

STATEMENT ON AND AMENDMENT TO THE COUNCIL'S INTEGRATED PLAN 2009

"In these hard times, the Council can and must make its resources work harder."

(Cllr David Jenkins, Liberal Democrat Group Leader)

SUMMARY

Over the next two years, compared with the Cabinet's proposals, the Liberal Democrat budget will deliver

- **Lower Council Tax increases – 2.45% (2009/10) and 3.6% (2010/11) – and**
- **£10.5 million more spent on priority services.**

The plan is based on these principles:

- **The Council ought to deliver more to the people of Cambridgeshire than it does now.**
- **Council Tax rises should be as small as possible, especially during the current serious economic downturn.**
- **These goals are affordable if the Council's resources are made to work harder.**

A lower Council Tax will put more money into people's pockets during these difficult times, reducing the countywide Council Tax burden by £7 million over 2 years.

Our 2 year spending package will fund:

- **A radical new policy to put more police officers into our local communities to beat anti-social behaviour and neighbourhood crime;**
- **Delivery of lower speed limits and better enforcement where requested by local communities;**
- **A major £7 million programme to transform our neglected roads, pavements and paths into safe, well-maintained and convenient places to enjoy and be proud of;**
- **Practical projects to give young people something to do in the evening;**
- **Help that enables local volunteers and charities to achieve the best they can for their communities;**
- **Practical projects in schools that reduce energy consumption and teach children how to care for their world; and**
- **Much needed improvements for bus and rail travel.**

The proposals are affordable because there is fat in the Council's budget that could be cut out and put to productive use. For example, non-school reserves (£21.8million) are 27% higher than forecast a year ago, yet during the same period public services have been cut: highway repairs halted after budgets ran out, the vital work of voluntary organisations put at risk by the announcement of funding cut, more bus services lost.

The Council's Conservatives are fond of complaining that Cambridgeshire is short changed on government funding. This is not an accurate picture: the County receives a near average level of revenue support grant and the 2nd highest capital grant of all the 39 county councils, though it does fare poorly with its specific revenue grant. We think this victim mentality is damaging, leading to pessimism and a No We Can't approach.

Our budget proposals set the scene for the Liberal Democrat election manifesto to be published in advance of the County Council elections on 4th June, in which we will set out plans for a four year term of office.

The Liberal Democrat group pays tribute to the whole Council staff for the commitment and talent they bring to serving the public of Cambridgeshire, and we thank staff for the help and advice they have given us during the current Integrated Planning process.

FINDING EXTRA RESOURCES

The £17.6 million revenue and capital funds required to fund our Council Tax and spending plans are set out in Figure 1 and summarised below:

RESOURCES (£,000)		2009/10	2010/11
REVENUE: non-recurring			
1	Maintain general reserve at 2% non-schools budget	200	200
2	Cap Future Developments and Pressures reserve	400	100
3	Align insurance reserve with actuary's 'most probable claims' estimate	600	
4	Release Invest to Transform 'contingency' for productive use	500	1000
	Sub-total	1,700	1,300
REVENUE: recurring			
8	Reduce corporate inflation assumption	1,100	100
9	Reform delivery of highway services	500	1,000
10	School transport contract restructuring	1,000	1,500
11	Reform delivery of IT services		1,000
12	Reallocate councillors individual budgets		690
13	Reduce press and PR activities and glossy publications	325	350
14	Reduce travel by staff and councillors	100	250
15	Reduce admin support for informal councillor meetings	25	25
16	Fund residents' magazine from advertising income	120	120
17	Delete draft IPP CS 2 'Third CIPFA trainee'	35	35
18	Increase savings in draft IPP CS 3 'Office Accommodation'	100	100
19	Delete draft IPP ES3 'Street lighting PFI affordability gap'	350	250
20	Increase savings in draft IPP CS 3 'Shared Services'	100	100
21	Delete draft IPP ES3 'Direct Channel Strategy'	53	53
22	Transfer of parking enforcement from City		200
	Sub-total	3808	5,773
	Total per year	5,508	7,073
	Total extra revenue resources	12,581	
CAPITAL			
23	Prudential borrowing for accident reduction/road safety schemes	1,000	4,000
	Total extra capital resources	5,000	

Figure 1: Resources (data are not cumulative)

1. Maintain General Reserve Funds at 2% of non-schools revenue budget (£400,000)

This is in line with Council policy to maintain General Reserves of no less than 2% of the non-schools revenue budget.

2. Cap Future Developments and Pressures Fund (£500,000)

The amounts held in this reserve have increased substantially recently, beyond what is reasonably required.

3. Align Insurance Reserve with the actuary's 'most probable' claims estimate (£600,000)

The actuary's 2008 estimate is the best estimate available and adhering to it will release funds for productive use.

4. Lower debt service charges (£1 million)

As advised by finance officers, 2 Feb 09

5. Late collection of council tax (£300,000)

As advised by finance officers, 2 Feb 09

6. Transfer to general reserve for social worker pay (£400,000)

As advised by finance officers, 2 Feb 09

7. Release Invest to Transform fund 'contingency' for productive use (£1.5 million)

The Invest to Transform fund does not need a 'contingency'. By definition, the fund should be invested rather than hoarded.

8. Reduce corporate inflation assumption (£3.2 million)

Inflation is falling fast and the provision made in the draft IPP is unnecessarily pessimistic.

9. Reform delivery of highway services (£1.5 million)

We have major concerns that the highways contracts are not delivering value for money and urgent action is required.

10. School Transport contract restructuring (£2.5 million)

The Council currently has 800 contracts covering 800 routes for mainstream school transport. Combining routes and contracts has the potential to deliver very large savings.

11. Reform delivery of IT support services (£1 million)

Reduce net costs by 0.3% of non-schools budget by end of second year.

12. Reallocate councillors' individual budgets (£690,000)

The plan for councillors to have personal control of a £10,000 budget is wrong and will undermine existing local decision-making processes.

13. Reduce Press/PR function and publications costs (£675,000)

The present large scale of the Council's Press and PR function and expenditure on publications is an unreasonable burden on the tax payer and should be reduced.

14. Reduce travel by staff and councillors (£350,000)

It is essential for the Council to reduce its 11 million miles of car travel by staff and councillors, through more efficient processes and use of communications technology

15. Reduce admin support for informal councillor meetings (£50,000)

Minute-taking at informal meetings, eg seminars and SMT/Spokes, does not add significant value to the Council's work and should stop.

16. Fund residents' magazine from advertising revenue (£240,000)

Taxpayers should not have to meet the cost of this glossy publication.

17. Delete draft IPP CS 2 'Third CIPFA trainee (£70,000)

This expense is not justified during the recession.

18. Increase savings in draft IPP CS3 'Office Accommodation' (£200,000)

More savings can be extracted from this efficiency project.

19. Delete draft IPP ES 3 'Street lighting PFI affordability gap' (£600,000)

The street lighting replacement programme should be tailored to fit within existing budgets.

20. Increase savings in draft IPP CS3 'Shared Services' (£200,000)

The Council has invested heavily in this efficiency project and savings from it must be maximised.

21. Delete draft IPP ES3 'Direct Channel Strategy (£106,000)

This expense is not justified during the recession.

22. Transfer of parking enforcement from the City (£200,000)

The saving expected from the transfer of the parking enforcement service to the County Council should have been shown in the Council's 2010/11 budget.

23. CAPITAL ITEM: Accident reduction/road safety programme (£5 million)

This capital funding will be raised within the Council's prudential borrowing rules.

COUNCIL TAX

In these difficult economic times, it is essential to keep Council Tax as low as possible. Holding increases down to 2.45% for the coming year and 3.6% the year after - compared to the Cabinet's proposed 3.9% and 4% respectively - strikes the right balance between providing good public services and leaving people with a bit more money in their pockets.

This measure will reduce the tax burden on Cambridgeshire taxpayers by £7 million over the two year period, compared with the Cabinet's plans.

If late and advantageous adjustments should arise in the Council's financial position prior to the Council meeting on 12th February, our Council Tax proposal will be adjusted to an even lower rate.

As well as reflecting our determination to deliver high quality public services at the lowest possible cost to the taxpayer, this measure also reflects our concern that Council Tax (unlike a local income tax, which we advocate) bears particularly heavily on those with lower incomes.

EXTRA SPENDING ON LIBERAL DEMOCRAT PRIORITIES

The plan for reduced Council Tax and new spending priorities is set out in and summarised in Figure 2 below:

SPENDING (£,000)	2009/10			2010/11		
	Non-recurring	Recurring	Total	Non-recurring	Recurring	Total
REVENUE						
Council Tax						
1 Reduce Council Tax to 2.45% (09/10) and 3.6% (10/11)		3,100	3,100		3,900	3,900
			0			
Stronger Communities			0			
2 Fund 10, then 20, extra police officers		350	350		750	750
3 Youth services in 100 community centres	350		350	350		350
4 Support for voluntary and community organisations	200		200	200		200
5 Support for young people who act as carers		50	50		50	50
			0			
Safer roads			0			
6 Meet demand for lower speed limits/more enforcement	250		250	250		250
7 Mending and maintaining roads, pavements and paths	500		500	500		500
8 Traffic management, eg lines, signs and crossings	250		250	250		250
9 Revenue cost of Capital item below			0		300	300
			0			
Climate change projects			0			
10 Schools energy saving projects and energy education	150	100	250	150	100	250
			0			
Public transport			0			
11 Reduce cuts in public transport subsidy		158	158		223	223
12 Working for a better railway system		50	50		50	50
Sub-total	1,700	3,808	5,508	1,700	5,373	7,073
Total extra revenue spending					12,581	
CAPITAL						
13 Accident reduction & road safety programme			1,000			4,000
Total extra capital spending					5,000	

Figure 2 Spending (data are not cumulative)

COUNCIL TAX

1. Reduce Council Tax rise to 2.45% (2009/10) and 3.6% (2010/11) - (£7 million)

See above.

STRONGER COMMUNITIES

2. Fund 10, then 20, extra police officers/PCSOs (£1.1 million)

Other councils, eg Cambridge, Newham and Gloucestershire, are already supporting their communities in this way, to tackle anti-social behaviour and crime within local communities.

3. Youth services in 100 community centres (£700,000)

The County Council continues its gross under-funding of this key service. This funding will provide youth activities one evening per week in 100 village halls and community centres.

4. Support for voluntary and community organisations (£400,000)

This funding will focus on ensuring that local communities get maximum benefit from the vast pool of energy and talent available through voluntary and not-for-profit organisations. Some of these organisations are currently facing funding cuts.

5. Support for young people acting as carers (£100,000)

Young carers are doing a very important job. This funding will allow more young carers to be identified and supported for the long term.

SAFER ROADS

6. Meet demand for lower speed limits and better enforcement (£500,000)

Many local communities want lower speed limits and better enforcement by mobile speed cameras. The funding will also allow communities to take part in Speedwatch projects.

7. Mending and maintaining roads, pavements and paths (£1 million)

Large cuts have been made in these budgets in recent years, to the frustration of the public and their councillors. Many pavements, paths and cycle routes are in a disgraceful condition.

8. Traffic management, eg lines, signs and crossings (£500,000)

After the budget for these measures was abolished in 2006, the Council has almost totally failed to provide this important service, to the great frustration of the public and their councillors.

9. Revenue cost of CAPITAL item (accident reduction/road safety programme) (£300,000)

On officer advice, no revenue cost has been included in the first year.

CLIMATE CHANGE PROJECTS

10. Schools energy saving projects and energy education (£500,000)

This funding will introduce Smart metering to allow staff and pupils to understand how activity can affect energy consumption, and also to fund practical energy conservation projects to save money and carbon emissions in schools and other education buildings.

PUBLIC TRANSPORT

11. Reduce cuts in public transport subsidies (£381,000)

Many people in rural areas suffer from dreadful bus services. The Council's repeated budget cuts have exacerbated the problem to the disadvantage of many people, especially the less well-off.

12. Working for a better railway system (£100,000)

Budget cuts have left the Council without specialist railway expertise. Rail is an essential element of Cambridgeshire's sustainable transport future and this funding reverses the cut.

CAPITAL ITEM

13. Accident reduction and road safety programme (£5 million)

Due to a long term lack of funding, many important schemes have been on the waiting list for many years. This funding (which we would hope to continue in later years) would help clear the backlog and allow new schemes to come forward.