

## **CABINET: MINUTES**

**Date:** 25<sup>th</sup> January 2005

**Time:** 10 00 am – 11 50 am

**Present:** Councillor J K Walters (Chairman)

Councillors: S F Johnstone, V H Lucas, A K Melton, L J Oliver, D R Pegram, J A Powley, J E Reynolds F H Yeulett and R Wilkinson

### **Also in Attendance**

Councillors C M Ballard, P J Downes, M Farrar J L Gluza, A Hansard, J L Huppert, A C Kent and S J E King, M K Ogden, R B Martlew

Apologies for Absence: Councillor L J Oliver

## **595. MINUTES**

It was resolved:

To agree the minutes of the meeting held on 7<sup>th</sup> January 2005 as a correct record.

## **596. DECLARATIONS OF INTEREST**

Councillor Johnstone declared a personal and prejudicial interest in relation to the report on the Addenbrooke's Access Road under paragraphs 8 and 10 of the Code of Conduct because of her position as a non -executive Director at Addenbrooke' s Hospital and was absent from the meeting during the discussion of the item.

Councillor Hansard declared a personal interest in relation to the report on the Future Provision in St Neots because of his position as a member of St Neots Town Council.

## **597. COUNTY COUNCIL BUDGET 2005/06**

### **(a) Budget Consultation feedback from Telephone Poll, Deliberative Opinion Poll, Internet Questionnaire, Member Surgeries and Formal Consultation meetings**

Cabinet received reports summarising the views expressed in response to the recent consultation on the Council's Budget proposals.

These had comprised:

- A public meeting.
- Seven drop in surgeries held in libraries across the County.

- Meetings with Parish Councils, representatives from the voluntary sector, staff representatives, Head Teachers and School Governors.
- Information and questionnaire on the Internet
- A representative telephone based opinion poll of over 750 residents.
- A deliberative opinion poll involving 50 residents.
- A general media coverage campaign generating individual letters and e-mails.

The Council had put forward three options for consultation:

- Increase council tax by 5% - 78p a week extra for a mid-range Band D property
- Increase council tax by 4% - 62p a week extra for a mid-range Band D property
- Increase council tax by 3% - 47p a week extra for a mid-range Band D property

The Council had emphasised that it would consider all views, not just those relating to the three options. Cabinet noted that some people had expressed a preference for an option different from the three the Council put forward.

The public consultation meetings and drop in sessions resulted in support ranging from 24 people for a Council Tax increase of 5%, 17 for an increase of 4% and 9 for an increase of 3%. In respect of the telephone survey, 751 responses were received with roughly equal numbers of people favouring 4% or 5% increases. A 3% increase was less popular. Among those who suggested the 'other' option, several stated or implied they would prefer an increase more in line with inflation. Only three people (out of 751) proposed an increase of more than 5%. The report provided detail on their preferences by sub-group.

48 Cambridgeshire residents took part in the deliberative poll, selected at random, but representative of the local population in terms of gender, age and occupation. Before hearing the Council's presentation and participating in group sessions, residents favoured no increase in council tax, an increase below the rate of inflation or had not yet reached an opinion. Following the 3-hour session almost all participants accepted the need for an increase above the rate of inflation. A clear majority (27 out of 48) favoured a 4% increase. The second most popular choice was a 5% increase, which was favoured by 11 people. Two others favoured an increase of between 4% and 5%. There was little support for a 3% rise and only three people wanted an increase below 3%. The report set out Sectors where the greatest numbers were prepared to see reductions in spending if cuts had to be made.

For the internet consultation as at 11.00 a.m. on 24<sup>th</sup> January the budget pages had recorded 1,586 hits. However, only 49 people had completed the questionnaire. The results were:

<u>Increase</u>	<u>Number of responses</u>
3%	12
4%	4
5%	10
No increase	6
Around inflation rate	3
Various between 3% & 5%	3
Over 5%	11

From all the statistics provided from the various consultation exercises, it could be seen that there was support for the Administration's proposed 4% Council Tax rise. While account needed to taken of the consultation exercise, Cabinet was reminded that the consultation responses were a very small percentage of the overall population and that the Council needed to exercise its judgement on what was a reasonable Council Tax increase, taking into account by Central Government announcements on what it considered were reasonable tax increases and the likely capping implications of going above the figure provided, as well as taking into account the tax burden that would be placed on Cambridgeshire residents.

It was resolved:

To note and to take into account the results of the broad consultation exercise undertaken when determining the Budget for next year.

**(b) Issues raised by Budget Seminars, Policy Scrutiny and Audit Committee (PSAC) and Responses**

Cabinet also received a report setting out the issues raised at the Council Budget seminars in the course of considering the implications of the proposed Budget Cash Limits for 2005/06 and the responses that had been provided by the officers. In addition, there were also officer responses in respect of issues raised by PSAC who had requested that consideration should be given to protecting funding or restoring cuts. These had been brought to Cabinet's attention at their meeting on 7th January at which time it had not been possible to provide detailed answers. These consultation notes and responses have been appended to the Minutes.

It was orally reported that at a meeting of the Vulnerable Adults Service Development Group (SDG) during consideration of the report on awarding grants to voluntary organisations, a proposal had been put forward to provide a 5% uplift for inflation.

It was noted that with the level of reductions required for the Heritage Services budget, there was a need for a properly co-ordinated review in

order to deliver a coherent service. This would require a further report to Cabinet.

The Leader of the Council stressed the need to balance the comments made at the Budget seminars relating to requests for additional funding for individual service pressures against those views expressed by Cambridgeshire residents, including those on lower fixed incomes.

It was resolved:

- i) To note the issues raised by the Members Seminar as part of the discussion on the 2005/06 County Council budget.
- ii) To note the officers' responses to the issues raised by PSAC at the 7<sup>th</sup> January Cabinet meeting.

**(c) Budget 2005/06**

Cabinet considered detailed proposals for the County Council's 2005/06 Budget, in the light of the revised Revenue Support Grant (RSG) Settlement and other financial issues.

Members had been reminded that:

- the Formula Spending Share had increased by 7.6% and was now £500m.
- Formula grant had increased by 11.2% and was now £338m
- The grant increase was the highest of any shire County but was measured against the reduced grant in 2004/05 (adjusted increase of 6.9%)
- There was £9m more resources than previously planned for.
- Losses to the ceiling in previous years had not been reimbursed (£11m in 2004/05 and £9m in 2003/04)
- The Statement from Government that National Average Council Tax increases should be below 5%
- In 2004/05 the Department for Education and Skills had made a one off advance of grant for schools of £1.75m and that this would require to be repaid, with budget provision made for this of £1.2m in 2005/06.
- That the Council was committed to achieving full passporting to schools but that even with this there would be a number of unmet pressures in schools' budgets.
- The average County increases were expected to be below Budget proposed required a 4.5% so the County element was likely to remain one of the lowest in the Country

The Medium Term Service Plan (MTSP) and Council Tax proposals for 2005-06, and the following two years, would be to:

- Direct resources primarily towards the improvement of existing services in preference to initiatives that created new services or spending pressures.

- Facilitate constructive working with partners to deliver services jointly, fairly and within available resources.
- Achieve 'Passporting targets' for 2005-06.
- Retain existing eligibility criteria in Social Services.
- Continue to achieve at least 2% efficiency savings.
- Return a fair share of 'Ceilings Campaign' grant to services and to council taxpayers.
- Continue to operate with General Reserves (balances) at a prudent level.

It was resolved:

That, subject to receiving final notification of the RSG settlement and the details of the District Council Tax Base and Collection Funds, and that they do not make a difference of more than ¼% either way on the proposed Council Tax of 4%, Cabinet agrees to recommend the Budget to the County Council as follows:

- (i) That approval be given to Service Directorates cash limits as set out in table 1 (page 4 of the Budget Book)
- (ii) That approval be given to a County Budget requirement of £510,701,044m in respect of general expenses applicable to the whole County area.
- (iii) That approval be given to a recommended County Precept of £171,791,117 for Council Tax from District Councils (to be received in ten equal instalments in accordance with the 'fall back' provisions of the Local Authorities (Funds) (England) (Amendment) Regulations 1995).
- (iv) That approval be given to a Council Tax for each Band of property, based on the number of 'Band D' equivalent properties notified to the County Council by District Councils (203,106):

<b>Band</b>	<b>Council Tax</b>
A	£563.88
B	£657.86
C	£751.84
D	£845.82
E	£1,033.78
F	£1,211.74
G	£1,409.70
H	£1,691.64

- (v) That approval be given to the Council's Prudential indicators as set out on page 20 of the County Council Budget Book.
- (vi) Approval be given to the Council's Treasury Management Strategy on page 21 of the Budget Book
- (vii) That the report of the Head of Finance on the levels of reserves and robustness of the estimates as set out on pages 22-24 of the Budget book be noted.
- (viii) That approval be given to Capital Payments in 2005/06 up to £94.8m arising from:
  - Commitments from schemes already approved; and
  - The consequences of new starts (for the three years 2005/06 to 2007/08) listed within the Service Director's reports that follow, subject to the receipt of appropriate capital resources or when the Head of Finance is satisfied that sufficient funds have been secured.
- (ix) To authorise the Leader of the Council in consultation with the Director of Resources, to make minor technical revisions to the Budget recommendations to the County Council so as to take into account the final Revenue Support Grant Settlement and information on District Council Tax base and collection funds, if this information is only received after the meeting of Cabinet.

#### **598. AGREED CHANGE TO THE AGENDA RUNNING ORDER**

As a result of Councillor Johnstone's required attendance at an Addenbrooke's Hospital Board meeting later that morning, it was agreed to amend the order of the agenda and to take those reports within her portfolio responsibility as the next items in the order of business. This has been reflected in the minutes.

#### **599. PROPOSED NEW HIGHWAYS CONTRACT**

Cabinet noted that one part of the Best Value Review Improvement Plan had been to review contract arrangements and to develop a future procurement strategy for the highway service based upon value for money and continuous improvement.

Cambridgeshire County Council had been working with other Councils to establish a tendering process to gain savings and to improve the efficiency of programme delivery. The proposals to combine all existing highways

contracts into one contract would also help meet the requirements of the Gershon report and the Government's objective that savings should be used for front line service delivery.

The proposed new Highways Services contract 2006 would be for ten years with break points after 5 and 7 years. It would include all construction works to a value of £500,000 per scheme as well as scheme design. The annual value of the contract would be in the region of £25 million per annum, or £250 million over 10 years and would combine the following:

- term maintenance contract
- engineering services contract
- bridges and drainage framework contract
- structural maintenance framework contract
- traffic management services contract

(It was also noted that street lighting might also included depending upon a PFI funding Outline Business Case (OBC) which might be submitted in July 2005.)

The contract would be a partnering contract with a single Cambridgeshire Highways branding and would include all the elements set out in Appendix A of the officers' report.

It was resolved:

- i) To approve the consolidation of all existing contracts into a single combined contract for works up to £500,000.
- ii) To approve the start of the procurement process with the publishing of the Official Journal of the European Union (OJEU) Notice in Spring 2005.

#### **600. SOUTH CAMBRIDGESHIRE AREA JOINT COMMITTEE (AJC) SPEED LIMITS IN NORTH END BASSINGBOURN AND WIMPOLE ROAD BARTON**

This report had been presented to Cabinet following decisions made by South Cambridgeshire's Environment and Transport Area Joint Committee to extend speed limits within the two parishes following petitions presented to their meeting. However the decisions made were in direct contravention of Cambridgeshire County Council's policy for speed management and would require considerable expenditure in necessary traffic management measures. The AJC had been advised that the County Council would need to give further consideration to the issues raised and would provide a final resolution.

The current County Council Speed Management Policy had been designed to ensure that the balance between driver perception of the appropriate speed and the actual limit was maintained. Inappropriate lower speed limits had been shown to lead to increases in speed and therefore any changes to the speed management policy required the introduction of expensive traffic calming measures.

The policy had been developed in conjunction with the police and was based on national guidelines and advice from Central Government aiming to achieve consistency across the County and ensuring effective speed limits were introduced which did not place an excessive enforcement burden on the police. Proposals to breach the policy would need to be backed up by strong supporting technical evidence.

It was reported that the reduction of the limit on Wimpole Road, which fell outside the village envelope, would require significant traffic calming measures to be effective. In respect of the Bassingbourn proposals, Councillor Oliver the local member, who had been unable to attend the meeting, reported through a note provided to the Chairman that she had attended three meetings with local residents; two with the local Community Beat manager; one with the Highways Officer and one with the Senior Officer in the Police Speed Enforcement Unit. Speed analysis within North End, Bassingbourn had not been able to confirm local perceptions of excessive speeding.

It was also noted that the Cambridgeshire Constabulary who were responsible for enforcement, did not support either of the proposals and had indicated that any attempt to introduce such restrictions would result in them making formal objections.

It was resolved:

- i) To re-affirm the County Council's current Speed Management Policy.
- ii) To reject the South Cambridgeshire Environment and Transport Area Joint Committee request for speed limit changes in North End, Bassingbourn and Wimpole Road, Barton.

#### **601. WASTE PRIVATE FINANCE INITIATIVE (PFI) PROCUREMENT PROCESS**

Cabinet received a report providing progress on the Waste Management Private Finance Initiative (PFI) Bid. It also sought approval for a Procurement Board to guide the procurement stage.

It was orally reported that the Department of Environment, Food and Rural Affairs (DEFRA) had been expected to make a positive announcement regarding £35m of credits to support the PFI bid from the bid of £40m originally put forward. This had not taken place at the time of the meeting.

Cabinet had previously approved the principle of a procurement board comprising two leading members and senior officers to steer the next stage of the project. Draft memberships and terms of reference were attached to the officers' report. An inception meeting to consider the board's operating procedures and pre-procurement issues required to held as soon as possible and it was therefore recommended that the board was set up even if there was a delay to the PFI announcement.

It was resolved:



- i) To authorise the establishment of a Procurement Board as set out in Appendix A of the officers' report.
- ii) To confirm that the Council would begin with the procurement phase, in the light of the likely level of PFI credits awarded (subject to the Government Project Review Group (PRG) decision being known).

## **602. THE CAMBRIDGESHIRE MINERALS AND WASTE DEVELOPMENT SCHEME**

Under new legislation the County Council was required to prepare a Minerals and Waste Development Scheme. The scheme had to include details of the documents to be prepared, including their status and the timetable for preparation. Cabinet was asked to consider the prepared document titled "The Cambridgeshire Minerals & Waste Development Scheme" prior to its submission to the Government Office for the East of England. The document set out the proposed priorities for planning policy work until the end of 2007.

It was proposed that the County Council would prepare local development documents falling into three types:

- a) Development Plan documents
- b) A statement of Community Involvement
- c) Supplementary planning documents

It was confirmed that there was every confidence that Peterborough City Council would remain on board as partners.

It was resolved:

- i) To agree to joint working with Peterborough City Council in respect of the Statement of Community Involvement (minerals and waste policy and major development control decisions); and the preparation of a waste management supplementary planning document on the location and design of major waste management facilities.
- ii) Approve the Cambridgeshire Minerals and Waste Development Scheme.
- iii) To delegate authority to the Director of Environment & Transport to make any further detailed changes required by ODPM prior to publication of the Scheme.

## **603. ADDENBROOKE'S ACCESS ROAD ROUTE APPROVAL AND COMPULSORY PURCHASE ORDER (CPO)**

At the invitation of the Chairman, Councillor Kent the local member spoke on the proposals set out in the report.

Councillor Kent reported that while residents accepted that the scheme was necessary and the concept of a relief road to ease congestion was welcomed,

she was opposed to the recommendation that route C should be the preferred route with her preference being for route A.

She commented on the vehicle figures provided on the proposed access road between Hauxton Road and Shelford, and that the figure of 17,500 vehicle reduced after crossing Shelford Road with 9,000 going to Addenbrooke's and 4,000 serving the residential development at Clay Farm. She highlighted that there was no direct route to the development if route C was agreed. She was also concerned that the traffic flow estimates to Addenbrooke's Hospital were based on Addenbrooke's own figures and that they did not take account of the guided bus route.

Her reasons for supporting route A were that:

- Route A provided one shared route with the guided bus requiring only one bridge over the railway line.
- If route C was developed there would still need to be new roads developed into the Clay Farm Residential Area to serve the development which would mean that part of Route A would also have to be built.
- Route A had received support from both South Cambridgeshire District Council and the Campaign to Protect Rural England.
- There was no overall majority support for Route C at the Southern Fringe Member Reference Group.
- That the consultation exercise had previously reported that route C would cost £800,000 more than route A. She commented that the current officers' report was reporting that route C, which was the longer route and involved the construction of another crossing of the railway line was now the cheapest option. She indicated that other remarks in the current officer's report (section on biodiversity) were also different to those set out in the original consultation paper.

In receiving the report Cabinet received the following clarifications:

- Confirmation that since the original consultation, the costs of the scheme had been revised and that route C was now the cheapest option
- A correction was given to Para 10.12. The last line reading "The Reference Group voted marginally in favour of route A by one vote" was incorrect. The minutes of the Southern Fringe Member Reference Group stated that a vote was carried out on option C, with 3 Members in favour and 4 Members against. No other options were voted on. There were no proposals agreed to recommend route A. However Members had agreed that if route C was proposed this might be acceptable with preconditions that the area to the south of the road and the area backing onto Shelford Road should be heavily landscaped and there should be active frontage along the northern side of the road where it passed through Clay Farm site, with a service road and houses facing onto this.

The Structure Plan had made provision for transport schemes in order to meet strategic requirements and the needs of major developments. This included a requirement for an Access road from Hauxton Road to Clay Farm and

Addenbrooke's Hospital to serve both the Clay Farm development and the major expansion at Addenbrooke's Hospital as set out in their "2020 Vision" document. It was confirmed in response to a question raised that the design of the road would be sufficient to meet the capacity of the Hospital.

Three options (routes A, B and C) had been put forward for consultation. The officers' report indicated that the appraisal methodology had scored route C as having the lowest number of adverse impacts and the highest number of beneficial impacts. It was accepted that all of the routes would be of concern to some of the local residents and that the environmental issues would need to be properly addressed. Environmental mitigation factors would have a similar cost for whichever route was chosen.

Other factors in favour of route C were that:

- It would prevent 7500 vehicle movements having to go through the housing development
- Route C had received the most support in the public consultation exercise carried out, even when it had been the highest cost option.

It was noted that five of the six dwellings affected by the proposed route were now owned by the developers and that it was hoped that if possible the sixth could be obtained through negotiations and without having to use Compulsory Purchase Powers. In the meantime, Cabinet was being asked to agree the necessary authority which would only be used should negotiations break down.

It was resolved:

To agree that the preferred option should be route C and that the Compulsory Purchase Order process is commenced for the Addenbrooke's Access Road.

#### **604. UPDATE ON THE CAMBRIDGESHIRE SECTION 48 SCHEME AND PROPOSED MINIMUM FUNDING GUARANTEE EXEMPTIONS**

Cabinet was informed of the requirement to update "The Cambridgeshire Section 48 scheme" to take into account a small number of accounting changes issued by the Department for Education and Skills (DfES). It was noted that Local Education authorities (LEAs) were required to consult with schools on the changes, even if the changes were mandatory.

The changes were in respect of:

- Submission of Budget Plans: the date by which schools were notified of their budget for the following year which had been moved back to 31<sup>st</sup> March in line with the statutory deadline;
- Borrowing by Schools: schools were no longer able have an overdraft, instead they must apply for a loan;
- Deficit Budgets: a school was expected to recover a deficit situation within three years (previously five years);
- Writing Off Deficits: clarification was being sought on the LEA's interpretation of this point.

It was confirmed that in terms of existing budget deficits, those schools that were currently under a five year plan, would still continue to have the originally agreed longer time-span in which to recover their deficits.

It was noted that officers in Cambridgeshire and other authorities had also drawn DfES attention to a range of additional budget headings where applying the Minimum Funding Guarantee might inappropriately tie in resources to a few schools, thereby denying the remaining schools of much needed funding.

Cambridgeshire LEA would therefore now apply to the DfES for further exemptions to the guarantee to ensure that funding factors more specific to Cambridgeshire's local funding formula were not unfairly locked into the guarantee. These were in respect of:

- The protected lump sum in amalgamated schools;
- The small school adjustment factor;
- Additional Educational Needs;
- Section 52 protection; Socio-economic factors (primary only)

It was resolved:

- i) To endorse the required changes to the Section 48 Scheme to be implemented for April 2005 (subject to the results of consultation with schools being reported to the Education Libraries and Heritage (ELH) and the Resources Service Development Group (SDG)
- ii) That in the event that the SDG regarded any response to the consultation as requiring further consideration by Cabinet, a further report would be prepared.
- iii) To endorse the proposed exemptions to the Schools Minimum Funding Guarantee (assuming Department for Education and Skills (DfES) approval was forthcoming)

## **605. FUTURE YOUTH PROVISION IN ST NEOTS**

The former St Neots Youth Centre had been destroyed by fire in October 2002. Cabinet in April 2004 had approved the sale of the site and the reinvestment of the proceeds in other capital projects to support of youth activities at St Neots Community College and Longsands College.

As part of the strategic shaping of youth provision in St Neots, Cabinet had previously also been asked to approve a grant of £100,000 to St Neots Town Council as a contribution towards the cost of building a new community centre in the Eaton Socon area of the town. Cabinet at the April meeting had sought further reassurance that the Town Council had made a sufficiently robust business case, particularly in identifying where the remainder of the capital sums would be found and in respect of the revenue budget needed to sustain the centre.

This report, which had included a copy of the business plan being made available in the Members' lounge, considered that the business case was acceptable. Cabinet approval was therefore now sought for the allocation of £100,000 from the sale of the proceeds of the former youth centre site towards the capital costs of a new community centre in Eaton Socon.

Councillor Hansard as a local member spoke in support of the proposals set out in the report. He reported that the community centre would be the base for youth provision on the western side of St Neots, and would also provide a venue for a local playgroup, helping the County Council meet its targets for early years provision. It was also orally reported that another local member, Councillor Giles, who was also a member of St Neots Town Council, fully supported the scheme.

Also tabled at the meeting for Cabinet's consideration was a letter of objection submitted from another local member, Councillor Clarke. He had always been opposed to the idea of developing the three centre approach, and instead favoured one "super centre". He indicated that he was not convinced by the detail in the business case that the investment would be sustainable and was also concerned that youth activities were limited to three evenings a week. In his view, the proposals did not offer major enhanced social, educational or development skills required to help youngster's future development.

Philip Devonald the St Neots Town Clerk who was present to answer questions of a technical nature, confirmed that the service level agreement to be drawn up would include provision within the centre for youth activities to be undertaken on a minimum provision basis of 3 evenings a week. There would however be scope to extend this through negotiation, if there was sufficient demand. He reminded Cabinet that the proposals were for a community centre that would undertake a wide range of community based activities, not just youth initiatives.

St Neots Town Council had made a provisional allocation of £452,000 in their 2005/2006 capital programme to fund the remainder of the capital cost of the centre. It was confirmed that the £100,000 payment would be a one off payment from the County Council and that there would not be any future revenue costs arising as these would all be covered by the Town Council.

Having fully considered the arguments set out for and against the proposals, and having been fully appraised of the submitted business case,

It was resolved:

- i) To approve a contribution of £100,000 towards the capital cost of a new community centre in the Eaton area of St. Neots, subject to the Town Council providing match funding.
- ii) That the County Council's share of the funding be obtained from the proceeds of the sale of the former St.

Neots Youth Centre, which Cabinet had previously approved at their meeting on 27<sup>th</sup> April.

#### **606. KIMBOLTON YOUTH CENTRE**

Cabinet received a report indicating that the current premises, which were currently unused, were unsuitable for Youth Services purposes and that the management of the site was problematic. It was also noted that the facilities failed to comply with the requirements of the Disability Discrimination Act.

The proposals were to sell the premises and use the proceeds to fund Youth Service plans in the area, once suitable alternative facilities were secured. This would help to meet some of the objectives contained in the Post Inspection Action Plan.

Councillor Silby the local Member had been unable to attend the meeting but had provided comments in advance to Cabinet Members and indicated that she was in full agreement with the proposal to sell the Youth Centre Building.

It was resolved:

To approve the proposed sale of Kimbolton Youth Centre, and that the proceeds should be reinvested in Youth Service facilities.

#### **607. REVIEW OF EXISTING POLICY ON FIRE PROTECTION MEASURES**

Cabinet received a report on the review that had been carried out with regard to the existing policy on fire protection measures. This followed an amended motion agreed at Council in October 2004 as a direct result of the fire at Mayfield Primary School. Amongst its proposals it had asked Cabinet to consider installing of sprinklers in new-build and rebuild schools, to introduce a programme of fire risk assessment for all LEA schools, and to give consideration to how identified risks might be best managed.

Due to the high cost of installing sprinklers in all new and rebuild schools (estimated at £2.11m for 2004-2007) there was a need to find the most effective way of applying limited funds. The insurance premium savings were reported to be around £1000 per school per annum. Cabinet was advised that to date, there had been no deaths or injuries in Cambridgeshire schools resulting from a fire, and that since 1997, financial losses from fires for Council properties had been £1,158,682. The estimated maximum saving achieved by the installation of sprinklers over this period would have been £126,709.

The report indicated that the degree of risk was likely to be greater in social care settings than in schools. Nationally, very few local authorities had a blanket policy to install sprinklers in all new schools. Therefore the recommendations were to support a programme for installations in premises where there was a sleeping risk. This was on the basis that residents in social care settings were likely to be more vulnerable and less mobile, and short term residents were likely to be less familiar with the layout of the premises. It was agreed that given limited resources, these type of premises should be the priority.

As the County Council recognised the value of providing sprinklers in new and rebuild schools, Cabinet retained, as an aspirational objective, the installation of sprinklers in all new build and rebuild schools, subject to the allocation of additional Government funding. It was agreed that Government should be lobbied to provide this additional funding. Cabinet also supported proposals to undertake a full fire and security risk survey of all existing schools.

It was resolved:

- i) To endorse the recommendations from Resources Service Development Group that:
  - Medium Term Service Priorities (MTSP) funding be provided to support a programme for the installation of sprinklers in premises where there is a sleeping risk, as identified by the Fire Service, for premises placed in the first category, at an estimated cost of £961,912;
  - A fire and security risk survey assessment be undertaken at all existing LEA schools, at an estimated cost of £108,000;
  - The Council's existing policy on the installation of sprinklers remains unaltered, with potential exceptions to the policy to be considered individually according to risk and affordability; and
  - The Government be advised that the Council would like to extend the installation of sprinklers to all new and rebuild schools and to be lobbied for additional funding for this purpose.

- (ii) To note the comments from the Chief Fire Officer as follows:

"I urge the Cabinet to endorse the Resources Service Development Group recommendation to install sprinklers in all the Council's care homes identified as category one risk by my Fire Safety Officers. This will make a major contribution to life safety in Cambridgeshire.

Following the fire at Mayfield School I also welcome the recommendations to undertake a full fire and security risk survey at all existing schools. I strongly recommend that the installation of sprinklers should be an option available for recommendation by the surveyors undertaking the assessments.

I acknowledge that there may be major cost implications in reviewing the fire and security risk at existing schools and recommend that, following the outcome of the risk assessments at the existing schools, the installation of sprinklers in all new schools should be reconsidered."

#### **608. COMPREHENSIVE PERFORMANCE ASSESSMENT (CPA)**

This report informed the Cabinet of the “Excellent” classification which had been achieved by the County Council in both the overall service score and corporate assessment categories.

It was noted that even as an excellent authority, an improvement plan still required to be developed in respect to the findings set out in the report. The plan would need to address the agreed priorities and any weaknesses not identified within the Audit Commission Report and the emerging 2005 CPA Methodology. This would be the subject of a further report.

The Cabinet asked that their appreciation for all the hard work undertaken by the staff to obtain the score should be recorded. Particular praise was given to Keren Mallinson who had prepared an excellent self-assessment document.

It was noted that Libraries and Leisure had received a low score and that this would need to be addressed as part of the ongoing review of the Heritage Service to ensure that the score did not further deteriorate.

It was resolved:

To note the outcome of Cambridgeshire County Council’s Comprehensive Performance Assessment in 2004 which revised the County Council’s classification from “good” to “excellent”.

#### **609. FIRST PRINCIPLES - CAMBRIDGESHIRE COUNTY COUNCIL EARLY YEARS POLICY**

Cabinet received a report attaching the revised draft Early Years Policy Framework titled “First principles - A framework for the development of learning and care services for young children and their families”.

The report detailed the amendments that had been included to the document following consultation with a wide range of partners and stakeholders. It was noted that the document, which was a framework for the development of learning and care services for young children and their families had been widely welcomed.

It was resolved to:

Endorse the Early Years Policy framework “*First Principles*”.

#### **610. ANNUAL AUDIT MANAGEMENT LETTER 2003/04**

This report highlighted the key issues/messages identified by the District Auditor in the Annual Audit and Inspection Letter and those made by PricewaterhouseCoopers in respect of the Best Value Performance Plan. The reports were welcomed, as overall they provided very favourable comments on the Council’s finance and performance management arrangements. A commentary had been provided against each point, which was to be used as the basis of a response.



It was resolved:

To note the Annual Audit and Inspection letter and the 2004-05 Best Value Performance Plan report and agree to the response as set out in the officers' report.

#### **611. MONITORING OF RECOMMENDATIONS OF JOINT REVIEW OF SOCIAL SERVICES**

This report provided an update on progress in delivering the recommendations of the Joint Review as agreed in the Joint Review Action Plan. Cabinet had previously asked to receive quarterly update reports.

It was noted that additional sections of the action plan had now been completed in respect of:

- Improved monitoring on waiting times and moving resources around to respond.
- Bring foster care payments up to the level needed to recruit and retain enough carers to reduce spend on agency foster care.
- Strengthening county-wide planning and commissioning arrangements in order to find a better balance between locality and County wide perspectives.
- Using Best Value more consistently to plan and commission new services.

It was resolved to:

Note the progress being made to implement the recommendations of the Joint Review.

#### **612. ADULT LEARNING: POST INSPECTION REPORT**

This report updated Cabinet on the position following the recent re-inspection of the Community Education Service following a previous inspection in February 2003 when the findings had been that the service was unsatisfactory in terms of leadership and management.

The latest report was warmly welcomed and highlighted that the leadership and management grade had moved from 5 (unsatisfactory) to grade 3 (satisfactory).

It was resolved:

- i) Note the successful outcome of the inspection.
- ii) To authorise the Lead Cabinet member for Lifelong Learning to approve the post-inspection action plan in consultation with Director of Education, Libraries and Heritage the detail of which was to be reported to the Lifelong Learning Service Development Group.

## **613. DRAFT CORPORATE PLAN – CONSULTATION RESPONSES**

This report informed Cabinet of the responses to the consultation on the draft corporate plan in advance of the revised plan being submitted to the Cabinet meeting in March.

It was resolved to note the comments received.

## **614. INTEGRATED COMMUNITY EQUIPMENT SERVICES**

This report updated Cabinet on progress relating to the agreed action plan and the latest financial and performance information for the Integrated Community Equipment Service (ICES). The report followed Members previous concerns regarding the poor performance of the service. The report had also been presented to the Cambridgeshire Care Partnership on 7<sup>th</sup> December and the Health and Social Care Scrutiny Committee on 4<sup>th</sup> January and Vulnerable Adults SDG.

An audit had previously been undertaken regarding the level of equipment deliveries against the target 7 working days following a completed assessment. As a result, an action plan had been produced and the current report detailed the up to date performance of the service, the financial position and the management action plan.

The report set out the details of the significantly improved performance over the period September to November. It was orally reported that the figures for December was 82% delivery of equipment within seven days illustrating that the improvement was being maintained. Due to the previous poor performance earlier in the year, the overall notional target figure of 80% for 04/05 would not be achieved.

Cabinet noted that the ICES pooled budget was under considerable pressure but that Anglia Support Partnership (ASP) had undertaken to maintain the current performance levels for the remainder of the year.

The question was raised on whether it had been the right approach to change the target for delivery from 95% in 21 days to 80% in seven days. In response, it was reported that the target had been set by Central Government the driver being to deliver equipment to people with greater speed. What did not matter in recording the statistics was the extent to which the target was missed, whether it was one day or eight months. There was an emphasis on ensuring that waiting lists did not build up and a lot of work had been undertaken to reduce previous backlogs.

As only four months had elapsed since the action plan was produced and action implemented, it was considered too early to make decisions regarding future provision.

It was resolved to note:

- i) That performance had been maintained, at over 80% of deliveries within 7 days, for the last 3 months

- ii) That the performance problems that had occurred earlier in the year made it unlikely that the annual target of 80% would be achieved for 2004/5.
- iii) That the equipment budget was under significant pressure as a result of major increases in activity, which inhibited partners' ability to invest in actions to improve performance.
- iv) Longer-term provision of the service was being considered and a key factor in any decision was likely to be whether existing performance levels could be sustained.

#### **615. CABINET AGENDA PLAN**

It was resolved:

To note the outline agenda for the meeting of Cabinet on 1<sup>st</sup> March with the following amendments:

- Item 10 Corporate Plan to be reclassified as a decision of Council
- Item 3 Learning Disability Partnership Section 31 Agreement moved to April
- New item - Policy Changes as a result of ELH Budget Proposals

Chairman  
1<sup>st</sup> March 2005

**COUNTY COUNCIL BUDGET 2005-06**

**ISSUES RAISED BY BUDGET SEMINARS, PSAC AND RESPONSES**

**1. POLICY, SOCIAL SERVICES, ENVIRONMENT AND TRANSPORT  
MEMBER BUDGET SEMINAR WEDNESDAY 19<sup>TH</sup> JANUARY 2005**

**Overall Budget  
Issues raised by Members**

- A question was raised on the use that was being made on the £9m additional resources that had now been received and how this affected the level of cuts estimated originally at £13.6m as requiring to be made. In response it was reported that:
  - There had been an increase in the Schools Budget of £0.7m that would result in the passporting of the full increase in schools FSS of £16.269m.
  - Decisions had been made by departments on a risk assessment basis to fund some of the unfunded service pressures identified at the BAP meetings in November rather than to remove the savings
  - £1.5 Million had been added to the Good Housekeeping Fund to finance developing prevention initiatives for children's services including reducing high cost clients resulting from out of County placements and increasing in-house foster care provision to help reduce costs in later years.
  - £1.2m had been set aside as part repayment of DfES loan
  - £10m of additional capital spend (revenue implications £550,000 per year) - £6m to purchase waste sites through prudential borrowing and the remainder to support the general capital programme (rather than using a proportion of capital receipts to repay debt).
- A question was raised about the credibility of the original BAP process. It answer, was explained that the original BAP meetings had been to look at the service budgets in terms of the savings that needed to be identified to achieve the total of £13.6m of savings which had been calculated as being necessary if the County Council were restricted to a 3% Council Tax rise and the Government did not change the "ceiling" on RSG increase. The original BAP meetings had been held before the Government announcement on the grant settlement.

**POLICY BUDGET 2005/06**

**Issue raised by Members**

- An explanation was sought on the use of capital receipts as in a previous forum it had been reported that they had partly been used to reduce debt

charges, while page 5 of the budget book referred to the MTSP strategy on using 50% of capital receipts as being suspended for 2005-06. In response, it was explained that this had been the policy up to 2004-05, which would yield savings in 2005-06 as it reduced the principal repayments required to be made in that year. However, the full level of capital receipts would be used in 2005-06 to support an enhanced capital expenditure programme.

- A question was raised regarding the possible use of the Contact Centre as an emergency centre. It was confirmed that the call centre was very much part of the County Council's disaster plans and in an emergency, the centre would be used to take calls from the public and to also relocate staff if this was required. There would be further flexibility once the second contact centre was opened.
- It was confirmed that the additional annual revenue costs reported for the second Contact Centre building of £130,000 was payable by the County Council.

## **SOCIAL SERVICES BUDGET**

### **Issue raised by Members**

#### **ICES**

- A question was raised regarding the percentage of the £400,000 funding increase for the Integrated Community Equipment Budget (ICES) that the County Council was contributing, as part of the shared pooled budget arrangement with the PCTs. It was clarified that the figure of £400,000 was the County Council's contribution, which was approximately 60% of the total ICES pressure.
- Concern was expressed that while many Members still harboured serious reservations about the level of performance provided by ASP in respect of ICES, the identified budgets for 06/07 and 07/08 indicated substantially increased budgets compared to the 05/06 proposed budget. The question raised was what value the County Council would be getting for this increased budget, bearing in mind that ASP in the current year had requested additional funding of £140,000. In answer, it was explained that it was now recognised that the original budget drawn up for the service had been inadequate to pay for the level of service required, which reflected target response times significantly lower in 2004/05 from those previously agreed. The increased budget allocation would pay for the improved level of performance currently being delivered, as well as financing the cost of an identified increase in service demand.

#### **Children's Services**

- On Children's Services, reassurance was sought that active measures were still being taken to recruit more in-house fosterers and that preventative measures were being taken to reduce the number of expensive "Out of County" placements.

## **Older People's Services**

- One member expressed concern at the proposed expenditure for Older People's Services, which only equated to a 5% increase and when increases for demography were taken out, only represented a 3% increase. Clarification was sought on whether this level of increase would be acceptable to Primary Care Trust (PCT) partners. In response, it was reported that all the relevant budgets were the subject of consultation with PCT partners. PCTs had expressed concern about the £400,000 efficiency saving from integration, but this had been agreed following the creation of the three year financial strategy in 2003. Members were reminded that in recent years there had been substantial increases in Older People's budget provision. In terms of the uplift of the pricing policy of 3% these had been agreed with home care providers who believed they could provide the level of service at this uplift level, recognising that they had received above inflation increases in previous years. Consultation with residential and nursing care providers was not complete.
- A question was raised on whether the Physical Disabilities budget had realistically allowed for demography and inflation. Officers were happy to confirm that in drawing up the current budget account had been taken of all relevant factors and assessed risk.
- A question was raised on whether the physical disabilities budget would be able to address criticisms contained in a forthcoming Inspector' report which had been shared with members at Vulnerable Adults SDG the previous day. It was reported that the budget did not allow any increased scope for additional investment.

## **Supporting People**

- Concerns were raised in respect of the fluctuations in the proposed budget for Supporting People over the three years (£835m in 05/06 £662m in 06/07 and £807m in 07/08) and how this could meet the Government's Directive. It was explained that the budget only showed the impact of grant lost in 2004/05 and 2005/06 and did not address the anticipated redistribution of grant provision which was currently still the subject of consultation. In terms of the £300,000 budget gap resulting from the reduction in Government grant, this was to be financed through achievable efficiency savings to be found by providers. The Head of Policy and Performance, Social Services would be asked to prepare a note on the detail. A Member wished to place on record that the Supporting People Budget required to be recognised as a significant pressure.

## **Staff Numbers**

- A Member drew attention to an anomaly between in the reported staff numbers in the Social Services budget book and the Resources budget book following the transfer of 29 Social Services staff into the Resources directorate. This would be updated in the final published budget book.

## **Charging Policy**

- A question was raised regarding the justification for increasing fees for Social Services. In response, it was explained that fees and charges could

not be seen as an optional extra for Social Services, as it was recognised by Government as an integral part of Social Services funding. The Social Services formula spending share (FSS) assumed that the County Council would raise a certain level of funding via fees and charges.

## **ENVIRONMENT AND TRANSPORT**

### **Waste Recycling**

- A question was raised on whether under the new European Union Directive on Waste from Electrical and Electronic equipment (WEEE) members of the public would be charged for disposing of old electrical equipment at Household Waste Recycling Centres (HWRCs). It was explained that under the new legislation the responsibility of paying for recycling and disposal would fall on manufacturers/importers and there would be no difference for the public.
- A question was raised regarding the outcome of the Waste PFI bid to the Department of the Environment, Food and Rural Affairs (DEFRA). An oral update on its likely success was provided. Members were cautioned about the significant cost issues for waste management associated with increases in landfill costs and the associated introduction of the new system of tradeable landfill allowances.
- A question was raised regarding whether Peterborough withdrawing from the Waste PFI Project presented any increased risk. In reply, it was indicated that as this had been known for a considerable time, the County Council's scheme had been completely revised before submission to the Government for grant support. In addition, the recent announcement of the intention of a private sector company to build an incineration plant in Peterborough did not directly affect Cambridgeshire's plans for the Waste PFI procurement. Any bid from the Peterborough based company would be assessed on its merits.

### **Statutory Minerals Plan**

- An explanation was requested regarding the provisions for the Statutory Minerals Plan showing a minus £100,000 figure for three years. It was explained that this was the usual presentation and simply reflected taking £100,000 from the base budget.

### **Resourcing the Structure Plan**

- A question was raised on whether there was sufficient capacity to deliver the infrastructure requirements of the Structure Plan. In response, it was reported that the expectation was that currently there was sufficient capacity, but that there were currently risks associated with the County Council's continued success in bidding for Government monies. Capacity could be compromised if further bidding was successful, an example was provided of bids being made to the new Community Infrastructure Fund.

### **Highways maintenance Issues**

- There were concerns raised regarding the reduced maintenance expenditure on C class roads. In response, it was reported that this policy

had been in operation for a number of years with the priority being to shift limited resources to target the continued maintenance of key routes. Spending had increased on some of the main principal networks such as Fenland.

- The point was raised that the County Council needed to ensure that for periods of extreme weather there were sufficient quantities of gritting salt. In response it was explained that there was plenty of material available to cope with a severe winter. The budget adjustment was simply a reflection of the five- year average change.
- Various Members were concerned at the total abolition of the Minor Discretionary Traffic Management budgets held by divisional maintenance engineers and asked why this could not have continued on a smaller budget basis. Reference was made to the added value these minor schemes provided to local parishes. Some Members also referred to the relatively small reduction on tendered bus routes, some of which might be spent on routes, which could be considered unsustainable. In response, the Director of Environment and Transport reported that reducing the budget any further would be uneconomic in terms of officer time and therefore maintaining a smaller sized budget was impracticable. In terms of having to find savings the value for money and benefits of maintaining a comprehensive Rural Bus Service was considered to be of greater value than the individual benefits that would accrue from carrying out minor highways improvements and maintaining a Minor Discretionary Traffic Management budget. The former directly contributed to priorities for reducing congestion, ensuring accessibility to public transport in rural areas, reducing pollution and improving the environment by encouraging more sustainable transport and contributing to reducing the number of road accidents.
- A question was raised on whether the abolition of the Minor Traffic Management scheme would impact on Jointly Funded Minor Highways Improvement Scheme schemes. It was reported that this would not be the case, as the latter were capital funded, however it was confirmed that there would be less money for such schemes as the relevant capital budgets were themselves under pressure.
- On the question of whether Development Control would be adversely affected, it was reported that this was not an area that had been cut, but there had been shortages of staff that had led to some service delays. This should be helped by their integration into the Highways grouping. Members were reminded that minor development control schemes were the responsibility of the districts.

### **Inflation rates**

- The Leader requested that a figure for Tendered Bus Contract Inflation should be provided for the next Cabinet meeting. It was noted that while the County Council would be spending more on tendered bus services in the forthcoming year, as a result of this inflation, less services could be bought with the budget available.



## **2. EDUCATION, LIBRARIES AND HERITAGE BUDGET 2005/06 MEMBERS' SEMINAR FRIDAY 21<sup>ST</sup> JANUARY 2005**

### **EDUCATION, LIBRARIES AND HERITAGE BUDGET 2005/06**

The Assistant Director (Resources) in Education, Libraries and Heritage gave two presentations, the first giving an overview of the Council's proposed budget for 2005/06 and the second setting out more detailed proposals for the ELH budget. The slides of both presentations are available from Democratic Services.

Responding to the presentations, members discussed the following issues:

#### **Allocation of FSS**

- Noted that the Government analysed the Council's Formula Spending Share (FSS) for Education in terms of schools and non-schools services. Libraries and Heritage were included in the FSS for Environmental, Protective and Cultural Services, which included a range of other, non-ELH services; the Government did not specify how much should be spent on these services individually.

#### **Schools budget**

- Noted that the Council was committed to achieving full passporting to schools. However, even with full passporting, there would be a number of unmet pressures in schools' budgets, including the allocation of specific resources for the 14-19 curriculum reforms and greater provision of resources for early intervention for pupils with special educational needs.
- Noted that schools had previously been required to make 2% efficiency savings and that, with the implementation of the recommendations resulting from the Gershon review, these would increase to 2.5%. Members asked whether schools had been given examples of how these savings should be achieved. The Assistant Director (Resources) commented that these were difficult to exemplify, but noted that, as before, schools would be allowed to recycle savings and would not be required to realise them in cash terms.
- Noted that in 2004/05 the Department for Education and Skills (DfES) had made a one-off advance of grant for schools of £1.75 million. £550,000 of this had been used to help schools with deficits, the majority being targeted at schools with deficits resulting from problems with the distribution formula. £1.2 million had been allocated to schools more generally. This sum had not been consolidated into the schools budget for 2005/06 and would therefore seem to schools like a reduction in funding.
- Members reiterated their view over the importance of ensuring that all schools exercised proper financial control and commented that the LEA should not financially assist schools whose deficits were attributable to inadequate financial management.

- Noted that the Council was required to repay the £1.75 million advance to the DfES and that the budget included provision to enable the repayment of £1.2 million of this in 2005/06. It was suggested that alternative uses of this £1.2 million, if it were not repaid to the DfES in 2005/06, should be considered. The Assistant Director (Resources) explained that if the Council did not repay the grant proactively, the DfES was likely to recoup it by reducing Standards Fund grant to schools. It was also deemed prudent to repay as much of the advance as possible in 2005/06 as, based on the Government's 2004 spending review, 2006/07 and 2007/08 were expected to be more financially difficult years for the LEA. Schools would receive grant direct from Government from 2006/07 and it was thought that they might benefit from above-inflation increases in 2006/07.

### **Reductions to budgets**

- Noted that, with the budget proposed, the achievement of full passporting to schools would require 8% savings to be made to non-schools budgets. A number of members expressed concern that it was not proposed to distribute these cuts evenly across non-schools budgets, meaning that some would not be cut at all, whilst others would be cut by over 20%.

The Director of Education, Libraries and Heritage explained that in preparing the budget, before the Council's RSG settlement and the lifting of the ceiling had been announced, officers had been asked to consider the implications of cuts of approximately 8% to all non-school services. Some of these had been considered to be unacceptable in either service or political terms. It had therefore been necessary to identify those non-schools services to which cuts of more than 8% would be acceptable. At the November Budgetary Advisory Panel and the Schools Forum, members had indicated those areas that they considered to be priorities for reinstatement, should additional funding become available. With the announcement of the Council's settlement and the lifting of the ceiling, it had been possible to reinstate funding for the highest priority services, but not to eliminate all of the savings initially proposed.

Members discussed the affected services in detail:

### **Heritage**

- Expressed concern at the proposal to reduce the Heritage budget by 26%. It was noted that funding for Cambridgeshire's service was already considerably low than that for neighbouring local authorities'.

It was noted that the reductions to the Heritage budget would be taken forward in parallel with work through 'Reshaping for Excellence' to develop the Directorate of Community Learning and Development in the Office of Environment and Community Services. It was intended to reduce management costs in the new Directorate to limit reductions to frontline Heritage services and grants to external organisations as much as possible. Specific impacts on services were likely to include:

- No actual cuts to the budget for Archives, although it was noted that this service had been overspending against its approved budget for the last two years

- Reductions in spending on museums, although it was proposed to continue to run the Cromwell Museum and to retain some functionality within the Council
  - Reductions in grants to external organisations
  - Review of management and expertise in other specialist services.
- Members emphasised the need for a detailed analysis of the impact on services of the proposed savings. It was noted, for example, that the Council's grants to independent museums could help them to attract other sources of funding; and that voluntary organisations supported by the Council could play an important role in service delivery.
  - A Member commented that arts services also had therapeutic benefits and suggested that, in recognition of this, these services should in future be more closely aligned with Social Services. The importance of museums' educational activities was also emphasised.
  - One member suggested that the Council should consider divesting itself of the Cromwell Museum, as to continue to run it was inequitable for other parts of the County and prevented the Museum from receiving funding for which it would be eligible if independently run.

### **Cambridgeshire Advisory Service**

- Expressed concern at the proposal to reduce funding for the Cambridgeshire Advisory Service by 23%. Members asked for a more detailed analysis of the impacts of the savings on the Cambridgeshire Advisory Service to be made available for the meeting of ELH Scrutiny Committee on 4<sup>th</sup> February 2005.

### **Other budgets**

- Expressed concern that other budgets would also be cut substantially, including the budget for clothing vouchers.

### **Libraries**

- Expressed disappointment that as a consequence of pressures on non-schools budgets, it would be necessary to extend the investment period following the Libraries strategy review by another year to 2007/08. The Assistant Director (Lifelong Learning) noted that opening times had been extended in three of the 'hub' libraries and would be extended in a further three in 2005/06. However, he noted that the main impact would be the continuing failure to increase the book fund, which would remain at £20,000 below full restoration to the 2001/02 level in real terms and would not receive the additional total investment of £100,000 intended for 2004/05 and 2005/06.

### **Community education**

- Expressed concern that increases to charges for adult and community learning classes could lead to reduced take-up and asked whether this risk had been assessed in preparing the budget. The Assistant Director (Lifelong Learning) noted that the County Council's work on community education was strongly influenced by the Learning and Skills Council, which was placing increasing emphasis on classes leading to

qualifications rather than 'leisure learning' and on requiring those learners who were able to pay to do so. He agreed that economies of scale might reduce if learner numbers were to fall and also agreed that it would be important to maintain Cambridgeshire's current breadth of community learning provision.

### **Capital programme**

- Noted that the capital programme to 2008 did not include any provision for a new primary school on the Cambridge Southern Fringe. The Assistant Director (Resources) noted that the three-year capital programme would be kept under review and provision in this area brought forward if necessary. The Cabinet Member for Education, Libraries and Heritage agreed to ask the Head of ELH Property to provide additional information to Councillor Kent on this issue.

### **'Reshaping for excellence'/Office of Children and Young People's Services**

- Asked why the budget proposals did not include provision for new Head of Service posts in the Office of Children and Young People's Services. The Assistant Director (Resources) explained that the budget had been constructed around the existing officer structures. Once agreed, it would be disaggregated and reconstructed around the new Offices and funding for new posts in the new structure would then be shown. The Assistant Director (Resources) also noted that one-off costs for reshaping would be met through the careful management of existing resources.

### **Budget process issues**

- Commented on the need for the Council's budget to be viewed corporately. In particular, the requirement to meet passporting to schools did not necessarily mean that savings had to be made to non-schools ELH budgets; it was possible that these savings could be made to budgets elsewhere in the Council. The Director of Education, Libraries and Heritage noted that the purpose of this seminar was to provide members with information on officers' recommendations on the budget, to enable members to influence the decision-making process. There would be further opportunities for discussion and review of the budget at Cabinet on 25<sup>th</sup> January 2005, at the Scrutiny Committees on 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> February 2005 and at Council on 15<sup>th</sup> February 2005.

The Assistant Director (Resources) noted that any consequences of the budget requiring policy amendments would be considered by the relevant Service Development Group and then taken to Cabinet where explicit changes to Council policy were involved.

## **3. OFFICER RESPONSES TO PSAC 6<sup>TH</sup> JANUARY 2005**

### **A. Maintaining the capacity of LEA central functions, particularly in relation to the assessment of children with special educational needs**

The loss of 2 posts could put at risk our ability to maintain current performance levels on statutory assessment timescales (Best Value Performance Indicator 43). The service will be most vulnerable if there should be long-term sickness or maternity leave of one or more of staff members.

Our capacity to monitor children who are placed in out county independent residential schools will be reduced.

## **B. Continuing the delivery of Heritage Services**

Please also see the notes under 2 of the ELH budget seminar elsewhere in this report, where this issue was discussed.

The budget proposed provides a cash limit for the year 2005-06 of £650,000, which is some £236,000 less than the 2004-05 budget. In light of the size of the overall budget reduction, along with the move to a new grouping of services, Officers are carrying out a “root and branch” review of all Heritage Services (Arts, Archaeology, Archives and Museums). No final decisions have been reached, but all of these services will be subject to examination and some level of reduction to meet the reduced budget available.

The future years Medium Term Service Plan (MTSP) does see investment in the Heritage Resource and Cultural Centre (£250k in 2006-07).

## **C. Support for mental health services**

The budget provides £225k of demography funding for mental health services along with a further £100k to continue progress in implementing the National Services framework and an additional £100k for meeting growing cost of independent and voluntary sector care. These increases are less than those of 2004-05 but do provide for some increase in service levels.

## **D. Continued provision of Clothing Vouchers**

The current Council policy is that school clothing vouchers are available to secondary aged children whose parents are on low income and meet certain criteria. The current value of the vouchers are £52 for year 7 students, and £40 for year 8,9,10,11 students. In the financial year to date, approximately 814 Year 7 students and 2,402 Year 8 to 11 students receive clothing vouchers.

The reduction in budget from £145,000 to £100,000 will require a change in policy. A paper will be going to the Children in Need Service Development Group (SDG) on 7th February outlining options for varying the value of the voucher. The intention is that following discussion at the SDG, a policy change would be proposed for ratification by Cabinet.

There are likely to be 4 options:

- a) a pro-rata 31% reduction to the value of vouchers (the value of a Year 7 voucher becomes £36 and the value for other years becomes £27)
- b) keep the value of the year 7 vouchers at £52 and reduce the value of the vouchers for year 8,9,10,11 disproportionately to £21
- c) adopt a differential approach – e.g. reduce the value at Year 7 by 15% to £44 and the value for Years 8 to 11 by 33% to £27
- d) abolish the difference in the value of the vouchers between year groups in which case the value of the voucher for all Year Groups will be £31.

**E. Officer capacity within Environment and Transport to support the implementation of Structure Plan infrastructure**

The rapid progress of structure plan implementation means that there is considerable uncertainty over the precise workload required to support it. Subject to this uncertainty, the opportunity will be taken in the course of reshaping, as far as resources permit, to establish the necessary management capacity, building on work that has already been done over the last two years. The current judgement is that with this action, the capacity to support implementation should be sufficient for the purpose. However, this must be an area of risk, and it will be necessary to keep the resourcing of this work under review, within the overall envelope of resource constraints on the Council, as work on the structure plan moves forward.

**F. Funding of Highways Maintenance**

Although pressures in other areas of the Council's expenditure require expenditure on highways maintenance revenue to be set at only about 70% of Formula Spending Share (FSS), effective management and stricter prioritisation has caused the Council's performance on principal road maintenance to be very satisfactory in national terms, and priority is now moving to non-principal road maintenance and footway maintenance. The new year's budget provides a cash increase to protect core highway maintenance on the revenue side, and with the assistance of additional capital funding provided by the Department for Transport will provide a small uplift in the capital contribution towards highways maintenance, at the expense of the integrated block.

**G. Funding of Jointly Funded Highways Minor improvements**

The jointly funded minor improvements heading within the integrated block of the capital programme anticipated a budget for 2005/06 of £342,000. As a result of pressures on the capital programme for 2005/06, it will be necessary to reduce this programme to £205,000. As the title "Jointly Funded" implies, this will also mean a reduction in contributions leveraged in from parish councils and other partners, and total expenditure is likely to be just over £400K.

**H. Increased funding for the Youth Service beyond the extra £150,000 provisionally planned**

An inspection of the youth service commented on the level of underfunding. Officers have developed a costed action plan that assumes an on-going commitment by the County Council to increase expenditure in this area. In the first year, a sum of £150,000 will enable a revised management structure to be put in place, along with a much improved management information system. Any increased revenue in future years will be spent on priorities of increasing the range and level of frontline services. In addition, officers are reviewing all property owned by the service, re-providing where this secures better value for money (two specific examples are outlined elsewhere on this report).

**I. Avoiding the reduction of one post in the Youth Offending Service**

The budget now presented for the Youth Offending Service means that there is no requirement for a reduction in staff numbers.

**J.     Avoiding reductions in grants for preventative work**

The proposed reductions in funding for preventive work are no longer required following the revised cash limits for social services.