

LIBERAL DEMOCRAT GROUP – BUDGET AMENDMENT 2018/19

Date of Budget Council: **Monday 5 March 2018**
Date submitted: **Wednesday 28 February 2018**
Proposed by: **Cllr Phil Gilchrist**
Seconded by: **Cllr Alan Brighouse**

(a) “The proposals for 2018/19 as set out at Appendix 2 be approved”, subject to these Amendments:

1. Council recognises that Wirral needs to respond to the serious financial position as a result of lost national revenues (RSG) and the shift of the burden from the national taxpayer to the Council taxpayer. It is unlikely that the local economy can grow quickly enough to fill the budget gap.
2. Council notes that the proposed budget makes extensive use of the reserves, insurance fund, transformation fund and minimum revenue provision to maintain services. Council is not convinced that the best use of these existing and additional resources is yet being made. Council believes that the budget should be referred back to the Cabinet for consideration of the following issues.

3 THE NEED TO CREATE AN EFFECTIVE CHILDREN’S SERVICE

Council is clear that investment in Children's Services is necessary. It will not be effective unless it turns the culture and working practices of the teams around after the critical OFSTED report. Wirral's families need this process to be successful for the benefit of children at risk. The investment will fail unless it is backed up with rapid action to improve the management and supervisory structure. There is a need to replace agency workers with permanent staff.

4 THE NEED FOR PROJECTS THAT BRING RESULTS

Past projects have led to speculative schemes, such as the International Trade Centre, that failed to find backers with real funds to invest. The Council has yet to see real results from the visit undertaken to China at Council taxpayers' expense. Council has concerns about the democratic accountability of the Growth Company and its associated schemes which will take time to come to fruition. The Cabinet needs to be open about the reason and cost of acquisition of the Europa building. The public needs to know the hidden purposes behind these acquisitions.

5 THE NEED TO CHALLENGE INEFFECTIVE AND WASTEFUL SPENDING ON PUBLICITY

In 2017, £30,000 was spent on a MORI survey aimed at informing Council of residents' priorities. There is no evidence that this has informed the current budget. Where the Council has embarked on introducing car parking charges it has done so in the face of overwhelming public opposition.

The delivery of Wirralview, seeking a response to the extension of car parking charges, after the closure of the consultation was a waste of resources and insulting to residents. Council remains of the opinion that Wirralview does not represent an effective use of resources.

6 THE NEED TO CHALLENGE INEFFECTIVE AND WASTEFUL SPENDING ON CONSULTANTS

Council also questions whether the extensive use of Interims and Consultants which reached over £12,000 a day at its peak in January 2018 provides value for money. Even if their effective short term use can be demonstrated, Council calls for their employment to finish as soon as practicable. Over £300,000 was spent on consultants considering the various options for Leisure, Library and Cultural Services. Council therefore seeks confirmation that the budget enables these services to be maintained.

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7 THE NEED TO ENSURE CONTINUITY OF SENSORY SERVICES FOR CHILDREN

Council believes there is a need to involve organisations who have raised concerns about the redesign of SEN support services to include traded services for sensory services (Schools Budget proposal xi). The lack of consultation with sensory service users and advocacy groups has led to criticism and potential challenge from the National Deaf Children's Society. The proposal should be put on hold and become the subject of a formal consultation with service users and advocacy groups such as NDCS as required by the Children and Families Act 2014 when an authority intends to change its 'local offer'.

8 THE NEED FOR EFFECTIVE AND MEANINGFUL REPORTING

Council considers that Cabinet Members must provide more meaningful reports to each Council meeting on their activities and decisions. The practice of filling portfolio reports with press release material needs to end.

9 THE NEED FOR CLEAR BUSINESS CASES AROUND CHANGE

Council believes that ending outsourcing of day to day highway and footway repair works presents an opportunity to make savings out of the time consuming and wasteful exchanges between the Council and the contractors. Council calls for streamlined processes that will provide a more timely response to the potholes that frustrate drivers, users of motorcycles, cyclists and pedestrians. Investment is undoubtedly needed in Wirral's roads, pavements and street lighting.

10 THE NEED TO PREPARE FOR THE FUTURE

Council believes that Cabinet should ensure that additional resources are provided:

- (a) to enable the planning team to process applications more quickly and secure an updated Local Plan. This is especially relevant in view of the Secretary of State's intervention.
- (b) to consult upon and prepare for the introduction of the Community Infrastructure Levy. Developers should contribute to the impact of new housing on local communities and the extra infrastructure needed. Other councils have done this - Wirral should too.
- (c) to support people struggling to cope with all the pressures around the change to Universal Credit. It is already apparent that the need for advice and support is requiring our staff to go the extra mile to meet recipients' needs. This was clearly highlighted at the recent scrutiny workshop. Cabinet needs to review the resources available as this pressure develops.
- (d) to ensure that a robust response is provided to the Government's consultation around 'fair funding'.

11 Council requires that Cabinet, in implementing the Budget, ensures that the investment in Children's Services secures the required changes in management and culture in a timely manner.

(ii) that the Budget Proposals are amended such that provision is made (as a balanced variation of £400,000) for:

- 1. abandoning the extension of car parking charges to coastal areas which continue to face strong public opposition, along with those recently introduced to the country parks (-£250,000);
- 2. freeing up capital that might be spent on car parking machinery and using it as capital to fund minor road improvements (-£150,000);
- 3. limiting the expenditure on consultants and interims (£260,000);
- 4. realising savings from the cessation of WirralView (£140,000);

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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 18 December 2017 calculated the Council Tax Base 2018/19 for the whole of the properties in its area as 92,255.9 for 2018/19 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2018/19 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) (“the Act”);

£136,464,000 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2018/19 (item R in the statutory formula). This amount (D) is determined as being the difference between:

- i) £844,168,000 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) £707,704,000 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.

£1,479.19 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2018/19. This amount being calculated as item R divided by item T (as above).

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

2018/19

A	B	C	D
£986.13	£1,150.48	£1,314.84	£1,479.19
E	F	G	H
£1,807.89	£2,136.60	£2,465.32	£2,958.38

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.

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It be determined that the amount set in (c) above as the Council's Basic Amount of Council Tax for 2018/19 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 6% or above for those authorities with Adult Social Care responsibilities.

Wirral – Basic Amount of Council Tax Comparison for Referendum

2018/19

	2017/18	2018/19	Change	Change
	£	£	£	%
Band D	1,395.59	1,479.19	83.60	5.99

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 are indicated in the tables below.

Police and Crime Commissioner for Merseyside

A	B	C	D
£118.65	£138.42	£158.20	£177.97
E	F	G	H
£217.52	£257.07	£296.62	£355.94

Merseyside Fire and Rescue Authority

A	B	C	D
£51.04	£59.55	£68.05	£76.56
E	F	G	H
£93.57	£110.59	£127.60	£153.12

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 2018/19 for each of the categories of dwellings.

Total Council Tax for Wirral

A	B	C	D
£1,155.82	£1,348.45	£1,541.09	£1,733.72
E	F	G	H
£2,118.98	£2,504.26	£2,889.54	£3,467.44

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WIRRAL COUNCIL REVENUE BUDGET 2018/19

Forecast Income	Budget 2018/19
Council Tax	127.43
- Housing	1.10
- Increase 2.99%	4.00
- Adult Social Care Precept of 3%	3.90
Business Rates	126.24
- Loss of Business Rates Top Up (Due to RSG rolled in)	-7.00
- Improved Better Care Fund Rolled in	12.00
- Business Rates Base increase	4.20
- Business Rates Inflation	1.00
New Homes Bonus	1.56
Capital Receipts to fund another year of transformation	10.00
One-off use of Balances, Reserves & Collection Fund	16.08
Total Funding	300.52

Forecast Operating Structure Expenditure	Budget 2018/19
Business Services	77.41
Corporate Resources & Reform	1.52
Strategy and Partnerships	58.20
Children's Services	84.63
Adult Social Care	78.76
Total Forecast Expenditure	300.52

Forecast Theme/Portfolio Expenditure	Budget 2018/19	
People	Adult Social Care and Health	89.76
	Children & Families	92.80
Environment	Environment	46.20
	Housing and Community Safety	22.12
	Localism and Engagement	1.06
Business	Finance and Income Generation	8.06
	Highways and Transport	33.41
	Leadership	2.18
	Transformation	4.93
Total Forecast Expenditure		300.52