

# **Council – 11 February, 2013**

## **MATTERS FOR DEBATE**

The Council is asked to consider the following motions, submitted in accordance with the notice required by Standing Order 8(1), and objections and amendments submitted in accordance with Standing Order 7(2).

The order of business is as determined by the party groups in accordance with Standing Order 5(4) and the times for speeches by Standing Order 12(8) (all other speakers have 3 minutes).

### **1. MOTION: UNFAIR CUTS IN LOCAL GOVERNMENT FUNDING**

**Proposed** by Councillor Phil Davies (7 minutes)

**Seconded** by Councillor Ann McLachlan (3 minutes)

- (1) This Council believes that the Government's cuts to the funding of local Councils is proving to be profoundly unfair. Authorities with the highest levels of poverty and deprivation are facing the biggest cuts. At the same time, wealthy areas with the lowest levels of poverty pay less.
- (2) Wirral is losing £151 per head in cuts. Liverpool is losing £252, Manchester is losing £209, Newcastle is losing £162, Birmingham is losing £166, and Sheffield is losing £140 per head.
- (3) Milton Keynes is losing just £38 per head. Central Bedfordshire is losing £18 per head. And people in North Dorset are losing just £2 per head.
- (4) Council also notes that a recent report by SIGOMA (Special Interest Group of Metropolitan Authorities outside London) indicates that out of the 47 SIGOMA authorities Wirral has had the largest cut in its funding from central government (2.62% cut in revenue spending power 2013-14). This compares with the SIGOMA average of -1.78% and the average for Shire Districts of -1.37%.
- (5) Council supports the 'Come Together' Campaign launched by the Mayor of Liverpool on the 18th January when the Leaders of Core Cities, Merseyside Districts and Faith Leaders met to discuss the impact of the Government's austerity policy.
- (6) Council supports the on-line petition which has been launched at [www.come-together.co.uk](http://www.come-together.co.uk). This calls on the Government to urgently re-think its policy and to apply the cuts more fairly across the country, protecting those most in need, and making sure those in wealthy parts of the country pay their fare share. Council urges all residents to sign this petition.

## **AMENDMENT**

**Proposed** by Councillor Alan Brighouse (7 minutes)  
**Seconded** by Councillor Pat Williams (3 minutes)

Delete all and insert:

- (1) Council notes that this Government, in the same way as the previous Government, distributes the Revenue Support Grant so as to take account of the high cost of providing services in areas of high deprivation, thus ensuring that Councils in areas of high deprivation receive significantly more funding than those in the more affluent parts of the country.
- (2) Council does, however, recognise Wirral's particular financial difficulties as it endeavours to overcome problems created over many years. Council requests the Leader of the Council to make representations to the Government so as to ensure the Government is aware of the specific circumstances facing the Borough.

**Right of reply:** Councillor Phil Davies (7 minutes)

## **2. MOTION: COUNCIL TAX REFERENDUM**

**Proposed** by Councillor Jeff Green (7 minutes)  
**Seconded** by Councillor Lesley Rennie (3 minutes)

- (1) Council notes the Government has provided a further £1,336,643 (on top of the £9,800,000 already received by the Council specifically for this purpose since 2011) each year for the next two years, to allow Wirral Council to freeze its Council Tax in March this year.
- (2) Council believes for the Labour administration to refuse this cash, and the increased bills it will bring, would be a slap in the face for Wirral tax payers and a further demonstration that this administration is only interested in its own internal issues and not the residents of Wirral.
- (3) Council believes that residents must have a say before the administration turns its back on the cash provided by the Government and instructs the administration to put any increase in Wirral's Council tax to our residents in a referendum.

## **AMENDMENT**

**Proposed** by Councillor Pat Hackett (7 minutes)  
**Seconded** by Councillor Jean Stapleton (3 minutes)

*Delete everything after paragraph (1) and insert the following:*

- (2) Council notes that no decision has been made regarding the Council Tax freeze grant.
- (3) This matter will be dealt with at the proper time, i.e. when the Administration publishes its budget proposals.

## **AMENDMENT**

**Proposed** by Councillor Mark Johnston (7 minutes)

**Seconded** by Councillor Phil Gilchrist (3 minutes)

*Delete paragraph (3) and insert:*

- (3) Council notes the cost of holding a 'Council Tax Increase' referendum is estimated to be £200,000 and believes this money would be better used to support front line services currently under threat.

**Right of reply:** Councillor Jeff Green (7 minutes)

## **3. MOTION: COUNCIL FINANCES**

**Proposed** by Councillor Tom Harney (7 minutes)

**Seconded** by Councillor Pat Williams (3 minutes)

- (1) Council recognises that the economic problems of the country are resulting in grant reductions from the Government and that the underlying financial problems are the same for all parties, a fact tacitly accepted by senior figures in the Labour Party nationally who have said they will not reverse all cuts.
- (2) Council recognises that not all of Wirral's problems result from the present economic problems of the country and a significant percentage of our problems are made in Wirral.
- (3) A report from the Director of Finance to Cabinet in December highlighted the problems which have been built up over a number of years, including the recording of uncollected debts as assets being carried out over as much as 14 years which has contributed to an inaccurate picture of our financial position.
- (4) It notes that the projected budget gap for 2013/2014, according to a report by the Director of Finance, is £39m, of which £17m (43%) is caused by reduced grants and £22m (57%) as a result of local financial governance issues.
- (5) Council notes with concern that, in addition to the Labour Group misrepresenting the cause of the budget problems as solely the responsibility of the Government whilst ignoring their own contribution, the Council has, on occasion, also not been completely factual as to the causes of the budget situation.

- (6) This Council resolves that it will ensure that comprehensive, complete and correct information is given by its officers to both the people of Wirral and used in negotiations with the Government.
- (7) Council resolves to continue to discuss our financial problems with the Government with the aim of finding a way through the impact of the problems this Council has inherited. It recognises that the failure over a number of years to deal with the real situation means that many difficult decisions will need to be made in a short period.

## **AMENDMENT**

**Proposed** by Councillor Phil Davies (7 minutes)

**Seconded** by Councillor Ann McLachlan (3 minutes)

*Delete all and replace with the following:-*

- (1) Council believes that it is unreasonable for the Liberal Democrats to try to avoid taking the blame for the draconian cuts in local government funding which they share responsibility for as a consequence of their coalition with the Tories nationally.
- (2) Council notes that most of the £39 million which the authority has to save in 2013/14 is due to direct cuts in government grants and the government's failure to fund increases in demographic demand, with particular reference to services for children and young people and adult social care.
- (3) Council notes that the authority's financial position has been made worse by a £17 million overspend left by the previous Tory-led administration and a sum of £4 million which the last administration wasted on a Council tax rebate which they put forward shortly before last May's local elections.
- (4) In addition to the above, Council notes that there is some £38.4 million of exceptional items in 2013/14 which will need to be funded through measures such as capitalisation and use of reserves.
- (5) Council resolves to continue being open and transparent in reporting the financial position of the authority. It agrees to continue lobbying the government for a fair deal for Wirral and recognises the progress that has been made in putting the Council's finances in order.

**Right of reply:** Councillor Tom Harney (7 minutes)

#### **4. MOTION: VASCULAR SERVICES REVIEW**

**Proposed** by Councillor Chris Jones (7 minutes)

**Seconded** by Councillor Moira McLaughlin (3 minutes)

- (1) This Council is profoundly disappointed with the decision of the Secretary of State for Health to confirm the proposal to base the centre for vascular services in the South Mersey region at the Countess of Chester hospital rather than Arrowe Park hospital.
- (2) It is regrettable that in spite of the views expressed previously by this Council, the Health and Well-being Overview and Scrutiny Committee and many Wirral residents, the Government has decided not to review these plans.
- (3) This Council remains firmly of the view that Arrowe Park hospital has excellent vascular services and that this decision is a retrograde step and will result in a diminution in health provision for Wirral residents.

**Right of reply:** Councillor Chris Jones (7 minutes)

#### **5. MOTION: ATTACK ON DEMOCRACY IN WIRRAL.**

**Proposed** by Councillor Jeff Green (7 minutes)

**Seconded** by Councillor Lesley Rennie (3 minutes)

- (1) Council believes that annual local elections provide our residents with an essential opportunity to give a verdict on the work of individual Councillors in representing their views, working on their behalf to improve their community and assisting in solving problems they might have.
- (2) Council notes the Labour Administration's proposal to abolish local elections in Wirral will also remove the opportunity for the residents of Wirral, on an annual basis, to pass judgement on the policies pursued by those chosen to lead the Council and their stewardship of the money taken from the public's pocket in local and national taxation.
- (3) Council therefore believes the Labour administration's proposal to abolish annual local elections to be fundamentally undemocratic and a return to its authoritarian ways.
- (4) Council expresses its opposition to this proposal and calls on the administration to stop wasting time and resident's money on taking it any further.

#### **AMENDMENT**

**Proposed** by Councillor Tony Smith (7 minutes)

**Seconded** by Councillor Stuart Whittingham (3 minutes)

*Delete everything and replace with the following:*

- (1) Council does not agree that moving to all out elections every four years is an ‘attack on democracy’. This model is used widely throughout England by Councils of all political persuasions.
- (2) Elections every four years have the potential to deliver more stable administrations and avoid frequent lurches in policies which is often the outcome of annual elections where rapid changes in political control takes place.
- (3) Council notes that a move to all out elections every four years will result in a saving to the authority of £100,000.
- (4) Council further notes that this budget option was supported by almost 75% of respondents in the ‘What Really Matters’ consultation.

## **AMENDMENT**

**Proposed** by Councillor Phil Gilchrist (7 minutes)  
**Seconded** by Councillor Stuart Kelly (3 minutes)

*In paragraph (1), replace the words “annual local elections provide” with “an established pattern of elections provides”.*

*In paragraph (2), replace the word “annual” with “regular”.*

*Delete paragraphs (3) and (4) and insert:*

- (3) Council believes that alternative options can be considered that maintain regular local elections, such as reducing the size of the Council to 60 members, comprising 30 two Member wards elected every two years, and asks LDWP to consider all available options and report their findings to Cabinet and subsequently to Council.

**Right of reply:** Councillor Jeff Green (7 minutes)

## **6. MOTION: ‘HEALTHY HOMES’ AND THE CASE FOR SELECTIVE LICENSING OF THE PRIVATE RENTED SECTOR**

**Proposed** by Councillor Stuart Kelly (7 minutes)  
**Seconded** by Councillor Alan Brighouse (3 minutes)

- (1) Council notes that The Wirral JSNA<sup>1</sup> estimates that ‘33.9% of private rented dwellings (5,929) have at least one category 1 hazard’ which include excess cold, tripping hazards, and electrical hazards (section 2.2 refers); that The Wirral Housing Strategy<sup>2</sup> highlights the sector as containing many vulnerable households where ‘housing conditions are around three times worse than owner occupied homes’ (page 13 refers); and that the last Private Sector Stock Condition Survey showed that 59.3% of properties in the private rented sector

were non-decent. Council believes this has a negative effect on the health of those living in such circumstances.

- (2) Council notes and supports The Healthy Homes Scheme which began with a pilot project in the Victoria Parade Area in New Brighton and notes that 836 Healthy Homes assessments have been completed, resulting in 966 referrals to partner organisations. Council notes that most referrals to the scheme are from health & social care professionals and that the scheme is contributing to key Public Health priorities such as reducing health inequalities.
- (3) Council notes with concern that, despite the number of privately rented properties increasing by 80% between 2001 – 2011, only 16% (2,761) of private rented properties are included in Wirral's own voluntary Accreditation Scheme and thanks the 28 landlords and agents who are members for their commitment to the aims of the Scheme on behalf of their tenants<sup>3</sup>.
- (4) Council notes the selective licensing powers available to local authorities and their use in tackling landlord failure in other parts of the country, notably Newcastle CC and Newham LBC, and that Liverpool CC has begun its own consultation on the issue<sup>4</sup>.
- (5) Council acknowledges the Housing Strategy's aspiration to 'see a healthy private rented sector with good quality properties and management standards' by 2026. (page 13 refers)
- (6) Council believes people looking to rent privately have no means of establishing whether their prospective landlord is good or bad and that if they are accredited they will have had to demonstrate that they have satisfactory management arrangements in place and their properties meet a defined standard.
- (7) Council believes that licensing offers the opportunity for prospective tenants to make informed choices and also protect communities who have suffered from neighbouring properties being bought by landlords and let indiscriminately to unsuitable tenants.
- (8) Council notes an increase in the use of statutory enforcement powers under Housing Act 2004 nationally and in Wirral and Council agrees to sign a statement of support for Shelter's national campaign by pledging to do everything within its power to stamp out rogue landlords<sup>5</sup>.
- (9) Council calls upon the cabinet members responsible for Housing/Community Safety and Public Health to work together to re-examine the case for using selective licensing as part of the tool kit available in tackling sub standard housing and poorly managed private rented accommodation and to use those powers as part of a roll out of the New Brighton Healthy Homes scheme to other areas of Wirral where LSOA information suggests public health problems are linked to the lack of decent homes.

## Web Link References.

1. Wirral Joint Strategic Needs Assessment -  
[http://info.wirral.nhs.uk/document\\_uploads/jsna/JSNA%20Housing%20Section%20Final%20Dec%202011\\_44746.pdf](http://info.wirral.nhs.uk/document_uploads/jsna/JSNA%20Housing%20Section%20Final%20Dec%202011_44746.pdf)
2. Wirral Housing Strategy (2011-2026) -  
<http://www.wirral.gov.uk/downloads/3857>
3. Property Accreditation Scheme – List of Accredited Landlords and Agents  
<http://www.wirral.gov.uk/downloads/3336>
4. Liverpool City Council Cabinet Report 21/12/12 -  
<http://councillors.liverpool.gov.uk/documents/s112943/H7%20-%20Introduction%20of%20Licensing%20for%20Private%20Rented%20Property.pdf>
5. Shelter Campaign Site – Evict Rogue Landlords  
[http://england.shelter.org.uk/campaigns/evict\\_rogue\\_landlords](http://england.shelter.org.uk/campaigns/evict_rogue_landlords)

## **AMENDMENT**

**Proposed** by Councillor George Davies (7 minutes)  
**Seconded** by Councillor Chris Jones (3 minutes)

*Add new paragraph (10)*

- (10) Council calls upon the Cabinet members responsible for Housing/Community Safety and Public Health to work together to re-examine the case for using selective licensing in conjunction with other tools available such as landlord accreditation, statutory enforcement, Healthy Homes and Empty Property Assistance in tackling poor quality private rented accommodation in some of our poorest neighbourhoods in the Borough.

**Right of reply:** Councillor Stuart Kelly (7 minutes)

## **7. MOTION: THE EMPTY RHETORIC OF LOCALISM**

**Proposed** by Councillor Adrian Jones (7 minutes)  
**Seconded** by Councillor Brian Kenny (3 minutes)

- (1) This Council is profoundly disappointed that the Government's support for 'localism' is proving to be merely empty rhetoric on two key issues where new duties have been given to the Council but funding has been cut.
- (2) In the Spending Review 2010 the Government announced that Council Tax Benefit would be abolished and replaced with localised support schemes for Council Tax administered by local authorities. At the same time, it was announced that Government support would be reduced by 10% of current year spend. For Wirral this amounts to a shortfall of £3.2 million.

- (3) The Government has also transferred responsibility for administering Crisis Loans for Living Expenses and Community Care Grants from the Department of Works and Pensions to local authorities via a local scheme and, in the case of Wirral, the funding for these schemes has been cut by £229,575. At a time when a range of benefits are being cut by the Government, to reduce the amount of money to help people in crisis and to ask Councils to administer it demonstrates a clear need for this decision to be reviewed.
- (4) It is difficult to see how such decisions by Government are consistent with localism particularly where adequate resources are not devolved to local Councils to enable them to deliver effective services to local residents.
- (5) Council calls on the Government to undertake an urgent review of its policies on localism with a view to ensuring that transfers of duties and responsibilities from central to local government are accompanied by adequate resources.

**Right of reply:** Councillor Adrian Jones (7 minutes)

**8. OBJECTION: MINUTE 170 (CABINET - 24 JANUARY 2013)  
NEIGHBOURHOOD WORKING**

**Proposed** by Councillor John Hale (7 minutes)

**Seconded** by Councillor Simon Mountney (3 minutes)

- (1) Council believes a Constituency is not a Neighbourhood but a collection of Neighbourhoods.
- (2) The proposal to abolish Neighbourhood Forums will seriously damage the relationship of local residents with the Council, as they will be unable to highlight problems or concerns attached to their particular neighbourhood as they can do at present at regular meetings, at convenient locations with Councillors, Council Officers and representatives of other public services.
- (3) Residents will lose the relatively modest funds allocated to the Neighbourhood Forums and at present used to support local projects and initiatives put forward by a variety of local voluntary groups for the benefit of the local community.
- (4) It is not just neighbourhoods in areas of West Wirral such as Pensby, Barnston and Thingwall who will lose out, but every neighbourhood in Birkenhead, Wallasey and South Wirral.
- (5) We do not believe that there was as claimed, strong support for this new model when a majority expressed the greatest reluctance or disagreed completely.
- (6) It is almost certain that the new scheme would be more costly to run than the present scheme even allowing for the abolition of grants and financial support for the local Neighbourhood Forums.

- (7) Council therefore recommends no action be taken on this proposal until proper and full consultation has taken place between the Party Leaders and, through them, all elected Members as the Deputy Leader of the Council promised the Improvement Board on the 23 January 2013.

**Right of reply:** Councillor Phil Davies (7 minutes)

**9. OBJECTION: MINUTE 170 (CABINET - 24 JANUARY 2013)  
NEIGHBOURHOOD WORKING**

**Proposed** by Councillor Mark Johnston (7 minutes)

**Seconded** by Councillor Stuart Kelly (3 minutes)

*Delete recommendation and insert:*

Council notes the proposal to establish a new neighbourhood working approach in Wirral and refers the report for further discussion to a Members' Working Group and that the Working Group be asked to consider and report back on:

- The appropriateness of transient constituency boundaries being used to define the proposed committees as opposed to natural community ties.
- How effective localised engagement at ward level can be maintained with representatives of the local community.
- How resources will be properly and fairly devolved to support delivery of the local plans.
- The overall financial and democratic implications arising from the proposals.

**Right of reply:** Councillor Phil Davies (7 minutes)

**10. MOTION: CUTS TO TAX CREDITS**

**Proposed** by Councillor Mike Sullivan (7 minutes)

**Seconded** by Councillor Bernie Mooney (7 minutes)

- (1) This Council condemns the Government's decision to cut Working Tax Credits. In Wirral, 23,300 hard-working people will be hit by this cut.
- (2) Council also notes with extreme concern that at the same time as the Government is giving the richest 2 percent of earners a £3 billion tax cut, Tory MP for Wirral West, Esther McVey, has admitted that her Government has plunged 200,000 children into poverty with the cut to Tax Credits.

**AMENDMENT**

**Proposed** by Councillor Wendy Clements (7 minutes)

**Seconded** by Councillor Simon Mountney (3 minutes)

*Delete all and replace with:*

- (1) This Council notes the largest ever increase in personal tax allowance from April 2013 which will lift more than 2 million people out of paying tax altogether.
- (2) Council further notes that under Labour the target to halve child poverty by 2010 was missed by 600,000 children.
- (3) Council further notes that it is misleading to look at the impacts of uprating (eg Working Tax Credits) in isolation, and the Government is investing in tackling the root causes of child poverty through making work pay. Council recognises that work is the best route out of poverty. Universal credit will reduce poverty by making work pay and providing an effective route out of poverty for up to 250,000 children. 75% of the gainers from Universal Credit are in the bottom 40% of the income distribution.
- (4) Council welcomes the Government's consultation on better measures for Child Poverty to better reflect the reality of Child Poverty in the UK today.
- (5) Council notes that the Government is committed to tackling child poverty and to eradicate the causes including worklessness, educational failure and family breakdown, rather than simply treating the consequences of the problem.
- (6) Council notes that income will remain a key indicator in defining what it means to be in poverty, but income is not all that matters. It is now widely understood that the current relative income measure by itself is not an accurate picture of child poverty. There need to be better measures that capture the reality of children's experience of poverty. That is why the Government is consulting on what those measures should be.
- (7) Council notes that the Government is taking action to tackle child poverty including introducing universal credit, which will simplify the benefit system and ensure that work is always the best option; investing more in nursery and pre-school provision, including providing 260,000 disadvantaged two-year-olds with 15 hours a week free child care; investing in education, including £2.5 billion for the pupil premium for disadvantaged pupils and £1.2 billion for capital investment in schools; and raising the tax threshold which will lift more than 2 million people out of paying tax altogether.

## **AMENDMENT**

**Proposed** by Councillor Alan Brighouse (7 minutes)  
**Seconded** by Councillor Tom Harney (3 minutes)

*Delete all and insert:*

- (1) Council notes that Working Tax Credits are expensive to administer, prone to error and discourage an individual from increasing their earnings.
- (2) Council recognises that a far more efficient way to increase household income of low and middle income families is to increase the level at which tax becomes payable and to encourage the adoption of a living wage.

- (3) Council also notes the measures taken by the Coalition Government to create a fairer tax system. Apart from one month of the last Labour Government, the rate of tax paid by the highest earners was less than at any time under the present Government. In addition, increases to Capital Gains Tax, Stamp Duty and the removal of Child Benefit from high rate tax payers, together with a significant reduction in the income tax paid by low and middle income families, has brought a greater degree of fairness to personal taxation.

**Right of reply:** Councillor Mike Sullivan (7 minutes)

## **11. MOTION: CONSTRUCTION INDUSTRY BLACKLISTS**

**Proposed** by Councillor Dave Mitchell (7 minutes)  
**Seconded** by Councillor Stuart Kelly (3 minutes)

- (1) Council notes that there are some construction companies who have been supporting and subscribing to industry 'blacklists' collated by the Consulting Association (a private consultancy) and that the Information Commissioner has investigated and taken legal action against both the Consulting Association and a number of construction companies for this practice.
- (2) Council believes 'Blacklisting' is an unacceptable practice that cannot be condoned and therefore resolves not to include companies who continue using this information on the approved list for future construction work procured by the Council.

## **AMENDMENT**

**Proposed** by Councillor Joe Walsh (7 minutes)  
**Seconded** by Councillor Brian Kenny (3 minutes)

*Add the following:*

- (3) Council supports the national campaign, led by the GMB union, aimed at forcing those who have been involved in blacklisting to apologise to those who have been affected by it.
- (4) Council further notes that as a result of the concentration of construction activity in and around large cities, many of those alleged to have been discriminated against live in large urban areas. This may well include residents of Wirral.
- (5) Council instructs officers to write to the Information Commissioner to release the names and addresses of residents of Wirral who are affected by any blacklist.

**Right of reply:** Councillor Dave Mitchell (7 minutes)

## **12. MOTION: PAYDAY LOANS**

**Proposed** by Councillor Adrian Jones (7 minutes)  
**Seconded** by Councillor Joe Walsh (3 minutes)

- (1) Council notes that the Conservative Party is heavily funded by City of London finance businesses.
- (2) Council further notes that since the world-wide bank and hedge-fund crash of 2008 just 1000 of the richest UK residents own wealth that has increased by £155billion. Simultaneously, councils, the NHS, low-wage families, and pensioners, are hit by the Government's cuts whilst the Tories' super-rich funders are granted breathtaking tax reductions.
- (3) In hideous contrast, as many as a million UK residents have now been victims of "Payday loans" whilst 7.8 million are struggling to keep a roof over their families' heads. As many as 2.8 million householders have overdrawn in their banks to meet their mortgage or rent bills. Some of the most desperate victims of Government "austerity" policies, designed to pay off the bankers' gambling losses, quickly become sucked into never-ending debt through "Payday loans" as lenders are allowed to charge as much as 4,000% in annual interest rates. Council calls on this government to legislate urgently to end this immoral exploitation of its most vulnerable victims.

## **AMENDMENT**

**Proposed** by Councillor Christopher Blakeley (7 minutes)  
**Seconded** by Councillor Jeff Green (3 minutes)

*Delete all and replace with:*

- (1) Council notes that the Government is taking steps to tackle the problems associated with high cost credit.
- (2) Council further notes the Government is giving financial regulators the powers to impose restrictions on the total cost of credit. Additionally, the Government is also giving the Office of Fair Trading (OFT) a new power to suspend consumer credit licences immediately where there is an urgent need to protect consumers.
- (3) Alongside its publication of a progress report in November 2012, the OFT announced it has opened formal investigations into several payday lenders. These investigations are targeting aggressive debt collection practices and the OFT has written to all 240 payday lenders about poor practices in the sector. The OFT has also published revised Debt Collection Guidance. This guidance focuses on a specific repayment mechanism to ensure that traders with a consumer credit licence do not misuse it.
- (4) Beyond this, the Government has taken action to make sure consumers are better protected. Following discussions with the Government, 90 per cent of the

payday and short-term loan industry agreed to improve their codes of practice to increase transparency and provide better protection for consumers. Commitments include: a good practice customer charter, more help for those in financial difficulty and effective monitoring by the Trade Association to root out poor practices.

- (5) The Government has also provided a £27 million grant to provide face-to-face debt advice and the funding contribution of £1 million to the National Debtline to support telephone debt advice has been maintained for 2012/13. This is in addition to the Money Advice Service which offers free national financial advice, helping to increase levels of financial literacy and empowering consumers to take charge of their finances.
- (6) Council puts on record its thanks to the Government for the action it has taken and continues to take to deal with this problem and urges it to continue to work with the OFT to bring about continuing improvements.

## **AMENDMENT**

**Proposed** by Councillor Pat Williams (7 minutes)

**Seconded** by Councillor Stuart Kelly (3 minutes)

*Delete paragraphs (1) and (2).*

*Renumber paragraph (3) as paragraph (1) and delete “In hideous contrast,” and replace with “Council is concerned that”.*

*Insert:*

- (2) Council welcomes the fact that the Financial Services Act 2012 gives the new Financial Conduct Authority powers to cap the total amount charged by the high-cost credit industry and acknowledges the contribution made in achieving this by Stella Creasy MP and The Most Reverend Justin Welby and calls on MPs to monitor the work of the FCA to ensure that credit customers are properly protected against extortion.
- (3) Council further agrees to write to Wirral Members of Parliament, raising its concerns that high cost credit companies should also be controlled under the Ofcom Broadcasting Code and only be allowed to advertise after the 2100hrs ‘watershed’; Council considers high credit commercials are wholly inappropriate during children’s programmes.

**Right of reply:** Councillor Adrian Jones (7 minutes)

## **13. MOTION: TAX AVOIDANCE AND PUBLIC SECTOR CONTRACTS**

**Proposed** by Councillor Tom Harney (7 minutes)  
**Seconded** by Councillor Stuart Kelly (3 minutes)

- (1) Council notes the widespread practice of some multinational companies to minimise their exposure to UK taxation by manipulating their payments to subsidiaries located in tax havens.
- (2) Council expresses support for the many local businesses which make full and fair tax payments every year.
- (3) Council urges the Government to continue to extend its programme of measures designed to make all companies pay fair taxation based upon genuine profit levels.
- (4) Council notes the campaign of the consumer organisation, Ethical Consumer, to allow local councils and other public procurement bodies to take into account corporate tax strategies when they award public contracts and supports this aim.
- (5) Council notes that whilst procurement policy has some guidance regarding ethical procurement, this policy could be significantly strengthened; and calls on Cabinet to work with the Local Government Association to bring forward a set of legally binding procurement rules that require companies delivering and bidding for the delivery of public service contracts to demonstrate high ethical, environmental and anti-tax avoidance standards.

### **AMENDMENT**

**Proposed** by Councillor Brian Kenny (7 minutes)  
**Seconded** by Councillor Janette Williamson (3 minutes)

*Add the following:*

- (6) Council supports fair taxation for companies, but this should also apply to citizens. Accordingly, Council condemns the huge tax cut for millionaires announced by George Osborne in last year's budget.

**Right of reply:** Councillor Tom Harney (7 minutes)

## **14. MOTION: UNIVERSAL CREDIT**

**Proposed** by Councillor Phil Gilchrist (7 minutes)  
**Seconded** by Councillor Pat Williams (3 minutes)

- (1) This Council notes that Universal Credit:

- is being developed with a Pathfinder Service in the Greater Manchester area from April 2013
- is being extended to people who need that help and support with the aim of completing the new service by the end of 2017
- has been the subject of a House of Commons Select Committee Report and regular feature of 'Parliamentary Questions' on its impact and progress.

(2) Council notes that on 10th December 2012, Mr Clive Betts MP questioned the Secretary of State for Work and Pensions as follows....

*'What progress is the Department making in discussing with councils about the need to provide a joined-up service so that, in future, people will need make only one contact when their incomes change?'*

and that the Secretary of State for Work and Pensions (Mr Iain Duncan Smith) stated...

*'We are currently engaging in discussions with local authorities with the aim of ensuring that people receive a proper and comprehensive service.'*

- (3) This Council is anxious that Wirral's citizens involved in these changes should receive the 'proper and comprehensive service' being promised and believes that the Council's One Stop Shops and libraries are well placed to assist local people.
- (4) Council, therefore, requests that officers continue to engage with other authorities and the Local Government Association with a view to ensuring that an effective and accessible service emerges from that process.
- (5) Council, therefore, requests that Officers be asked to report on the shape of the emerging service to Cabinet and the appropriate Overview and Scrutiny Committee so that Wirral can provide the 'proper and comprehensive service' envisaged for Wirral's citizens.

## **AMENDMENT**

**Proposed** by Councillor Bernie Mooney (7 minutes)  
**Seconded** by Councillor Tony Norbury (3 minutes)

*Add the following:*

- (6) Council is concerned about a number of issues relating to universal credit. These include:
- Digital exclusion, as claimants will have to complete a universal credit claim on line.
  - The danger that claimants will be unable to budget effectively when their benefits are paid at monthly rather than fortnightly intervals as at present.

- Doubts about whether the new system will provide genuine incentives to work longer or train for a more highly paid job.
- Doubts about the quality of the new IT infrastructure which is being designed to deliver universal credit.
- Lack of openness on the outcome of the universal credit pilot schemes.

Council supports Frank Field's call for the National Audit Office to carry out a special enquiry to examine the risks associated with universal credit.

**Right of reply:** Councillor Phil Gilchrist (7 minutes)