

LIBERAL DEMOCRAT GROUP - 2014/15 BUDGET AMENDMENT

Date of Council **Tuesday 25 February 2014**

Date submitted: **Friday 21 February 2014 at 0810hrs**

Proposed by: **Cllr Phil Gilchrist**

Seconded by: **Cllr Pat Williams**

Council welcomes the use of the "Freeze Grant" provided by the Coalition Government and approves a zero Council Tax increase for 2014/2015, with the clear prospect of that welcome assistance remaining available in the future.

However, Council recognises and understands the decisions taken by the Merseyside Police and Crime Commissioner and the Merseyside Fire and Civil Defence Authority and acknowledges that charges for their respective services will need to be added.

Council recognises that the continuing financial challenges will require radical remodelling of services and approves the establishment of such provisions to enable this work to take place.

Whilst accepting many of the options contained within the Cabinet recommendation, Council is keen to ensure that there is clarity and direction with regard to such issues as School Crossing Patrols, street lighting, standards of cleanliness and the future allocation of capital receipts.

Council, therefore, believes that the Budget should be amended as follows:

School Crossing Patrols

Council believes that the Schools Budget should be spent on educating our young people, not raided for Council services. The Council needs to secure a comprehensive School Crossing Patrol service without placing a burden directly on schools. Road safety has been, and should remain, a Council service. Council, therefore, resolves to restore the School Crossing Patrol budget to the revenue budget (£415k) and acknowledges the addition to the budget gap for subsequent years.

Street Cleansing

Council welcomes the release of funds by the Merseyside Waste and Recycling Authority, funding that was collected from Wirral's taxpayers and should be returned. The money being returned should be used to augment sweeping and recycling services which have been reduced in recent years.

It is desirable to deal not only with back alleys but also to target resources where the quality of the local environment has declined. For example, fly tipping hot spots and local retail areas need to be returned to a higher standard of cleanliness.

For 2014/15, a further £200,000 should be applied from the fund to augment street cleansing based on a team under the direction of each area Constituency Committee. During the next year, the Council should develop its waste reduction strategy, examine the feasibility of devolving street cleansing to Constituency Committees and determine sustainable funding arrangements from 2015/16 onwards.

Street Lighting

Council believes that the savings on street lighting to date have resulted in a 'hit and miss' approach where areas have had lighting removed, then restored. As a consequence, lighting has been taken

out of use without public consultation Council believes that a new approach is needed, based on investment in new energy efficient lighting, using less energy and yet giving higher quality light. Council, therefore, requests the restoration of the £168,000 budget removed in 2013/14 and 2014/15 relating to the switching off of street lighting.

Council requests officers to draw up and report upon proposals for the introduction of energy efficient LED lighting units. The proposals should be fully costed to include LED investment costs, the resulting savings from existing lamp maintenance and replacement budgets and the savings from energy consumption reduction. The proposals should identify, and make recommendations to resolve, all barriers to achieving the required outcomes.

Programmes should be designed for the proposals so that they can be put in place from 2015/16 onwards and savings achieved used in place of those currently taken through lamp switch off.

For 2014/15 funding from reserves can be used to bridge the saving target.

Capital Spend – 20mph and Highway Maintenance

Council notes the substantial sums in capital receipts expected to be generated from the sale of assets this year. We believe that the use of capital receipts to accelerate the highway maintenance programme represents a prudent use of such funding, thus avoiding more costly repairs arising from deferment.

An initial investment of £1m should be made in a programme of road surface reconstruction with a judgment made on further investment taking into account the nature and timing of the receipts.

Council notes that, even in times of difficulty, many councils are investing in 20mph zones to increase road safety and bring about a safer environment where people cycle and walk with consequential health benefits. The opportunity should be taken for Wirral to follow where other Councils are leading.

These amendments result in a nil increase in the Wirral Council Tax element.

Local discount under Section 13a of the Local Government Act 1992 (pensioner discounts)

That for the financial year 2014/15, the Council will ensure that a pensioner household (over 70) within Property Bands A-D will receive a 5% award against its Council Tax liability.

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 70 or over on 1 April 2014 (but where the qualifying age criterion is met after 1 April 2014, 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 Support. No pensioner household in receipt of full Council Tax Support will qualify for the reduction.

The Statutory Calculations and Resolution

The statutory calculations associated with each Council Tax increase are set out below and the Council is now invited to approve.

It be noted that in accordance with Section 31B of the Local Government Finance Act 1992 (as amended), Cabinet on 10 December 2013 calculated the Council Tax Base 2014/15 for the whole of the properties in its area as 87,786.2 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2014/15 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) (“the Act”):

- a) £112,213,601 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2014/15 (item R in the statutory formula). This amount (d) is determined as being the difference between:
 - i) £769,467,665, this being the aggregate of the amounts calculated in accordance with Section 31A (2) of the Act (as amended), i.e. the aggregate of the amounts that the Council estimates that will be charged to a revenue account for the year in performing its functions, that are required to be set aside for contingencies and reserves and required to be transferred from its General Fund to its Collection Fund in the year *and*
 - ii) £657,254,064, this being the amount calculated in accordance with Section 31A (3) of the Act (as amended), i.e. the aggregate of the amounts of income that the Council estimates will be credited to a revenue account for the year in accordance with proper practices, the amount of reserves that are estimated to be used to provide for the items referred to in paragraph 3(a) above and required to be transferred from its Collection Fund to its General Fund in the year.
- b) £1,278.16 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2014/15. This amount being calculated as item R in (a) above divided by item T above.
- c) that in accordance with section 36(1) of the Act, the following amounts are calculated for each valuation band in the area:

Wirral Council

A	B	C	D
£852.17	£994.20	£1,136.23	£1,278.26
E	F	G	H
£1,562.32	£1,846.38	£2,130.43	£2,556.52

These amounts being the amounts given by multiplying the amount calculated as the basic amount of Council Tax by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings in a particular valuation band which is applicable to dwellings listed in valuation Band D.

It be determined that the amount set as the Council’s Basic Amount of Council Tax for 2014/15 is not excessive in accordance with the principles determined by the Secretary of State under section 52ZC of the Act (as amended) and that no Referendum to approve the Basic Amount of Council Tax is required. The principles require a Referendum to be held for any increases of 2% or above.

Wirral – Basic Amount Of Council Tax

	2013/14	2014/15	Change
	£	£	£
Band D	1,278.26	1,278.26	Nil

To note that the Police and Crime Commission for Merseyside and the Merseyside Fire and Rescue Service have to formally issue precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council’s area.