

## CONSERVATIVE GROUP BUDGET AMENDMENT 2015/16

**Proposed by Cllr. Jeff Green**

**Seconded by Cllr. Lesley Rennie**

### **Amendment to Cabinet Minute 136**

Wirral's Conservative Group welcomes the success of the Government's long-term economic plan and believes Wirral Council too must take what action it can to lock in recovery, growth, more jobs and better wages.

We note that the Council currently has £142 million 'Cash at Bank' including £87 million in reserves and a further £17 million in General Fund Balances.

Wirral Conservative Group's long term plan is to deliver first class services, which are affordable, sustainable and meet the needs of local people. Wherever possible we will do this through engagement with, and the empowerment of, individuals and communities in both the design and delivery of local services.

We will deliver a Council that:

- Keeps children and young people safe
- Supports the Government's Long Term Plan to increase private sector investment and employment in Wirral
- Reduces waste and keeps Council Tax low
- Cracks down on Benefit Fraud
- Unleashes the potential of all local residents to prioritise, design and improve the services that serve our neighbourhoods

Conservatives know that every pound the Council spends or hoards in its reserves and balances is money taken from the pockets and family budgets of hardworking Wirral Taxpayers and therefore it is incumbent on the Council to demonstrate it uses that money wisely and fairly in a way that is going to improve the lives of all of Wirral's residents.

The budget amendment we propose tonight will therefore result in a zero percent Wirral Council Tax increase for all Wirral residents and reinstate the Council's 'pensioner discount' to those living in Bands A, B, C & D aged over 70 who have contributed so much to Wirral throughout their lives.

### **Additional Expenditure**

We note that today in Wirral there are a number of children reported as being at risk of child sexual exploitation without a nominated 'Catch 22' case worker to protect them.

1)	Invest, with immediate effect, £40,000 to employ an additional 'Catch 22' case worker to protect children at risk of child sexual exploitation	£40,000
----	--	---------

We note the Labour Administration's choice to make swingeing cuts to Wirral's network of Children's Centres. We believe a rushed consultation will do additional harm to this essential service and anything less than a three month consultation will be flawed.

2)	To ensure a full, extensive and inclusive consultation with staff the voluntary, community and faith sector and all stakeholders	£173,000
----	--	----------

### Lyndale School

We reconfirm our commitment to all special schools in Wirral and we therefore draw attention of Council to our separate amendment designed to ensure Lyndale School remains open to serve some of the most vulnerable children in the Borough and will work with parents, staff and others to explore all possibilities for this very special school.

### Dementia Services

The Government's National Dementia Challenge Work Programme superseded the National Dementia Strategy and focuses on 3 main areas: bringing about improvements in health and care, creating dementia friendly communities and improving research.

We are committed to improving the quality of services available to people with dementia and their carers in Wirral. This is a priority for us.

We note the Council's shared commissioning exercise with the Clinical Commissioning Group has resulted in a lack of providers and a potential serious gap in services for Wirral residents.

3)	To ensure high quality day services are available to dementia sufferers we will make an additional investment to commission high quality dementia services and,  a one off grant in order that local care providers can offer quality care environments and improvements through innovation in local care and technologies	£246,000  £254,000
----	--	--------------------------

### Integrating Health & Social Care

In order to drive forward the long term benefits to vulnerable people and the sustainability of Council and Health budgets we will invest in a shared Programme Team with Health to develop an integrated Social Care and NHS Trust.

4)	To use the Remodelling Reserve to fund 1 X Programme Manager, 2 X Project Managers 1 X Programme Support to drive forward the integration.	£200,000
----	--	----------

## Increasing Employment

We note the Administration's budget contains an additional £1.2 million of spending on welfare payments. We believe the Government's welfare reforms have demonstrated beyond doubt the long term route out of welfare dependency is through employment.

5)	Reduce the Administration's welfare spending by £300,000. Add to £700,000 from the Working Neighbourhoods Fund and introduce a targeted employment initiative; providing six months employment and training (at the Living Wage rate) to long term unemployed and to those whose health has been a barrier to employment	£1,000,000
----	--	------------

We welcome the Administration's 'cave-in' to Conservative, Liberal Democrat, local business and resident pressure and its unceremonious U-Turn on car parking charges. However we believe the Council can go further to support our local shops and shopping areas, following the lead of the Coalition Government increasing the Business Rates Discount to £1,500 for retail and café units.

6)	Re-introduce the Conservative 2010 'Free After Three' initiative at all Council car parks and off street parking (with an evaluation after an initial 12 months).	£240,000
----	---	----------

## Doing the basics well

Libraries are an essential part of local communities, they provide a safe place for those isolated within the community to meet and in some places the only link residents have with the Council. We believe the Administration's decision to cut £364,000 for library services has echoes of their ill-fated Strategic Asset Review and the subsequent Charteris report.

We also believe that all Community Library funding should be allocated to Constituency Committees for them to work with staff, Friends Groups and residents to determine local priorities and the opening hours most appropriate for their communities.

7)	We therefore re-instate Library funding in full	£364,000
----	---	----------

Wirral is rich in the number and quality of its local parks, gardens and open spaces. It is regrettable that the current Administration has ignored these much loved local assets. Conservatives are committed to establishing a long term programme, overseen by Friends Groups, communities and Constituency Committees.

8)	Establish a long term parks, gardens and open spaces improvement fund, allocated equally to each Constituency Committee	£400,000
	Rescind the Administration's increased charges to allotments, bowling greens and football pitches	£35,000

We note the reduction in the number of requests for the removal of large domestic items and the increase in fly tipping following the Labour Administration's choice to charge for the ERIC (Every Reasonable Item Collected) service, down from a peak of 18,000 calls to only 6,000 per year, since charges were introduced.

This amendment will therefore re-instate the large domestic items collection, recycle and disposal service (ERIC) as a free of charge service to Wirral domestic householders. The impact of this initiative on the environmental blight of fly tipping and recycling rates to be assessed after 12 months and this initiative be met from the Waste Development Fund.

9)	The ERIC service be re-established as free to all Wirral domestic householders	£400,000
----	--	----------

Conservatives are concerned about the level of fraudulent claims of benefits administered by the Council and welcomes the centralisation of the Fraud Team into DWP. However we believe that the Council will still require adequate capability in this area to crack down on any remaining benefit fraud including: Council Tax single person discounts, local Council Tax support scheme, Discretionary Housing payments, falsely claimed grants and procurements.

10)	Establish an Anti-Fraud Unit within the Resources Directorate	£60,000
-----	---	---------

## Council Tax

As the Government's long term plan is working, pensioners who have played by the rules, worked hard, paid their taxes and now find themselves on a fixed income should be provided with the support they need to enjoy their retirement. We disagree with the Labour proposal to remove the local pensioner discount to households in Council Tax bands A-D

11)	Continue local pensioner discount to over 70's households in Council Tax bands A-D for a further year.	£600,000
-----	--	----------

## Savings

We believe all elements of the Council; Councillors, the Council bureaucracy and Council staff need to play their part and do all we can to ensure Council spending is kept under control.

### Delete the following items:

	As Trades Unions are wealthy organisations we do not believe the Council Taxpayer, or school budgets, should be expected to fund Full Time Trades Union Officials	£125,000
	Noting the Administration's wish to spend in combination an additional £1.2 million (£900,000 Local Welfare Assistance Fund & £300,000 Discretionary Housing Payments) this total be reduced, pro rata, to £900,000 and the resultant saving be utilised for the Targeted Employment Initiative	£300,000

	Reduce Councillors Training Budget from £36,900 to £6,900	£30,000
	Remove 'Alternative Support to Councillors' Budget and the free taxi facility for journeys to and from the Town Hall	£73,300
	Withdraw from membership of SIGOMA	£3,000

Whilst not providing a saving this year, we believe savings will be available in the future and that Council Officers should develop a detailed plan to reduce the overall number of Councillors by one third.

	Reduction of 2.5 posts from the 14.9 FTE Strategy, Policy, Performance and Scrutiny Function	£100,000
	Reduction of 2.5 posts from the 18.1 FTE Press, Marketing and Design Team	£100,000
	Reduce the Officer Training Budget and reduction in Organisational Development Staffing budget of £612,000 to £512,000	£100,000

Council notes the discipline and management of the Strategic Change Programme (SCP) delivered £10.725 million of cashable benefits in the 2010/11 financial year. The Conservative Group remains disappointed that the Labour Administration formed in May 2011 did not actively manage the SCP and the opportunity it provided to reduce year on year revenue expenditure during the year was ignored.

Following the failures of the Shared Services and Merged Services projects it would now appear the Council is only left with the 'Future Council' project which encompasses the 'Remodelling of Wirral Council'.

We are concerned that the ambition, discipline, rigor, risk management and political accountability required for this change portfolio is seriously lacking and the current approach has the danger of breaking any political consensus around the structural changes required to the Council. We therefore recommend the establishment of a Strategic Change Board on an all-party basis to be led by the Leader of the Council.

<p>We will vary the savings target to be delivered from 'Transforming Wirral Council' from £9.4 million to £10.4 million. We note this remains in the lower quartile of Ernst and Young's projections and therefore, by taking immediate action to strengthen the focus of this Change Programme it will deliver an additional £1,000,000 of cashable benefit over the next two years. To allow time for the project team to put in place the required project management oversight and rigour we will back load the savings.</p>	<p>£300,000</p>
---	-----------------

### Balances & Reserves

<p>We note that the Prime Minister and Secretary of State for Communities and Local Government has recommended that Councils use their reserves for the benefit of local residents. Therefore following an in-depth analysis of the General Fund Balances and associated risk assessments we believe that a degree of duplication has taken place.</p> <p>We believe that if a prudent risk aware approach is taken the likelihood of needing all of the balances identified in 2015/16 is unlikely and that they can be reduced by 10% releasing £1.7 million to support the Budget Amendment.</p>	<p>£1.7 million</p>
<p><b>Reserves:</b> We believe that the Remodelling Reserve rather than simply being used by the Administration to pay for redundancies and IT spending should be used to invest in delivering high quality and efficient services for the people of Wirral. The investment to develop an integrated Social Care and NHS Trust fulfils this purpose.</p>	<p>£200,000</p>
<p>Working Neighbourhood Fund (utilised for targeted employment initiative)</p>	<p>£700,000</p>
<p>Waste Development Fund (utilised for a free ERIC service)</p>	<p>£400,000</p>
<p><b><i>We note that this leaves £14 million in the Remodelling Reserve, £5 million in the Waste Development Fund and £16 million in the General Fund Balances.</i></b></p>	

## **Council Loans**

Conservatives believe that the money raised from hard working Wirral Council Taxpayers should be used for the benefit of Wirral residents and not lent out to other councils at 'bargain basement' rates. We therefore demand that Cabinet instructs Officers to produce an urgent report on how these loans (£8 million) can be recalled and Taxpayer's money can be used for the benefit of Wirral residents.

**For the avoidance of doubt it should be noted that this budget amendment will:**

**Keep children and vulnerable people safe**

**Financially protect pensioners over 70 living in Band A-D households**

**Reduce welfare spending and increase employment opportunities**

**Crack down on Benefit Fraud**

**Provide the tools to integrate Health & Social Care services**

**Unleash the potential of all local residents to prioritise, design and improve the services that serve our neighbourhoods**

**Reduce waste and result in a zero percent Wirral Council Tax increase**

## **The Statutory Calculations and Resolution**

It be noted that in accordance with Section 31B of the Local Government Finance Act 1992 (as amended), that Cabinet on 9 December 2014 calculated the Council Tax Base 2015/16 for the whole of the properties in its area as 89,344.9 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2015/16 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) ("the Act");

- a) £114,206,012 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2015/16 (item R in the statutory formula). This amount (D) is determined as being the difference between:
  - i) £725,401,275 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) £611,195,263 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 (a) above, and required to be transferred from its Collection Fund to its General Fund in the year.

- b) £1,278.26 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2015/16. This amount being calculated as item R divided by item T (as above).
- c) that in accordance with section 36(1) of the Act that the following amounts are calculated for each valuation band in the area:

#### **Wirral – Basic Amount Of Council Tax Per Valuation Band**

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 in (c) above as the Council's Basic Amount of Council Tax for 2015/16 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 Comparison For Referendum**

	2014/15	2015/16	Change
	£	£	£
Band D	1,278.26	1,278.26	Nil

To note that the Police and Crime Commissioner for Merseyside and the Merseyside Fire and Rescue Service have issued 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 as indicated in the tables.

#### **Police and Crime Commissioner for Merseyside (figures are awaited)**

A	B	C	D
E	F	G	H

### **Merseyside Fire and Rescue Service (figures are awaited)**

A	B	C	D
E	F	G	H

That having calculated the amounts for Wirral together with the Police and Fire the Council in accordance with Section 30 (2) of the Act hereby sets the following amounts as the total amount of Council Tax for the year 2015/16 for each of the categories of dwellings.

### **Total Council Tax for Wirral (awaiting figures for Police and Fire)**

A	B	C	D
E	F	G	H

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

That for the financial year 2015/16 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 2015 (but where the qualifying age criterion is met after 1 April 2015 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.