

## **CABINET – 10 DECEMBER 2013**

### **MINUTE NO. 115 – BUDGET CONSULTATION FEEDBACK**

The Committee considered the report of the Chief Executive, which indicated that on 16 September 2013, the Council published a series of budget options for consultation, as it sought to make savings of £27.5 million in 2014/15.

The Chief Executive introduced the report which highlighted the options which had been subject to comprehensive consultation with residents, Elected Members, Trade Unions, staff, partners, businesses, community organisations and other stakeholders. The report presented the feedback from those consultations for consideration.

The budget options for the individual departments along with the budget consultation demographic and geographical data and the feedback from the Policy and Performance Committee were attached as appendices to the report.

Councillor P. Davies thanked the members of the public, staff, partners and local businesses and groups who took part in the survey which had been used to shape the options going forward. He further thanked the Head of Neighbourhoods and Engagement and her team for all their work in co-ordinating the consultation process.

Councillor P. Davies invited Alan Small, Unite Union to address the Cabinet on its Budget proposals.

Mr Small speaking for members of Unite Union informed the Cabinet that they felt that the questions contained within the surveys.

In relation to the proposals relating to the CCTV control room, feedback from staff was that those redundancies had already been earmarked and that this was a foregone conclusion.

Mr Small referred to the option relating to parks and beach maintenance and felt this was totally unacceptable given that a reduction in services would mean beauty spots would be ruined and considering that the Wirral would be hosting the Open in Hoylake in 2014, attracting many tourists and visitors to the Borough this may have a detrimental effect.

Councillor P. Davies invited Phil Goodwin, Unison Branch Secretary to address the Cabinet on its Budget proposals.

Mr Goodwin on behalf of Members of Unison, endorsed the comments made by Mr Small in relation to the options regarding the CCTV Control Room and the Beaches and Parks.

Mr Goodwin indicated that on behalf of staff, the Union was worried about the large scale compulsory redundancies these savings would make and asked the Cabinet to reconsider.

He asked the Cabinet to choose an uncapped scheme with a multiplier to enable those who wished to leave the Council may do so under a better scheme. He urged cabinet to retain the 1.8%.

In relation to the severance deal, their view was that this should be retained longer than the agreed period.

He urged the Cabinet to consider the hard working workforce and their families and indicated that staff had already taken on board huge cuts.

Councillor P.Davies thanked both Mr Small and Mr Taylor and at this point circulated the following revised recommendations for the Cabinet's consideration.

### **National Context**

Last year, we made some extremely difficult decisions in order to set a legal budget. This year, due to continuing huge, disproportionate and unfair cuts from the Tory-led government, we are in the same position once again.

By the end of 2016, the main revenue grant we expect to receive from central government will have been reduced by over 50%. A recent report by SIGOMA (Special Interest Group of Municipal Authorities) found that the average Council in the North West will lose £627 per person by 2017/18 compared to those in the South East, where Councils lose £305 per person. Wirral is estimated to lose £632 per person by 2017/18. It cannot be fair that while deprived boroughs such as Wirral are being required to make cuts of this level, more affluent areas in the South of the UK are not. We will continue to lobby government in the strongest possible terms to reverse these disgraceful policies.

However, we are a responsible Administration and we must rise to the challenge in the best interests of our residents. To refuse to make the savings enforced upon us would be to the longer term disadvantage of our most vulnerable people. We must set a legal budget, we must make the best of the government's illogical and damaging policies and we must show that we are an authority which can prioritise its resources and which exercises good financial management. There are no easy decisions; we did not come into politics to make cuts but we must act responsibly. We are using all flexibilities possible and being innovative in our use of ring fenced public health monies and our capital investments.

## **Link to Priorities**

The budget proposals set out in this resolution have been strongly influenced by the strategic priorities set out in the new Corporate Plan agreed by Council on the 2<sup>nd</sup> December:

- Attracting investment and jobs
- Protecting vulnerable people and communities
- Narrowing the gap in inequalities

We have been clear from the outset that those with the broadest shoulders must bear the greatest burden. That is why, once again, this budget begins with reducing the running costs of the Council. This Council will never invest vital resources on bureaucracy when that money could be spent in protecting the front line services our residents rely on.

The levels of inequality which still exist within Wirral are completely unacceptable. In accordance with the Council's new Corporate Plan, we pledge that we will continue to do all we can, even with reduced resources, to focus on narrowing this gap and making sure that where you live never affects your ability to have and achieve high ambitions for yourself and your family.

Our guiding principles for setting the budget were clear last year, and they remain so as we continue to address the challenges before us:

- We will spend less on the cost of running the Council
- Those with the broadest shoulders must bear the greatest burden
- Every effort will be made to mitigate the impact of savings on front-line services

Even in these hugely challenging times for the Council, we must ensure we do everything we can to not just make savings, and deliver a responsible, sustainable budget, but also to improve this organisation at the same time. We must deliver to our residents the excellent Council that they demand, and deserve.

We must not forget that even in the context of significant cuts, we need to focus on what we do with the money we do have. Our net budget is over £275 million and gross expenditure (including benefits and schools) is over £900 million. We have a massive impact on the area: our schools, our businesses, our place and our people.

## **Working with Residents and Stakeholders**

Once again, this budget proposal is made in partnership with Wirral residents. Our consultation processes, and our levels of engagement, are national examples of best practice and once again Cabinet would like to thank the thousands of Wirral residents who took part in the 'What Really Matters' consultation on the budget options published by the Chief Executive. The results of this consultation have provided a key evidence base for setting this

hugely difficult budget. We are extremely proud that the proposals contained within this document have been informed and guided by the people we are here to serve.

We have listened and we will not be supporting reducing winter maintenance and charging at a number of free parking areas. We will also be proposing a smaller saving on Parks Maintenance. We have also listened to the feedback about debit card transaction charges and have altered this option to reflect the feedback.

### **Summary of Proposals**

Key elements of our budget proposals for 2014/2015 are set out in this resolution. There are still unknown elements that could affect the final budget as we await the local government settlement which will provide the detail of the implications of the Autumn Statement. Our key proposals include the following:

#### **Protecting the Vulnerable and Reducing Inequality**

- We will continue to protect our front-line services as far as possible and protect vulnerable people
- By failing to adjust funding to account for demographic growth, this government continues to ignore the fact that our population is ageing, we have more vulnerable adults needing our help and more young people who need, and deserve, the very best support we can give them. Therefore, we will invest £7.6 million over the next three years on a range of measures to further support older people, young people with learning disabilities and adopters and special guardians.
- We are also extremely proud that Wirral Council has become one of the first Councils in the UK to adopt the ethical care charter, which is a clear commitment from this Administration to our residents to ensure the very best levels of care. We will also endeavour to encourage and wherever possible seek a commitment from our providers to adopt the Living Wage, as we do, and ensure their staff are not employed on zero hours contracts.
- In order to help fill the gap left by Government cuts we will invest a further £1 million over the next two years on enhancing early intervention and prevention services for vulnerable adults, particularly older people, focussing on information and advice, luncheon clubs and a range of other services commissioned through voluntary, community and faith organisations.

#### **Responding to the Cost of Living Crisis**

- We are proud that, despite the level of cuts we are facing, we remain one of the few Councils in the country to retain a discount on Council

Tax for our older residents. This budget will protect the vast majority of our older residents by retaining a 5% Council Tax discount for properties falling within bands A, B, C and D where all members of the household are aged 70 and over.

- We will attempt to mitigate the effects of this Government's disgraceful Bedroom Tax policy through investing £100,000 in 2014/2015 in providing enhanced information and advice services for people on benefits.
- We have funded the increased costs of providing the Council Tax support scheme so that the local scheme is kept in line with the national housing benefit scheme and we are not asking those more vulnerable to pay an increased proportion of their council tax. This is a direct cost to the Council of up to £800,000 as the government pushed the burden of the council tax benefit scheme on to local authorities last year. To retain the current scheme, based on current assumptions the authority has needed to find this additional growth.

### **Attracting Investment and Economic Growth**

- We will support tenants by investing £356,000 on the introduction of a Selective Licensing scheme for private rented properties in three distinct targeted areas in the borough; ensuring that every landlord is required to bring their properties to a high standard before they reach the market.
- We will further stimulate economic growth in the borough by investing £700,000 to safeguard the excellent work of the 'Reach Out' organisation; providing our residents with free, confidential advice and guidance to support them to find work, education and training.
- One of our key corporate priorities is to drive major inward investment and job creation for this and future generations of Wirral residents. The first step toward this will be through an investment of £200,000 to create an economic development unit, whose brief will be to ensure we capitalise on the unparalleled regeneration opportunities which are within our grasp.
- We will further invest in our leisure services, supporting our residents to improve their health and wellbeing through investing £200,000 (from public health monies) in the development of 2 3G football pitches in Seacombe. This investment comes on the back of our £2 million investment into the Leisure offer including planned capital investment in Europa pools, Guinea Gap and West Kirby which demonstrates our absolute commitment to the health and wellbeing of this borough.
- We will secure our CCTV monitoring service to ensure better protection and peace of mind for our residents, through joining forces with

Merseyside Police and Fire and Rescue Service at the Joint Control Room while still retaining a focussed service in Wirral.

### **Neighbourhood focus**

- We are determined that we build on the assets in our communities, and work in true partnership with the vibrant, engaged and dedicated communities that we have in Wirral. It is why Cabinet is determined that the new approach to Neighbourhood Working we have implemented becomes intrinsic in empowering our Elected Members and communities to develop their own solutions to issues within their own communities. Following a review of the operation of Constituency Committees in the spring we will announce the funding to be devolved in 2014/15 and consider how the mainstream budgets of the Council and other public agencies can best serve each geographic area.

### **Transforming the Council**

- We will completely transform Wirral Council, and ensure that this organisation is lean, fit for purpose and is able to deliver for the people of Wirral despite hugely reduced financial resources

The budget for 2014/15 will deliver £27.5m of savings, the detail of which is set out later in this resolution. Delivering a budget which meets our corporate priorities and is legal and sustainable have been key elements of the Council's Improvement Plan.

This Administration is proud of the fact that we have progressed from a situation where we inherited an over-spend of £17m to a stable, achievable in-year budget. This is indicated by current projections to spend within the budget for 2013/14. This is a huge achievement. We are confident that we now have the fundamentals of good financial management in place and that this provides a solid platform to continue our improvement journey and become a high performing Council. We are delighted that the Improvement Board recently endorsed our achievements to date, and our plans for the future, and told us that they are confident in our ability to further develop and improve as a Council without their support.

## RESOLUTION – DETAIL

### **1.0 INTRODUCTION**

We are now in the second year of the most challenging budget cycle in recent history. The cuts we are facing are, quite simply, unprecedented in post-war Britain. Combined with unavoidable demographic growth and the fact that our residents demand, and deserve, the highest possible quality from their Council services, we are dealing with challenges that this Administration is determined to address.

This Administration is making huge progress in correcting the mistakes of the past, and in getting the Council's finances on a stable, sustainable footing. This Council is already almost unrecognisable from the organisation it was only twelve months ago.

We are emerging from one of the most difficult periods in the history of this Council. We have critically evaluated everything we do, and we have invited others to do the same. We have worked closely with colleagues from the Local Government Association through our Improvement Board. We have listened to their recommendations and we have changed, we have improved and we will ensure that improvement is embedded throughout the organisation.

The scale and speed of our transformation has been such that the Improvement Board, which was set up by the Council in partnership with the Local Government Association, has endorsed our achievements to date, and our plans for the future, and told us that they are confident in our ability to further develop and improve as a Council without their support. They have come to this opinion after only twenty months of working with us, which is the fastest turnaround of any Council in the UK.

This achievement, within this time frame, while at the same time dealing so effectively with our huge financial challenges, is nothing short of remarkable and is something of which everyone connected with this Council should be proud. We now must, and will, capitalise on these improvements and become the excellent Council our residents expect and deserve.

These budget proposals will continue to deliver financial stability for the Council and deal head on with the challenges we face. We have a duty as public servants to make sure that we use public money responsibly, effectively and efficiently – this will once again require some tough decisions this year.

We inherited from the previous Administration an over-spend in the Council's budget of £17 million and £10 million in unrecoverable debt. We acted quickly, transparently and robustly to deal with these issues. We are still working hard to rectify this situation while at the same time dealing with a system of local government funding which is, in our view, grossly unfair and unnecessarily punitive to deprived, Northern Councils. It cannot be fair that Wirral is projected to lose over £600 per head compared to more affluent authorities in the South East losing only £300. It cannot be fair that Wirral has lost £152 per person compared to just £2 per head in wealthy North Dorset.

This Administration has made, and will continue to make, strong representations to the government regarding the Council's funding. We are also at the forefront of proposals to develop a Combined Authority across the Liverpool City Region, which will help us further punch our weight nationally and make the case for Wirral.

## **2.0 TRANSFORMING WIRRAL COUNCIL**

We have been criticised in a number of external reports some years ago. We have listened to the concerns, and the recommendations, and we have changed. We have invited external experts into the Council to critically evaluate those changes – our next challenge is to embed what we have learnt to ensure we are never in the same position again.

It would be wrong to promise that nothing will ever go wrong at Wirral Council, or any other Council, ever again. Our pledge to our residents is that if mistakes do happen they will be dealt with quickly, effectively and fairly. We will embed a culture of excellence and accountability throughout this organisation.

We are extremely proud of our progress over the past year. To have improved to such an extent that our colleagues on the Local Government Association Improvement Board have identified Wirral as the fastest improving Council in the UK is an achievement that many would not have thought possible just a few short months ago. We will ensure we build on this achievement. We will not lose focus and we will continue to improve.

This requires a strong, ambitious vision for the organisation, and for the borough. We will be a Council that listens, responds and works with local people and local communities – we will always work in partnership with our local residents and make sure we use the limited resources we have in ensuring they have access to the services they need.

Our financial challenges are well documented. However, we also face rising demand for social care, housing and debt advice. To fulfil our duty to our residents we need to become more ambitious than ever before – using our limited resources in the most innovative, imaginative way possible to ensure the very best value for money.

We have identified principles upon which we will transform Wirral Council over the next three years, which have now been debated and agreed at the Policy meeting of this Council on 2<sup>nd</sup> December:

- **Local Solutions, Local Decisions:** Our Elected Members will use the powers devolved to them to identify and solve issues within their local communities – using their knowledge and expertise to truly shape the future of their local areas and represent those they were elected to serve.
- **Promoting Independence:** We will ensure our communities are empowered, and have the right tools and knowledge to make the decisions that are right for them. People will be supported to do things for themselves and their communities.
- **Driving Growth and Aspiration:** The Council will continue to champion and inspire our young people, families and local residents to raise aspirations, achieve their ambitions and build real, sustainable growth in our economy.

We need to change not only the way we work but also the relationship we have with our customers – our residents, our communities, our partners and our businesses. The future model of this Council will use our limited and reducing financial resources in a manner that achieves only the very best outcomes for our residents. Prioritisation is key; the expectations about public funding need to match the rising number of older people and the difficult social care situation developing. Local government must change and be part of changing the demand placed upon public funds.

### **3.0 CONSULTATION**

Our priorities and budget proposals have been informed by the ‘What Really Matters’ consultation. Once again, Wirral communities have made their voices heard and provided the highest levels of engagement to any similar exercise in the UK. The consultation resulted in over 6,500 questionnaires being returned to the Council, together with a number of petitions, letters and emails. Consultation also took place with our staff, specific groups of residents, the voluntary, community and faith sector and the Council’s Policy and Performance Committees.

Cabinet is grateful to all those who took part in the consultation.

We have listened to the consultation and rejected in those areas where we received most significant feedback. In particular, we are proposing that we **do not** introduce the original proposals for car parking, parks and winter maintenance. Further information is provided in the section 7.0.

We have listened to the feedback about transaction charges for debit cards and have not implemented this proposal.

#### **4.0 WORKFORCE ISSUES**

Our employees have always been our most valuable asset. Even during this Council's most difficult periods our services remained excellent – our workforce is committed to this organisation and the residents they serve. We have been, and remain, one of only a few Councils in the UK to pay the Living Wage as a minimum pay level for our staff. It is the ambition of this Administration to work with our businesses so that they become Living Wage employers and Wirral will become a Living Wage Borough.

We believe that good industrial relations, particularly in the midst of these unprecedented financial challenges, are vital for the future of this Council. We reject totally the consistent attempts by the main opposition party to remove funding for Trade Union representatives. We will continue to support effective industrial relations but will make savings in conjunction with the Trade Unions through reviewing the level of funding provided to ensure that we are achieving the best value for money both for our staff and our residents.

Following detailed discussion with the Trade Unions, we are proposing that the number of full-time Trade Union seconded posts for Unison to be funded by the Council will be three with one additional full-time Trade Union seconded post for Unison to be funded by schools. We are also proposing that the Council funds one full time post for Unite. This will save over £100k.

The Administration also believes that it is right to do everything possible to maintain an enhanced voluntary severance scheme. Again, following detailed discussion with the Trade Unions, we are proposing that the current uncapped scheme using a multiplier of 1.8 continues until 31<sup>st</sup> March 2014. With effect from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2016 the enhanced Voluntary Severance Scheme will be uncapped using a multiplier of 1.4. The revised scheme will still be significantly above the basic, statutory entitlement and, we believe, will still be among the highest in the North West.

#### **5.0 BUDGET PROPOSALS**

These budget proposals are made against a backdrop of unprecedented cuts. Standards in some services will need to be reduced, and the Council must become a smaller organisation. However, we remain determined to protect our most vulnerable residents and, as such, have ensured that the majority of savings once again come from improving our back-office processes and the way the Council is managed and governed.

We have agreed efficiencies along these lines amounting to £7.9 million. These are achievable by making further improvements to the way this Council operates. They could not have been made without the progress and transformation which has taken place within the Council over the past twelve months and have greatly reduced the need for further savings to front line services.

The proposals in each Directorate of the authority are:

## 6.0 TRANSFORMATION AND RESOURCES

The budget proposals in this area are primarily focussed on further transforming Wirral Council. We will ensure that we become a leaner, more focussed organisation with resources only targeted at those services and issues which are important to our residents.

This budget will make savings of over £5 million through completely re-modelling the way the Council operates, making sure our structures and processes are modern, fit for purpose and able to deliver on our ambitious plans. One aspect is to develop an ambitious shared service approach for all of our corporate, back office services with Cheshire West & Chester Council. This will produce significant savings for many years to come.

We will make significant savings through improving processes in the way we manage our money, and the way we allocate contracts for telecommunications and information technology. We will also improve access channels to the Council through making our call centre more efficient and driving more services to the redesigned Council website.

Wirral is one of the only Councils in the UK to offer a discount on Council Tax based purely on age rather than means. While we are proposing to change this policy we are proud that we have been able to protect this discount and will retain the discount at 5% for those households where all residents are 70 or over, in properties falling in bands A, B, C and D.

We have listened to the feedback about transaction charges for debit cards and have not implemented this proposal.

<b>TRANSFORMATION AND RESOURCES</b>	<b>2014 / 2015</b>	<b>2015-2017</b>	<b>TOTAL</b>
<b>OPTION TITLE</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Transforming Wirral Council	3,111	2,500	5,611
IT and Telecommunications	200	70	270
Managing the Money	373	30	403
Improving Access to the Council	250	69	319
Council Tax Collection	140	0	140
Council Tax Pensioner Discount	591	0	591
<b>TOTAL</b>	<b>4,665</b>	<b>2,669</b>	<b>7,334</b>

## **7.0 REGENERATION AND ENVIRONMENT**

Our opportunities in economic regeneration are globally significant. Developments such as Wirral Waters, the International Trade Centre and the International Golf Resort will transform our economy and create literally thousands of jobs for our residents. The redevelopment of New Brighton has been a huge success and there are exciting plans for the redevelopment of Birkenhead.

We must continue to make progress, and we must continue to protect and enhance both our economy and our local environment. We will work with our residents and businesses towards achieving this goal. We will continue to make sure that Wirral accesses external and national funding opportunities; particularly using our role within the proposed Greater Merseyside combined authority to maximise our profile on a national scale.

We will make the very best use of our assets, and will ensure that the much-loved and valued Floral Pavilion remains open, and becomes more efficient and cost effective – retaining an excellent cultural and recreational facility for the people of Wirral but reducing its financial burden on the taxpayer.

We will progress initiatives within our memorial services to improve efficiency and increase income, making sure that all new sources of income are achieved with care and sensitivity.

We will secure our CCTV control and monitoring service, through taking advantage of the state-of-the-art control room being built in partnership with Merseyside Police and Fire and Rescue Services.

Volunteers play a vital role in our communities, and we recognise and are grateful for their dedication and talent. As such, we propose to work with volunteers to continue the Birkenhead Kennels service. We are also in advanced negotiations with volunteer organisations who wish to take over the running of both the Williamson Art Gallery and Wirral Transport Museum. We request officers bring a further report to Cabinet at the earliest opportunity to progress this work.

We understand how highly our residents value parks, open spaces and beaches throughout Wirral and the important role they play in quality of life, health and recreation. We believe we can work with communities, and friends groups, to enable them to play a larger role in the development and maintenance of our parks and believe our approach to Neighbourhood Working and the newly established constituency committees can play a role in driving this work.

However, once again we have listened to the public and we believe that the proposed savings option, which would have stopped maintenance across 16 beaches, most bowling greens and many of our smaller parks and green spaces, goes too far at this time. We therefore propose a smaller saving is made but maintenance at all of the sites is continued.

The budget consultation indicated that residents do not believe it is acceptable to reduce winter maintenance on the highway network and to charge for parking at a number of free parking areas at parks, coast and countryside sites throughout the Borough. We agree, and neither of these options form part of our budget recommendations.

<b>REGENERATION AND ENVIRONMENT</b>	<b>2014 / 2015</b>	<b>2015-2017</b>	<b>TOTAL</b>
<b>OPTION TITLE</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Environmental Health Modernisation	215	0	215
Floral Pavilion Review	100	300	400
Birkenhead Kennels	40	0	40
Tramway Museum	124	0	124
Memorial Service	95	0	95
Heritage Fund	40	0	40
Street Lighting	85	0	85
Housing Strategy	206	0	206
CCTV Control Room	350	0	350
Williamson Art Gallery	250	150	400
Parks Maintenance	450	0	450
<b>TOTAL REGENERATION AND ENVIRONMENT</b>	<b>1,955</b>	<b>450</b>	<b>2,405</b>

## **8.0 FAMILIES AND WELLBEING**

The demographic and financial position means we must change, adapt and innovate. We must continue to develop and deliver services which are appropriate to those who need them. We will “Think Family” at all times, while working towards our goal of delivering services in ways which are easy to access, focus on the front line, eliminate duplication and reduce back office costs.

Our residents’ expectations are, quite rightly, rising and we have an ageing population with more vulnerable adults needing our help. We have pockets of extreme deprivation within our borough, with levels of child poverty which are completely unacceptable. However, we have less financial support than ever from central government to deal with these issues. This budget is set with those challenges in mind.

We will protect the front line as far as possible. We will change our delivery model throughout this service and ensure our limited resources are effectively targeted at those who need them most. In the same vein, we will make sure that our commissioned services in relation to families, youth and young people are targeted at those who need them most.

We will make savings, but continue to provide our expertise and support, to joint public sector partnerships aimed at reducing substance misuse and teenage pregnancies. We will work with our young people to signpost them to the many careers advice services available within the borough.

We will better protect and safeguard those children in our care through streamlining our processes and ensuring that we engage with families earlier to prevent problems developing. We will also ensure that our young people do not stay in care any longer than they need to, and will develop a new facility for accommodating young people who are at risk of becoming homeless.

Our relationship with our schools is excellent, and we will build on this by working even closer together, ensuring that we use our shared resources to achieve the best value for money for our young people and residents.

We will improve the method by which adult social care services are charged for; we will ensure that it is fair, equitable and effective and we will make sure that everyone using our services are quickly and accurately assessed and, importantly, that the appropriate levels of charges and financial support is implemented.

Wirral has agreed to join a network of 26 'Whole-person Care Innovation Councils', established by The Right Hon Andy Burnham MP, Shadow Secretary of State for Health. As such, we will be at the forefront of developing integrated health and social care services, streamlining and reducing duplication across the entire suite of NHS and social care services to give a better, more efficient and joined up service to those residents who require it. We will also redesign all of the services we provide to vulnerable adults, and make sure we are making the best possible service available for the best value for money.

We will make these changes, and these savings, in a way which ensures that service quality remains at a high level and the safeguarding of our vulnerable residents remain at the absolute top of the agenda.

<b>FAMILIES AND WELLBEING</b>	<b>2014 / 2015</b>	<b>2015-2017</b>	<b>TOTAL</b>
<b>OPTION TITLE</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Transport Depot	100	0	100
Paying for Adult Social Care	1,117	0	1,117
Shared Services and Integration	608	1,210	1,818
Accommodation for 16/17 year olds	600	0	600
Working Together with Schools	915	300	1,215
Careers Advice and Guidance	200	0	200
Service Design and Improvement	4,148	1,975	6,123
Commissioning and Contracting	1,905	165	2,070
Early Intervention to Support Families	300	1,950	2,250
Substance Misuse and Teenage Pregnancies	160	0	160
Family, Parenting and Youth Commissioning	200	300	500
Children's Centres	500	1,500	2,000
<b>TOTAL FAMILIES AND WELLBEING</b>	<b>10,753</b>	<b>7,400</b>	<b>18,153</b>

## 9.0 COUNCIL TAX

Council tax will be set at the Budget Council on the 25<sup>th</sup> February 2014. The local government settlement for 2014/15 has yet to be confirmed (expected late December) and it is therefore too early to determine the terms of any council tax rise or freeze grant. Last year we decided not to accept the government's Council Tax freeze grant on the grounds that it is a short term measure and would have increased the budget gap. Accepting a time limited grant would store up significant and growing financial problems in future years. As this funding is not built into our base budget it would mask the underlying and on-going revenue gap and is not a sustainable way of budget management. Each year that a sustainable increase in income is not implemented means additional cuts in the future, further pressure on vulnerable people and is unsafe in an authority with such a huge reduction in its government grant.

The assumption in determining the savings requirement is a 2% increase in council tax. This is subject to the detailed announcements awaited and the terms of the freeze grant and the council tax rises. Under the current regulations the Council is allowed to increase Council Tax by 2%. Cabinet feels that increasing Council Tax by this level in 2014/2015 is a responsible action. This increase would remain significantly below inflation. However, we await the outcome of the finance settlement before a definitive decision can be taken.

## 10.0 SUMMARY OF PROPOSALS

Description of Proposal Area	2014 / 2015	2015-2017	TOTAL
	£000s	£000s	£000s
T&R SAVINGS	4,665	2,669	7,334
R&E SAVINGS	1,955	450	2,405
F&WB SAVINGS	10,753	7,400	18,153
<b>Total Savings</b>	<b>17,373</b>	<b>10,519</b>	<b>27,892</b>
Plus			
Potential Council Tax Rise	2,200		2,200
Efficiencies (non consultation)	7,927		7,927
<b>Grand Total</b>	<b>27,500</b>	<b>10,519</b>	<b>38,019</b>

Councillor P. Davies moved the following motion which was seconded by Councillor A. McLachlan and agreed unanimously:

On seconding the Motion Councillor McLachlan indicated that she was pleased to support this as the Council was facing unfair cuts, which would be reducing by 15% by 2015 and that the challenges faced by the Council had been difficult.

In response to the representations made by the Trade Unions, councillor McLachlan indicated that the responses received to the consultation had been the best response out of all of the local authorities in the country.

The Cabinet had listened to the representations in relation to car parks and charges for debit card transactional charges and had worked with the Trade unions to produce a multiplier which enabled those who wished to leave the Council to do so. The retention of the Trade union facilities had also been agreed. The cabinet had also tackled issues in relation to the Bedroom Tax by providing enhanced information and advice services for people in receipt of benefits.

### **RESOLVED: That**

1. **the budget proposals as set out above be agreed and recommended to Council for approval at its meeting on 16th December 2013.**
2. **the Council's enhanced discretionary severance scheme be revised as follows with effect from 1<sup>st</sup> April 2014:**
  - (a) **That it be based on the statutory redundancy scheme;**
  - (b) **That it be subject to the following enhancements;**
    - (i) **the weekly sum for the purposes of the calculation will be uncapped; an**

**(ii) The final payment using the statutory calculation (at an uncapped salary level) will be multiplied by 1.4 to a maximum of 42 weeks.**

**(c) The Council's enhanced discretionary severance scheme as revised will remain in place for a period of two years until 31 March 2016, after which time it will have been reviewed.**

**3. That Council continues to lobby Government to review the way it allocates funding to local Councils with a view to ensuring that any cuts are distributed in a way which is fair and equitable.**