

REFERRALS TO COUNCIL – 28 JANUARY 2013

D. CABINET – 24 JANUARY, 2013

165 COLLECTION FUND 2012/2013

The Interim Director of Finance reported that in accordance with the Local Authority (Funds) (England) Regulations 1992, the Authority was required to estimate annually, on or as close to 15 January as possible, the likely surplus or deficit on its Collection Fund for the current financial year, to cover the period up to 31 March. The Authority was required to notify the precepting Authorities of the Fund within 7 days of 15 January in order for the estimated surplus or deficit to be taken into account by the precepting bodies in setting their Budget and likely precept requirements on the Collection Fund for the following year.

His estimate was that the Collection Fund balance, for the year ending 31 March 2013, would be nil and he commented that Wirral Council would neither receive any additional distribution nor pay an additional contribution on the basis of the estimated 31 March 2013 position.

Resolved – That the declaration of an estimated nil balance position for the Collection Fund for the year ending 31 March 2013, which is in accordance with current budget assumptions, be noted.

166 COUNCIL TAX DISCOUNTS – ANNUAL REVIEW

The Interim Director of Finance reported that within the Officer Budget Proposals were two items related to Council Tax Discounts and Exemptions and he provided details of potential changes to the exemptions and discounts available following changes introduced by the Local Government Finance Act 2012, in respect of empty property and second homes. The changes from the 2012 Act, if adopted locally with income potential maximised, could raise £2.3m (net of collection losses and administration) and the Interim Director commented that responses to the 'Have Your Say' consultation indicated a clear support for such charges being raised.

Resolved –

- (1) That decisions concerning the level of each discount and exemption be made to ensure that the charges can be levied for 2013/2014 and take account of the Officer Budget Reduction proposals.**
- (2) That for Council Tax discounts and exemptions, each charge be maximised by the following –**
 - (a) Class A Exemption Vacant Dwellings
Discount awarded for 2013/14 is set at 0%**
 - (b) Class C Exemption Vacant Dwellings
Discount awarded for 2013/14 is set at 0%**
 - (c) Long Term Empty Property Charge**

50% Premium to be adopted for 2013/14

(d) Second Homes

0% Discount to be adopted for 2013/14

(3) That the Council Tax Base for 2013/2014 be revised accordingly.

167 COUNCIL TAX BASE

The Interim Director of Finance reported that the Authority was required to annually determine its Council Tax-base, in order to determine the appropriate levels for Wirral, the Precepting Authorities (Police and Fire and Rescue) and the Environment Agency (Flood Defence). The Council Tax-base had a direct impact on the Council Tax that would be levied for Wirral for 2013 and the level of Revenue Support Grant received from Central Government. He outlined significant changes in the calculation methodology this year, due mainly to the abolition of Council Tax Benefits and the introduction of a localised Council Tax Support Scheme, which was counted as a discount rather than a payment of benefits, which then would impact upon the taxbase.

The Interim Director provided a calculation with only the Council Tax Support Scheme included and no change to discounts and exemptions from the current levels. He also provided a calculation with discounts and exemptions charges maximised (see minute 166 ante), and he outlined the collection rate and adjusted Council Tax Taxbase figure. The level of Council Tax would be set at Budget Council on 5 March 2013, however, if the Council Tax base figure was not declared by 31 January 2013, the Council and Precepting Authorities would be unable to make considered budgetary decisions that could delay the Council Tax bills for 2013/2014.

Resolved – That the Council Tax Base figure including the Council Tax Support Scheme and the discounts and exemptions charges maximised for 2013/2014, detailed in the report now submitted, be approved and recommended to the Council as the Council Tax Base for 2013/2014.

E. EMPLOYMENT AND APPOINTMENTS COMMITTEE – 24 JANUARY 2013

57 THE EMPLOYMENT CONTRACT OF THE CHIEF EXECUTIVE AND HEAD OF PAID SERVICE

The Head of Human Resources and Organisational Development submitted a report in relation to the Employment Contract of the Chief Executive and Head of Paid Service which, following the decision of the Cabinet (minute 177 (24 January 2013) refers) invited this Committee to recommend to the Council, at its meeting on 28 January 2013, that Graham Burgess be offered the position of Chief Executive and Head of Paid Service on a permanent basis. He had commenced employment on 3 September 2012 and his fixed-term appointment was due to expire in August 2014. She commented that whilst the Council retained a Chief Executive post, there would be a cost of employment regardless of whether it was a fixed term or permanent arrangement.

The recent Peer Challenge Review had concluded that significant progress had been made against the Improvement Plan and that the plans that were in place were appropriate, but came with a high risk. A permanent appointment would help reduce that risk as the review also stated that having the corporate leadership to deliver the improvement and change agendas was fundamental.

The Council required stability and leadership at Senior Management Level over a longer period of time which would allow the focus to remain on addressing the financial challenge facing the organisation while delivering the essential improvements required to the Council's corporate governance. It was therefore recommended that the current Chief Executive and Head of Paid Service, Graham Burgess, be offered the post on a permanent basis and if accepted, be appointed accordingly.

The Leader of the Conservative Group expressed his view that although the Chief Executive had performed well since his appointment and that significant progress had been made against the Improvement Plan, there was no need to deal with the matter at the present time, given there was certainty in relation to his employment contract, which was not due to expire until 2014. Councillor Mrs Rennie echoed the comments of Councillor Green regarding the certainty of contract term and also questioned whether the recruitment process for the Chief Executive would send out the wrong message given the possibility that Council staff were facing redundancy and that the Chief Executive had been appointed without proper scrutiny.

The Leader of the Council referred to the potential risk of instability and uncertainty of a continued fixed-term arrangement in the context of such a challenging financial environment and referred to the potential negative impact on the Council's medium and long term strategic and financial planning if the Council needed to start a further recruitment process. He commented also that the situation was inconsistent with the appointment by the Council of permanent Strategic Directors, whilst the Chief Executive remained on a short term contract. Councillor Johnston commented that the use of short term contracts should be avoided where possible and that the recommendation for the Chief Executive's permanent appointment sent out a positive message in terms of stability and leadership of the Council.

On a Motion by Councillor P Davies and seconded by Councillor A McLachlan, it was –

Resolved (6:3) – That having considered the issues raised in the report now submitted, a recommendation be made to the Council at its Extraordinary meeting on 28 January 2013 that: Graham Burgess be offered the position of Chief Executive and Head of Paid Service on a permanent basis with immediate effect on 28 January 2013.