

CONSERVATIVE GROUP BUDGET AMENDMENT 2017/18

Proposed by Councillor Jeff Green

Seconded by Councillor Lesley Rennie

Amendment to Cabinet minute 91 (1)

Wirral Conservative Group recognises the challenging environment for Local Government spending in the 2017/18 financial year. We note the base budget for 2016/17 contained some £127.1 million from Revenue Support Grant, Business Rates Top-Up and Business Rates Baseline and in 2017/18 contains £119.7 million from Business Rates Top Up and Business Rates Pilot Scheme. This excludes New Home Bonus and additional £4 million received for S31 Grants.

We note that Council income for 2017/18 is estimated at £266.2 million (£264.6 million last year) and the cost of services to be delivered £254.2 million (£252.6 million last year) and there is an excess of income over expenditure of some £12 million.

We note:

The Council will have more income than last year and will spend more

The Council has £72 million cash in the bank

The Labour Administration Budget envisages

- £50 million Reserves
- £10 million in General Fund Balances

In addition to the above we also note the hard working taxpayers of Wirral will once again be charged a further £12 million (in a Revenue Budget Contingency) as a cost of continued incompetence and in anticipation of the Labour Administration, yet again, failing to effectively deliver its change portfolio. **(Page 47 Budget Cabinet 20th Feb Appendix 5 refers)**

However, despite the challenging environment, the Conservative Group believe a number of the choices made by the Labour Administration in drawing together this budget are wrong. For example, their insistence in maintaining 'Wirral View' (which we believe is a Council Newspaper) at a cost of £270,000 while introducing car parking charges at Wirral Parks to raise £150,000.

Our budget amendment therefore seeks, within the overall spending and total income projections framework set out by Council Officers, to protect and enhance services and develop a Council that works for everyone.

We therefore amend the Cabinet Resolution in respect of the Revenue Budget and Capital Programme as follows:-

Wirral residents love their parks (over 17,000 people have signed petitions to this effect) and have already paid for their upkeep via Council Tax. We do not believe residents should be charged twice.

1)	Remove Cabinet car park charges in Wirral Parks	£150,000
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We believe any increase in parking charges will have a damaging effect on Wirral's shopping centres.

2)	Remove Cabinet 20p increase in car park tariffs	£220,000
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We do not believe it is fair to charge volunteers and charities up to £1000 to hold events in our parks or on our beaches.

3)	Remove Cabinet 'event' fees and charges for charities	£50,000
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At a time when the Government is devolving powers to City Regions we believe the Council should recognise that Constituency Committees have an increased role to play in determining and delivering local priorities, including environmental improvements, that are important to our residents.

4)	Remove Cabinet cut to Constituency Committee funding for 2017/18	£200,000
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Since the announcement of the intended closure of Girtrell Court, we have consistently campaigned on behalf of service users, families and staff. In this amendment we are honouring our pledge.

5)	Invite Sanctuary Supported Living to offer a 20 bed respite service at Girtrell Court. The Council to provide £1million for improvements and refurbishments at Girtrell Court through inclusion in the Capital Programme.	£395,000
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The Multi Systemic Therapy (MST) programme works with families where young people (aged 13+) are involved in violence, juvenile offending, drug and alcohol misuse.

6)	Replace withdrawn financial support for the (MST) Programme	£175,000
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We share the concerns of the Administration and the LGA regarding Social Care funding. However we believe new initiatives to integrate health & care services through highly skilled, self-managing teams (Nederlands' Buurtzorg Model) could provide a counter intuitive approach to the current delivery model, saving costs, raising quality and improving service users experience and satisfaction.

7)	Partner with University to develop options appraisal, business case and pilot introduction of 'Buurtzorg Model' of integrated Health & Home Care services into Wirral. As this is integral to taking forward the future of Social Care it will be a charge on the Capital Transformation Programme.	£100,000
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We welcome the £10 million capital (one off) investment for 2017-2018 to transform Children Services following the recent shaming Ofsted Inspection. We urge early all party discussions to ensure this investment can be maintained in future years.

If the Leader of the Council continues to avoid making a clear and unambiguous statement that the development of 'The Hive' will not lead to reductions in facilities or funding to the Council's existing pattern of Youth Hub provision up to 2020. Council should allocate the necessary funding to ensure current facilities remain open.

Savings

We believe, in a challenging financial period, all elements of the Council; Councillors, The Council Bureaucracy and Council staff need to play their part and do all we can if we are to ensure all residents receive value for the Council Tax we pay.

We have consistently warned that now is not the time for novices to the newspaper industry to produce a new print title. Wirral has two established, free, independent newspaper titles the Wirral News - circulation 28,095 copies and Wirral Globe total circulation 97,368 copies (71% of households). We note the appalling distribution record for the Council 'Newspaper' and also believe that the 'Wirral View' breaches the Government Code of Practice for Local Authority Publicity. In order to support front line services we will hypothecate the following saving to remove car parking charges at Wirral Parks.

1)	Delete budget for the Wirral View	£152,000
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The Council employs 3528 staff (2878 FTE) and has recently completed a management restructure. The Leader of the Council is no longer Chair of the Combined Authority and the City Region Mayor will be elected in May therefore:

2)	Delete post of Executive Support Officer to Leader of Council	£56,000
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Council was refused the opportunity to 'Call In' the Investor Development Manager post to scrutinise whether it was required. Council notes it already employs a 'Strategic Commissioner for Growth' therefore:

3)	Delete post of Investor Development Manager	£80,000
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The Leader of the Council has asserted that 'the Council is facing its most difficult financial position it has ever found itself in'. We therefore believe any budget proposal should demonstrate that 'back office' activities are being proportionately reduced to support front line services. Therefore:

4)	Delete 50% of 18 FTE posts in Press & PR Office	£350,000
5)	Delete 25% of 21 FTE posts in Performance & Intelligence Team	£250,000
6)	Delete 25% of 12 FTE posts in Policy & Strategy Team	£100,000
7)	Delete 25% of 18 FTE posts in Transformation Programme <i>It is recognised that this is a saving to the capital programme</i>	£160,000

We note that the Administration has no permanent budget for Interim and Contractor appointments and yet has still managed to spend £641,726 in 2016-2017.

8)	Note 2016/017 (excluding Children's & Adult Services) £641,726 costs of 'Interim' and 'Contractor' appointments. The Chief Executive is instructed to ensure that the spend in 2017/18 (excluding Children's & Adult Services) is cash limited and no greater than £500,000	£150,000
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We note the Leader of the Council's commitment to ensuring no housing development takes place in the Green Belt. Given the Hoylake Golf Resort is predicated on the building of 200 dwellings this will mean that this development is no longer viable.

9)	Following the Leader of the Council's changes of mind on housing development in Green Belt, delete the new fee and site investigation works budget for Golf Resort	£200,000
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Future Savings

We note that the Council workforce continues to reduce at the same time their terms and conditions are being eroded via unpaid leave, etc. Whilst not providing a saving this year we believe Councillors should play their part and instruct Council Officers to develop a detailed plan to reduce the overall number of Councillors by one third.

We note that last year we requested Officers to bring forward a report on how Wirral can become self-sufficient in energy use. To date the Administration has been silent regarding whether any initiative will be progressed – we recommend urgent action to identify savings to the £3.8 million the Administration will spend on energy in the 2016-2017 financial year.

Last year we warned that unless there was greater ambition, discipline, rigor, risk management and political accountability the identified Change Portfolio would not deliver the structural changes required to the Council. At that time we also recommended the establishment of a Strategic Change Board on an all-party basis to be led by the Leader of the Council.

It gives us no satisfaction to have to point out that following the Council Leader's rejection of this offer, his Labour Administration has yet again failed to deliver the

benefits of its own Change Portfolio (a £1.7 million shortfall in the delivery of the Future Council Re-modelling Project). We are concerned that unless serious and meaningful action is taken around governance and a clear focus applied to outcomes/benefits the £40 million savings promised by 2020 will be unattainable.

We note no reported action has been taken during 2016-2017 to better share IT, HR, payroll, finance, legal services & procurement across the Wirral Partnership. At a time when the Leader of the Council tells us the Council is facing the most difficult financial position it has ever found itself in' we believe the Administration continues to waste this opportunity.

With the Leader of the Council's stated aim to develop a range of new delivery models for Wirral services. We note that 8 permanent Senior Wirral Executives earn in excess of £100,000 and the Chief Executive receives a salary higher than the Prime Minister. We recommend a joint task force of Councillors and Trades Unions be formed to review Wirral Council's Executive's pay and performance.

A time of great change is also a time of great uncertainty for staff which can lead to stress, greater absences or drop in performance to the people the Council exists to serve. We believe that the Leader of the Council can mitigate this risk and alleviate staff fears by stating clearly that staff representation rights and their terms and conditions will remain the same in any new delivery models or new arm length organisations (ALOs) being developed as part of the Council's Transformation Programme.

This amendment is made having regard to the Chief Financial Officer Statement regarding the robustness of the estimates made for the purpose of the Budget and the adequacy of the General Fund balances and reserves.

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 8 December 2016 calculated the Council Tax Base 2017/18 for the whole of the properties in its area as 91,309.5 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2017/18 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) ("the Act");

- a) £127,430,400 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2017/18 (item R in the statutory formula). This amount (D) is determined as being the difference between:
 - i) £808,434,400 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) £681,004,000 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) £1,395.59 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2017/18. 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
£930.40	£1,085.46	£1,240.53	£1,395.59
E	F	G	H
£1,705.72	£2,015.85	£2,325.99	£2,791.18

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 2017/18 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 5% or above for those authorities with Adult Social Care responsibilities.

Wirral – Basic Amount of Council Tax Comparison for Referendum

	2016/17	2017/18	Change	Change
	£	£	£	%
Band D	1,329.26	1,395.59	66.33	4.99

To note that the Police and Crime Commissioner for Merseyside and the Merseyside Fire and Rescue Service 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. These have been notified as follows:-

Police and Crime Commissioner for Merseyside

A	B	C	D
£110.65	£129.09	£147.53	£165.97
E	F	G	H
£202.85	£239.73	£276.62	£331.94

Merseyside Fire and Rescue Service

A	B	C	D
£49.56	£57.82	£66.08	£74.34
E	F	G	H
£90.86	£107.38	£123.90	£148.68

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 2017/18 for each of the categories of dwellings.

Total Council Tax for Wirral

A	B	C	D
£1,090.61	£1,272.37	£1,454.14	£1,635.90
E	F	G	H
£1,999.43	£2,362.96	£2,726.51	£3,271.80

WIRRAL COUNCIL

REVENUE BUDGET 2017/18 – CONSERVATIVE AMENDMENT

	Base Budget 2016/17	Base Budget (Pilot Scheme) 2017/18
	£	£
INCOME		
Revenue Support Grant	50,710,000	-
Business Rates Baseline	34,827,900	-
Business Rates Pilot Scheme	-	67,941,000
Business Rates Top Up	41,630,000	51,834,000
Business Rates S31 Grants	2,193,700	6,460,000
Council Tax Requirement	120,274,100	127,430,400
New Homes Bonus	3,177,900	2,264,100
Contribution to Business Rates Reserve	-	- 5,373,400
Contribution from Balances & Reserves	11,782,100	15,632,500
FORECAST INCOME	264,595,700	266,188,600
EXPENDITURE		
People		
Adult Care & Public Health	71,835,700	76,228,700
Children & Families	74,056,600	79,531,600
People Total	145,892,300	155,760,300
Environment		
Environmental Protection	28,425,000	27,427,900
Housing & Communities	17,126,900	16,086,400
Leisure & Culture	17,789,800	16,532,200
Environment Total	63,341,700	60,046,500
Business		
Business & Tourism	2,360,600	2,408,600
Transport, Technology & Infrastructure	36,954,700	34,149,400
Resources	1,684,500	990,400
Transformation & Improvement	2,361,900	833,400
Business Total	43,361,700	38,381,800
Revenue Contingency		
Adult Social Services	3,900,000	5,400,000
Children and Young People	5,000,000	5,000,000
Other Areas	3,100,000	1,600,000
Contingency Total	12,000,000	12,000,000
FORECAST EXPENDITURE	264,595,700	266,188,600