation is running at 4.8%, Council Tax will be set at a Zero Increase in recognition of the financial difficulties faced by many families in a time of recession. Residents have been clear in their responses that they do not want to see an increase in Council Tax at this time. Although we do not yet have the precepts, tax levels will be set to ensure that the overall increase remains at zero, which, given the high rate of inflation, is a cut in real terms.

3. Revenue Estimates

The Revenue Estimates for 2012/13, as set out in the Estimates Book submitted to Budget Council, be approved subject to the amendments set out below.

4. Improving Public Health and Tackling Poverty and Deprivation.

Many of the initiatives set out below are linked together in the fight against poverty. In many cases tackling the root cause of problems will also lead to reductions in the kind of problems which can create stress and poor mental health, which in turn affect physical health, and life expectancy.

Tackling Unemployment

£1,000,000

Extension of Reach out worklessness programme.

The sum of £1m be allocated for one year to continue the successful Reach Out programme to support workless residents into employment, which has included the provision of over 20 weekly work clubs delivered in community locations across Wirral and which by December had already helped 759 people into work, 57 more than its stated target, with five months still to run on the contract.

65 more ILM place

500,000

The sum of £500,000 be allocated to the Wirral Intermediate Labour Market programme to fund another 65 places for workless residents who are experiencing a number of barriers to employment, enabling them to compete after 12 months for work in the open labour market, taking the total number of places created to 165.

33 more apprentices

500,000

The sum of £500,000 be allocated to the Wirral Apprentice Programme for 16 to 24 year olds, to fund a further 33 Apprenticeships, bringing the number of apprenticeships secured to date to 346.

It be noted that in November the rate of reduction in JSA claimants for 18-24year olds had decreased five times faster in Wirral than the national average.

Supporting Local Businesses

It be noted that since March 2009 Invest Wirral has assisted in projects which have secured more than 3,000 jobs and investments of around £40m, and that the Marine point leisure and retail development in New Brighton has brought over 700 new jobs to the area.

Expansion of Wirral's green economy

100,000

The sum of £100,000 now be allocated for one year to encourage the expansion of Wirral's green economy, in line with the recommendations produced by the Green Growth Scrutiny Panel. This should include the consideration of a "market place" style event aimed at raising public awareness of the products and services provided by the local green economy, the possibility of developing a data base of all green skills training providers in the North West, working in conjunction with relevant partners in higher education, Connexions and Job Centres and an assessment of the possibility of developing a green accreditation scheme similar to the Wirral Trader, again in conjunction with the relevant partners.

Measures to help local traders

400,000

The "Free after Three" parking initiative designed to help local traders be continued while research is undertaken to collect concrete evidence on the benefits of this scheme and alternative schemes, looking at retail and town centre needs as a whole, in order to ensure that the money invested reaches those it is designed to help, with the option of re-focussing the investment as necessary to achieve maximum benefit for local traders. The Director of Technical Services is asked to report back to Cabinet within six months on the best way forward.

Capital Scheme to improve investment in New Brighton

The Director of Regeneration, Housing and Planning is asked to bring to Cabinet the capital scheme to support improvements in street scene and car parking in New Brighton in order to increase the potential for investment in the Marine Point Development, which is currently hindered by the poor quality of its immediate surroundings

Capital scheme in Hoylake to increase attractiveness for Open Golf visitors

The Director is also asked to bring to Cabinet the capital scheme for improvements immediately outside Hoylake Train station, including the creation of a new town square, prior to the return of the Open Golf championships in 2014, in order that both schemes can be accommodated in the current programme as slippage occurs.

Tackling Child Poverty.

24% of children in Wirral are living in poverty, with some areas having much higher concentrations of child poverty, the highest being 72%. These measures are in line with aims expressed in Wirral's child poverty strategy "Roots and Wings".

Free early education for disadvantaged two years olds

569,000

The sum of £569,000 in government grant be spent in moving towards the goal of providing all disadvantaged two year olds 15 hours of free early education from September 2013. Criteria will be designed to include a range of factors from economic disadvantage to social exclusion and isolation and particular high risk categories.

Wirral to pilot national approach to improving life chances for children in poverty

100,000

Working in partnership with the Public Health Healthy Child programme, the sum of £100,000 be allocated for one year to pay for the costs of research with Cambridge University, arising from the report "The Foundation Years: preventing poor children becoming poor adults" produced by the Independent Review on Poverty and Life Chances led by Frank Field MP.

This shows that the most important period influencing a child's future life chances is the time between conception and starting school. The report requested the development of two sets of measures which will assess a child's cognitive, physical and emotional skills, the first at the age of two to two and a half, and the second measuring school readiness when a child first arrives in the primary school reception class.

This £100,000 will pay for the development of the first set of indicators, when parenting skills are crucial, which will show how effective parental support has been and what is needed to make it more effective. Cambridge University will carry out the research with appropriate teachers and early years foundation workers like Health Visitors on Wirral, where the suggestions for the development of the indicators were first raised.

This means Wirral will know how well their children are developing, and will be able to target, and test, the best means of improving this development.

Wirral will act as a pilot for a potential national approach when the indicators have been devised and tested. The development of the second set of indicators is already funded, and will be carried out in Wirral schools with Teachers and Head Teachers.

<u>Multi-agency project for hard to reach families with multiple and complex problems.</u>	100,000
The sum of £100,000 revenue be allocated to the creation of a multi-agency project designed specifically to contact and work with hard to reach families with multiple and complex problems and provide high levels of sustained intervention, providing a holistic package of support. This project to be based around the concepts originally put forward by the Wirral Child Poverty Partnership in a lottery bid, ensuring an integrated rather than overlapping approach, with measurable outcomes and evidence of long term cost benefits.	
<u>Money for looked after children</u>	20,000
The sum of £20,000 be allocated for one year to looked after children to provide a range of activities, including residential opportunities and special events, as well as funding the larger Children in Care Council and a special website.	
<u>Increase in foster and adoption fees</u>	160,000
The sum of £160,000 be allocated to pay for an increase in foster and adoption fees.	
<u>Extending fostering fees to friends and family</u>	450,000
The sum of £450,000 be allocated in order to pay fostering fees to friends or family members who take on the responsibility for looking after a child.	
<u>Extending range of free food deliveries</u>	15,000
The sum of £15,000 be allocated to allow for the leasing and maintenance of a van for Wirral Foodbank to allow them to extend their ability to deliver free food to those most in need.	
<u>Paying a living wage</u>	50,000
That the sum of £50,000 be allocated to allow the Council to take a lead in paying all its employees a living wage, in line with recommendations with the Anti-Poverty Strategy to promote the policy of paying a living wage to all employees in the Liverpool City Region	
<u>Improving Access to debt counselling and advice services</u>	10,000
The sum of £10,000 be allocated to increase publicity levels around debt counselling and advice services, with Libraries and One Stop Shops acting as the first point of referral, and to refresh the current service to include issues of fuel poverty, with energy efficiency advice, Welfare Benefit advice surrounding the changes in Welfare	

Benefits and the loss of working family tax credits, and other appropriate services.

Creating a Pilot Wellness Centre

20,000

The sum of £20,000 be allocated to assist in the creation of a pilot “Wellness Centre”, in conjunction with Public Health, using a One Stop Shop in an area of high deprivation, which will combine the current One Stop Shop activities with a series of health and lifestyle issues in order to contribute to the overall health and wellbeing of Wirral residents in an integrated way, with consideration being given to the potential for siting this pilot in the Leasowe Millennium Centre. The Director of Public Health be asked to report to Cabinet on the creation of a pilot Wellness Centre, and the Director of Finance to report on the potential for a merged one stop shop/library in the Millennium Centre.

Improving Adult Mental Health

Crisis and respite care

500,000

The sum of £500,000 be allocated to Adult Mental Health Services to continue and develop the current range of mental health services at Fernleigh, taking into account consultations currently taking place.

Get into reading

100,000

The sum of £100,000 be allocated to continue the therapeutic programme developed by Get into Reading to build self confidence and reduce exclusion and isolation

Improving Safeguarding

Strengthening management structures in Adult Social Services

In the light of the recommendations in the AKA report, and recommendations made as part of the Self Evaluation and Peer Challenge exercise, to endorse the restructuring in Adult Social Services which strengthens management with a Deputy Director post, and includes the new senior post of Head of Safeguarding and Care Governance.

Meeting new child protection demands as the impact of the recession affects families

100,000

The sum of £100,000 be allocated for the appointment of two temporary posts for Assessment Team Social Workers to cope with the increase in demand which is in danger of leading to overloaded case files and to set up a pilot working with a cluster of primary schools to look at alternate and improved ways of working between schools and Social Care teams.

That it be noted that the funding for the Family Support Unit which deals with issues of Domestic Violence and abuse is to be continued with the assistance of the Community Fund at the same level as last year.

Meeting Increased Demand in Social Services

1,000,000

That the sum of £1m be allocated to Adult Social Services which will facilitate the commissioning of domiciliary night visiting services, which will reduce pressure elsewhere and support people more effectively in their homes, with the aim of preventing hospital admissions and reduced admissions to residential care. It will also allow further development of the STAR assessment and reablement service to provide 7 day on site cover on discharge from hospital, integrated into co-located teams in community and primary care.

Prioritising Prevention

Early Intervention and Innovation Fund for Council Services

2,000,000

That, in the light of the urgent need to refocus services on prevention and cut the costs of dealing with more intractable problems further down the line, the sum of £2m be used to create an Early Intervention and Innovation Fund specifically to attract new bids from Council Services for programmes where early intervention is likely to reduce costs elsewhere.

Early Intervention and Innovation Fund for the Voluntary Sector.

300,000

That the sum of £300,000 be set up to allow members of the Voluntary, Community and Faith sector to bid for similar projects.

That it be noted that the investment in these two funds is in addition to the £5.5m already in the Efficiency Investment Fund, and that these sums of money are a vital source of investment to allow the Council to change its ways of working in order to meet the severity of the financial changes ahead and to demonstrate its commitment to change.

Reducing Anti-Social Behaviour

Improving anti-social behaviour services.

290,000

That the sum of £290,000 be allocated to support the Anti-Social Behaviour Team, and that a wide ranging review take place of related services which cover Community Safety, alcohol harm reduction programmes, the provision of diversionary activities for young people, and other appropriate services in order to ensure the Council is delivering a fully integrated service to Neighbourhoods which have made it quite clear in their individual

neighbourhood plans that the reduction of anti-social behaviour is their top priority. The Chief Executive is asked to report back to Cabinet on this review in the course of 2012.

Provision of sports mobile to increase opportunities for diversionary sporting activities.

25,000

That the sum of £25,000 revenue be allocated to the leasing and maintenance of a vehicle and the purchase of lighting and sports equipment to allow mobile sporting activities to take place in the dark as well as daylight., and to increase the number of activity sessions possible.

Improving the Environment

Preventing fly tipping in urban areas.

50,000

That the sum of £50,000 be allocated for one year to a pilot project specifically designed to engage with the community and develop ways of preventing fly tipping in chosen areas of terraced housing, both through enforcement and through understanding the issues that lead to tipping and tackling those at source, with the aim of spreading the lessons learnt across other urban areas in the borough where fly tipping is a problem.

That a further £20,000 be allocated for high profile signage and use of Mobile CCTV to improve enforcement across all relevant urban areas and a report be brought to Cabinet as soon as possible detailing the operation of the pilot and the wider publicity and enforcement campaign.

20,000

Maintaining inflation on the Biffa Contract pending a review

677,000

That the sum of £677,000 be provided for one year to pay for contractual inflation on the Biffa contract, pending a detailed review of the Contract and efficiencies possible.

Improving Road Safety 20mph zones

285,000

That the sum of £285,000 be allocated from the £550,000 20mph reserve to kick start the programme by using conventional traffic calming measures in the three residential areas where there is an accident record. These are Leeswood Rd, Mavis Rd and Woodland Road area in Woodchurch, the Downham Road area in Birkenhead and Earlston Rd and Belgrave Rd area in Wallasey.

That work is undertaken to consider possible locations for pilot schemes to measure the success of signage without enforcement, with one location being Ladymount Primary School in Pensby where residents have already submitted a substantial petition

That the programme is rephased over another year to allow for the consultation on new guidance on 20mph limits promised by the Government's for 2012 to take place in the hope that they will strengthen the enforcement and signage position to allow for successful 20mph zones to be put in place, with variable time signs as appropriate.

Corporate Governance

Corporate Governance Compliance Unit

250,000

That the sum of £250,000 be allocated to the creation of a Corporate Governance Unit, to ensure that measures are put in place to improve Corporate Governance and those measures are monitored and enforced.

Corporate Governance Solicitor

50,000

That the sum of £50,000 be allocated for the appointment of an additional solicitor in legal services, with primary responsibility for Corporate Governance.

- 5.** That it be noted that the cost of the policy options detailed above will be met from the additions to balances outlined in the reports on Reserves and Provisions, and the report on savings from the Benefits budget and the additional £2.06m identified in the change Programme for 2012/13.

That it be further noted that savings of £5.4m have already been identified within the Change Programme for 2013 and that those savings will cover the ongoing expenditure without creating any additional requirements in 2013.

6. CABINET BUDGET RESOLUTION

Any requirement of the Local Authority Social Services Act 1970 to consider reports be dispensed with on the grounds that, in the opinion of the Council, the matters are urgent.

That for the financial year 2012/13 the Council will ensure that no pensioner household over 75 will have any increase in Council Tax liability, excluding, at this time, the consequences of any police and fire increases. This applies where:

- (i) the Council Tax payer pays Council Tax in Wirral as their main home and all individuals in the household that are counted as resident for Council Tax purposes are aged 75 or over on 1 April 2012 (but where the qualifying age criterion is met after 1 April 2012 eligibility will be effective from the relevant birth date only);

(ii) this reduction will be calculated after deduction of all other Council Tax discounts and reliefs;

(iii) application must be made for the reduction where it is not currently in payment or the potential claimant is not in receipt of Council Tax Benefit;

No pensioner household in receipt of full Council Tax Benefit will qualify for the reduction.

It be noted that, at its meeting on 8 December 2011 the Council calculated the Council Tax Base for 2012/13 as 106,058 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, under Section 31B(3) of the Local Government Finance Act 1992, as amended (the 'Act').

The following amounts be calculated by the Council for the year 2012/13 in accordance with Sections 31 to 36 of the Act.

- (a) £818,835,900 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act;.
- (b) £685,924,900 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)of the Act.
- (c) £132,911,000 being the amount by which the aggregate at (a) exceeds the aggregate at (b), calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year;.
- (d) £1,253.20 being the amount at (c) divided by the Council Tax Base, calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

Wirral Services	Valuation Bands				
A £835.47	B £974.71	C £1,113.96	D £1,253.20		
E £1,531.69	F £1,810.18	G £2,088.67	H £2,506.40		

being the amounts given by multiplying the amount at (d) by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings in Valuation Band D, calculated in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings as listed in different valuation bands.

It is noted that this equates to 0% Wirral Council Tax rise.

WIRRAL COUNCIL
CABINET PROPOSAL
SUMMARY OF GENERAL FUND ESTIMATES

	BASE ESTIMATE 2011/12 £	CURRENT ESTIMATE 2011/12 £	BASE ESTIMATE 2012/13 £
EXPENDITURE			
Departmental budgets	266,426,900	273,337,000	268,945,500
Merseytravel	28,817,000	28,817,000	29,060,000
Local Pay Review	956,300	545,900	545,900
Contribution to Fund EVR/VS Scheme	5,794,700	0	0
EVR / VS Scheme 2012 Savings	0	0	(910,000)
Net budget	301,994,900	302,699,900	297,641,400
Potential departmental overspends	0	4,000,000	0
Contribution from balances	(7,165,900)	(11,688,300)	(10,160,500)
BUDGET REQUIREMENT	294,829,000	295,011,600	287,480,900
INCOME			
Revenue Support Grant	37,498,000	37,498,000	(471,100)
National Non Domestic Rate	121,312,000	121,312,000	145,208,200
Council Tax Freeze Grant	(3,285,000)	(3,285,000)	(6,572,800)
Local Support Services Grant	0	1,482,600	1,804,900
Council Tax Income	131,434,000	131,434,000	132,911,000
Collection Fund Surplus	1,300,000	0	1,455,100
TOTAL INCOME	294,829,000	295,011,600	287,480,900
STATEMENT OF GENERAL BALANCE			
General Balance at 1 April	14,070,600	14,070,600	16,405,300
Adjustment (following 2010/11 outturn)	0	1,000,000	0
Contribution from Capitalisation	0	2,600,000	0
Budgeted contribution	(7,165,900)	(7,688,300)	(10,160,500)
Provision to meet departmental overspends	0	(4,000,000)	0
Release of Housing Benefit Reserves	0	5,000,000	0
Release of Other Reserves and Provisions	0	5,423,000	0
Release of Technical Services Reserve	0	0	285,000
GENERAL BALANCE AT 31 MARCH	6,904,700	16,405,300	6,529,800