

LIBERAL DEMOCRAT GROUP – BUDGET AMENDMENT 2020/21

Date of Budget Council: **Monday 2 March 2020**
Date submitted: **Wednesday 26 February 2020**
Proposed by: **Cllr Phil Gilchrist**
Seconded by: **Cllr Chris Carubia**

Council notes and approves the Budget 2020/21 recommended by Cabinet and the associated Council Tax rise and, in so doing, asks the Council to take into account and act upon the range of issues referred to herein.

Council notes that this will be the final budget prepared under the 'Cabinet' system of governance and looks forward to a more inclusive budget preparation programme under the new 'Committee' system when all Members will have greater opportunities to contribute to setting the budgetary priorities of the Council.

Members will take the opportunity to develop priorities in the light of the climate emergency, the emerging local plan and housing needs. Areas of spending that appear perverse in the current financial climate will be investigated in detail, such as the £750,000 being spent on the Communications Team with its nineteen digital, news, creative and content officers.

Council notes that this year's national Local Government Finance Settlement is for one year only and expresses its concern at the lack of certainty from Government on its policy towards the funding of local government and in particular how it intends to help with the emerging pressures around elderly care services and services for young people.

It is especially troubling that the LGA's early illustration of the impact of the proposed new Adult Social Care Relative Needs Formulas, which are being considered for implementation in 2021/22 as part of the Government's review of relative needs and responsibilities, commonly called the 'Fair Funding Review', appears very damaging to Wirral. In this regard, Council urges the Leaders of all parties on the Council to cooperate in working up representations to challenge the unfairness of the 'Fair Funding Review', if it is found to be detrimental to Wirral.

Council also expresses its concern over the future of the Public Health Grant: should resources be reduced, Council requests officers to analyse the current expenditure areas to determine from an outcome perspective which areas of the grant can secure the best outcomes in the critical areas of mental health and housing/environmental health.

Council, therefore, requests officers to report to the forthcoming Policy and Resources Committee when national policy in these areas is developed and to ensure this Council is able to respond to consultations with evidence-based submissions to maximise funding for Wirral residents.

Having regard to several Motions passed, in most cases unanimously, by the Council this year, Council is concerned that the priorities embedded within those Motions have not yet emerged as part of the medium-term financial plan.

Accordingly, Council requests officers to report to the new Policy and Service Committees and Policy and Resources Committee on the development of a five-year financial plan for Wirral 2021/26 which will reflect the priorities expressed by full Council.

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In particular, Council requests early reports in the following areas:

1. The introduction of 20mph zones in residential areas across Wirral to make our streets calmer and safer with particular reference to safety around, and on, routes to schools. (Council Minute 90 Oct 19 refers).
2. Practical schemes that will ensure the Council meets its goal of reducing its CO2 emissions by 60% by 2025, including installing bio and solar roofing on all suitable flat roofing owned by the Council and on all new builds with flat roofs (Council Minute 89 Oct 19 refers).
3. The reintroduction of resources to help to bring empty properties back into use.
4. The feasibility of the Council reopening a Housing Revenue account and once again building affordable houses for rent.

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 25th November 2019 calculated the Council Tax Base 2020/21 for the whole of the properties in its area as 93,965.9 (Item T in the statutory formula).

That the following amounts be calculated and approved by the Council for the year 2020/21 in accordance with Sections 32-36 of the Local Government Finance Act 1992 (as amended) (“the Act”);

- a) £148,861,700 being the amount calculated in accordance with Section 31A (4) of the Act (amended) as the Council Tax Requirement for 2020/21 (item R in the statutory formula). This amount (D) is determined as being the difference between:
 - i) £833,730,000 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) £684,868,300 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) £1,584.21 being the amount calculated in accordance with Section 31B (1) of the Act (amended) as the Basic Amount of Council Tax for 2020/21. 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:

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Wirral – Basic Amount of Council Tax per Valuation Band

A	B	C	D
£1,056.14	£1,232.16	£1,408.19	£1,584.21
E	F	G	H
£1,936.26	£2,288.31	£2,640.35	£3,168.42

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 2020/21 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 4% or above, as per the Local Government Finance Settlement for 2020/21. The Settlement included provision for local authorities with social care responsibilities to increase the level of Council Tax by 2% for the Adult Social Care precept; and by up to 2% for the Council element. Where Council Tax is increased at or above 2% a local referendum will be required. The overall proposed increase in the Wirral basic Council Tax is 3.99%, including a Council increase of 1.99%, and is therefore within the Settlement’s ceilings.

Wirral – Basic Amount of Council Tax Comparison for Referendum

	2019/20	2020/21	Change	Change
	£	£	£	%
Band D	£1,523.42	£1,584.21	£60.79	3.99

To note that the Police and Crime Commissioner for Merseyside, the Merseyside Fire and Rescue Service and the Liverpool City Region Combined Authority 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. This will be as indicated in the tables which when received will be included in updated tables to Council.

Police and Crime Commissioner for Merseyside

A	B	C	D
£TBC	£TBC	£TBC	£TBC
E	F	G	H
£TBC	£TBC	£TBC	£TBC

Merseyside Fire and Rescue Authority

A	B	C	D
£TBC	£TBC	£TBC	£TBC
E	F	G	H
£TBC	£TBC	£TBC	£TBC

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Liverpool City Region Combined Authority – Mayoral Precept

A	B	C	D
£12.67	£14.78	£16.89	£19.00
E	F	G	H
£23.22	£27.44	£31.67	£38.00

That having calculated the amounts for Wirral together with the Police, Fire and Liverpool City Region – Mayoral Precept 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 2020/21 for each of the categories of dwellings.

Total Council Tax for Wirral

A	B	C	D
£TBC	£TBC	£TBC	£TBC
E	F	G	H
£TBC	£TBC	£TBC	£TBC