



**2016/17 Budget Proposals**

**Scrutiny Report of the Transformation Resources  
Policy & Performance Committee**

**January 2016**

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## **1. INTRODUCTION BY THE CHAIR**

This report sets out the Transformation and Resources Policy and Performance Committee's feedback in relation to the 2016/17 budget proposals, reported to Cabinet 17 December 2015.

The committee has followed the budget scrutiny process as set out by Coordinating Committee 10 December 2015 and a dedicated budget workshop was held on the 14<sup>th</sup> January 2016. This provided the committee with the opportunity to examine in greater detail a number of budget proposals affecting services that fall under the remit of the committee. The budget proposals selected for further examination were identified by the Chair and spokespersons as those deemed to be of greatest significance in terms of value and the public interest. This report summarises the proposals scrutinised and the comments and suggestions of Members attending the workshop.

**Councillor Janette Williamson**

## **2. INCOME / RESOURCE MANAGEMENT**

### **2.1 COUNCIL TAX INCREASE OF 1.99%**

#### **Summary of Proposal**

The proposals would involve increasing the Wirral element of the Council Tax by 1.99% in 2016/17. This is the maximum amount permitted under the current Government Council Tax Referendum rules which has been set at 2% for all authorities (with the exception of Police and Crime Commissioners and shire district authorities). The proposed increase meets with requirement being implemented through the annual Council Tax billing. The proposal would generate an increase of approximately £2.2 million.

#### **Committee Members' Comments**

- There was a query about whether the proposal includes any potential drop-off as a result of non-payment. Clarification was provided that the figure is based on the calculation of the Council Tax Base which includes an assessment of the Collection Rate.
- A question was raised about the Government's Council Tax Freeze Grant and whether this was still available for authorities that chose not to increase their Council Tax. It was confirmed that this Grant is not available for 2016/17 and the Government is projecting that all authorities will increase Council Tax.
- It was noted the increase relates just to the Wirral element of Council Tax and there is the potential that Police and Fire precepts will also increase for 2016/17.

### **2.2 COUNCIL TAX ADULT SOCIAL CARE PRECEPT**

#### **Summary of Proposal**

Under government proposals Adult Social Care authorities will be able to increase their Council Tax by 2% over the existing referendum threshold (see above), with the proviso that the additional 2% 'precept' is spent on adult social care services. This will have to be separately itemised on Council Tax bills. Section 151 Officers of local authorities that increase tax for this purpose will be expected to notify the Secretary of State of the amount intended to be raised through the additional precept and what impact it has on previous plans for adult social care budgets. This will then be verified through various existing financial statutory returns. The proposal would generate an increase of approximately £2.2 million.

#### **Committee Members' Comments**

- Concern was raised that the proposal would only go towards meeting the adult social care budget shortfall. It was clarified that the council was still seeking to make efficiencies in how social care funding was invested.
- It was observed that increasing Council Tax has a disproportionate benefit in terms of revenue generation in those authorities with larger numbers of higher banded properties compared to authorities with a larger number of low banded properties. This reflects the potential to generate income rather than the Revenue Support Grant which is targeted to those authorities based on need. This Grant is being reduced and phased out by the Government.
- Whilst concern was noted about costs being passed on to residents, it was acknowledged that most Adult Social Care authorities are planning to increase Council Tax and introduce the Adult Social Care precept for 2016/17.

- Concern was expressed that this precept could potentially signal the beginning of Council Tax rises for other services in future years.

## **2.3 NEW HOMES BONUS AND TAX**

### **Summary of Proposal**

The proposal includes two components. The first is the income that is due from the New Homes Bonus based on the number of new properties that have been built in the year to October 2015. It includes an element for affordable housing. The provisional announcement made in December 2015 indicated that Wirral would receive the sum of £600,000 in 2016/17.

This second component is the income that will be due from more households paying Council Tax in 2016/17. The Council Tax Base 2016/17 report to Cabinet indicated that the Tax Base has increased and will result in new income of £1.4 million. With £0.3 million of this already included in the Council's financial projections, the balance of £1,093,000 will be achieved.

### **Committee Members' Comments**

- Members were keen for the Council to promote new housing development generally and specifically properties in band D and above as a means to generating a higher tax return for the authority.
- It was acknowledged that each development is dependent on the locality, the planning applications submitted by developers and a permission being granted. Progress is then reliant upon the developer undertaking the building of the homes which depends upon a number of factors which include whether the properties will be sold. The Council also needs to consider the wider housing needs of the borough such as extra care housing.

## **2.4 PROCUREMENT CONTRACT**

### **Summary of Proposal**

The proposal worth £350,000 represents a saving through the Council's Matrix Contract via a rebate received when agency employees are taken on through Matrix across the Authority.

### **Committee Members' Comments**

- Concern was raised about the size of the Council's agency spend generally and the figure for November 2015 which seems particularly high.
- It was acknowledged there will always be a need to employ some agency staff. However, there has been an on-going issue in relation to the recruitment and retention of social workers due to different terms and conditions in other authorities.
- It was recognised that social worker pay has been reviewed as a means to address this issue. Members were keen to know if there had been a positive impact as a result of this.
- Members suggested that reviewing the causes of agency spend was an area that required greater attention as it could uncover further budget savings opportunities. Committee was advised that the Budget was based upon posts being occupied by permanent members of staff. Agency staff are recruited when essential to fill vacancies and come at a higher price which increases costs resulting in a 'potential overspend'.
- It was also suggested the use of consultants could be reviewed as a means to make potential savings. As with agency staff consultants are engaged for a specific period or on a short-term basis to fulfil specific roles.

### **3. DELIVERING DIFFERENTLY**

#### **3.1 ANTI-SOCIAL BEHAVIOUR PROVISION**

##### **Summary of Proposal**

This proposal involves reconfiguring the Council's anti-social behaviour provision. Additional 'Stay Safe' operations have been made available through constituency committees in 2015/16 and this would be reduced back to previous levels. The service would also be reconfigured to target resources in areas of most need.

##### **Committee Members' Comments**

- It was noted the residents' survey highlighted community safety is a higher priority for Wirral residents in some parts of the borough.
- It was also acknowledged anti-social behaviour data shows a success in Wirral with levels of reported ASB reducing every year for the last five years.
- Members were supportive of the Stay Safe operations and were keen to ensure that the shift towards a new approach would continue to provide support to those who were most in need of the service.

#### **3.2 COMMUNITY PATROL**

##### **Summary of Proposal**

This proposal would see a restructure of the Community Patrol service towards a more financially self-sufficient model through increased contracts with partners. The restructure would also involve a reconfiguration of shift patterns. The proposed approach would allow the Council time to conduct a longer term review of the Community Patrol service and its core service offer to explore alternative future delivery options.

##### **Committee Members' Comments**

- It was acknowledged there is competition from the private sector which emphasises the need for the Council to review its service offer for Community Patrol.
- The current funding model is complex and this will need to be considered as part of the service review.
- There were concerns around the extent to which the Community Patrol service would continue to offer an estate response service in areas where there was no contract with a Registered Landlord.
- Members recognised the value of this service to local communities.
- Concerns were raised that continued uncertainty around the future of this service would adversely affect staff morale.

### **3.3 DOG FOULING ENFORCEMENT TEAM**

#### **Summary of Proposal**

The proposal will involve transferring to an alternative delivery model for dog fouling enforcement throughout the borough. This will involve commissioning a private organisation to deliver enforcement activity, based on the same approach as has been successfully implemented to reduce litter. It will result in dog fouling enforcement being delivered on a no-cost basis to the Council.

#### **Committee Members' Comments**

- Members acknowledged that dog fouling remained an issue in the borough and suggested that a private sector partner may be more successful in changing community attitudes towards dog fouling.
- It was acknowledged that the proposal would lead to multi-skilled enforcement officers which would add value to the service.
- It was noted that Wirral does not currently charge the maximum permitted penalty for dog fouling and Members believed that increasing this to the maximum amount would send a strong message to the local community on this issue.
- It was acknowledged that new legislation allows for dog walkers to be fined if they are not carrying litter bags. Officers confirmed that public consultation would be required prior to the introduction of such a policy in Wirral.
- Members stressed the importance of education and improved facilities i.e. bins as additional tools to combat dog fouling. Members were keen to ensure that enforcement did not become the sole focus of the Council's response.

### **3.4 LIBRARIES**

#### **Summary of Proposal**

This proposal would see the Council save £203,000 through working with community organisations and volunteers to increase their involvement in delivering community library services.

Many community organisations, groups and volunteers already take an active role in running their local library. Encouraging more of this work will allow the Council to make the savings needed while keeping the facilities available for the communities who want them.

Over the course of the next year up to 12 of the 24 Council library services could transfer to community delivery. Details of specific libraries which may transfer will be dependent on expressions of interest received. Invitations for expressions of interest will be sent out from the end of January.

#### **Committee Members' Comments**

- It was acknowledged the response from the residents' survey indicates that people think this should not be one of the Council's higher priorities.
- Members were concerned over the viability of contingency plans in the event that community groups did not come forward in sufficient numbers.

- Members were also concerned about the process for determining which library services the Council would continue to operate and which would transfer to the community.
- It was suggested there may not currently be sufficient capacity within certain communities and community groups to deliver library services autonomously. There is a question mark over the readiness of groups to take on these responsibilities from April 2016.
- It was acknowledged there is no prescribed model for community groups running library facilities. There are a variety of models in operation around the country and the Council will adopt a flexible approach rather than a single model. The level and nature of community involvement will be determined locally following discussions with interested groups.
- Given the financial forecast in the coming years it was suggested that this proposal be viewed as a direction of travel as a means to keep all 24 of Wirral's library facilities open in the long term. Whilst there remain some uncertainties, the proposal should be supported to explore all options and models available in order to achieve this.



## **4. SERVICE CHANGES**

### **4.1 DISCRETIONARY HOUSING PAYMENT**

#### **Summary of Proposal**

The Council receives a grant from Government to pay for Discretionary Housing Payments (DHP). These are extra payments to people receiving housing benefit who need more help with their housing costs. The grant falls short of the maximum permitted total that an authority can spend up to, with authorities having the option to meet some or all of the difference through a local financial contribution. The demand for support consistently exceeds provision and Wirral has recently 'topped up' the grant to cover these costs. The DWP have not yet advised LA's of their respective grant allocation in respect of 2016/2017.

This proposal would achieve savings of £300,000 by removing the Council 'top-up' and limiting payments to the level of the government grant amount. There would be a review of how the available grant is administered to target the most deserving cases.

#### **Committee Members' Comments**

- It was highlighted the DHP grant has been reducing over the last few years. Wirral has taken the decision to 'top up' the grant and manage the fund throughout the year. Other councils only provide additional funds once the government grant is spent and some authorities do not top-up at all. A range of approaches are adopted across the Liverpool City Region.
- It was acknowledged the fund is managed tightly to target those in greatest need. The policy would be further reviewed in the light of this proposal to ensure funding available is allocated most effectively.
- Members expressed their concerns about this proposal and the potential impact on some of Wirral's most vulnerable residents.
- It was suggested that a different option could be considered which would involve not saving the full amount but holding something as a contingency i.e. a percentage of the top-up based on historic spending levels. This could be added to the grant and used if required, with any underspend being carried over into the next year's fund.

### **4.2 CLOSURE OF WELFARE RIGHTS UNIT**

#### **Summary of Proposal**

The Council Welfare Rights Service provides advice, case work and advocacy to residents in respect of all Welfare Benefits, working closely both with the DWP and HMRC and achieves increased benefits awards for those residents, in excess of its annual costs.

This option would involve the Council stopping this service on the basis that similar services (funded by the Council) are delivered by independent providers within the voluntary and community sector such as the Citizen's Advice Bureau, Involve Northwest, Age UK etc.

#### **Committee Members' Comments**

- Concern was raised over this proposal and the potential loss of what was viewed by Members as an important service.

- Concerns were also expressed about other agencies' capacity and capability to provide this service particularly in the current climate of continuing welfare reform. It was noted that agencies such as CAB were already stretched.
- Members were keen to point out the Welfare Rights Team are experienced staff providing specialist advice. In contrast many of the voluntary and community sector counterparts provided more general advice services.
- It was noted that the revenue generated by this service through benefit take up, vastly exceeded the cost of the service.
- It was also highlighted that the team is valued as an internal resource providing advice to other service departments, such as Children's and Adult's Social Care Services and the Personal Finance Unit. Therefore its loss would have a wider impact for the Council in terms of accessing advice and expertise.
- It was noted that the welfare rights team provides training to voluntary and community sector welfare rights staff. There was a suggestion that the team could charge for this training to raise income and off-set costs.
- Members requested that officers undertake a cost benefit analysis exercise to better understand the value of this service. It was acknowledged this would be difficult to achieve, although the team has recently started to capture income generation as a result of advice services provided.
- It was suggested the Council conducts a wider review of welfare advice services to highlight any gaps in provision and areas of duplication. This would provide the basis for a review of future service delivery models, with consideration given to partnership working, shared resources and achieving value for money.
- Members were keen for the value of the service to be better understood in terms of income generation (through take-up of benefits) and revenues to the Council in advance of this service being lost. The increasing demand on welfare advice and representation, with the implementation of key changes, such as Universal Credit and Personal Independent Payments, was also seen as a reason for maintaining existing service provision.

## **Appendix 1 – Workshop Attendance**

### **Councillors**

Janette Williamson (Chair)  
Tom Anderson  
Bruce Berry  
Steve Foulkes  
Matthew Patrick  
Tracey Pilgrim  
John Salter  
Adam Sykes  
Joe Walsh

### **Officers**

Tom Sault	Head of Financial Services
Mark Camborne	Head of Corporate and Community Safety
Peter Aspinall	Strategic Library Manager
Julie Mann	Principal Librarian
Toni Bosworth	Customer Service Development Team Manager
Lisa Jamieson	Transaction Centre Senior Manager
Nicky Dixon	Senior Benefits Manager
Mike Callon	Team Leader – Performance / Scrutiny
Patrick Torpey	Scrutiny Support Officer