

STATEMENT ON AND AMENDMENT TO THE COUNCIL'S INTEGRATED PLAN 2011

"Preparation of a budget is not just about making cuts and savings to the County Council's bank balance. It should be about ensuring that the people of Cambridgeshire receive the basic services they have a right to expect: decent roads; quality care for the vulnerable, a county-wide bus service and good schools"

Cllr Fiona Whelan, Liberal Democrat Group Leader

SUMMARY

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

- **About £14 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; and**
- **These goals are affordable if the Council's resources are made to work harder.**

Our 2 year spending package will fund:

- **A major £10 million programme over 5 years to transform our neglected roads, pavements and paths into safe, well-maintained and convenient places to enjoy and of which we can be proud;**
- **A substantial sum of almost £4 million in the next 2 years to mitigate the worst of the planned reductions in adult social care;**
- **The reinstatement of £2.7 million of significant cuts in Children's Services to protect the most vulnerable;**
- **Continued investment in activities related to improving energy efficiency and addressing climate change and other environmental issues; and**
- **Much needed improvements for bus and rail travel.**

The proposals are affordable because there is more money to be saved by the Council aggressively reducing its spending. These proposals also reflect the priorities of Cambridgeshire's people as revealed by the Simalto research.

We are only laying out our plans for 2 years even though there are 4 more years left to run for the County's IPP. We are stopping after year 2 because there is still much uncertainty around: about the government's plans and about the state of the UK economy. However where appropriate we have indicated below how our spending would develop over subsequent years.

The fundamental thinking behind our proposals is to minimise irreversible cuts in 2011/12 so that a program of investment can then take place to rebuild services and to deliver to the people and businesses of Cambridge the services and infrastructure which they want and need.

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 £14 million revenue and capital funds required to fund our Council Tax and spending plans are set out in Figure 1 and summarised below:

ref		2011/12	2012/13
1	Savings		
2	Corporate Directorates		
3	parking spaces	0.06	0.06
4	reduction in business miles	0.40	0.80
5	reduction in printing costs	0.03	0.04
6	reduction in office catering	0.03	0.03
7	reduction in affiliations	0.02	0.02
8	CCC press and PR	0.40	0.40
9	energy efficiency	0.08	0.16
10	director redundancies		0.20
11	Environment Services		
12	Park and Ride	0.60	0.80
13	home to school mainstream	0.60	0.85
14	home to school taxis	0.12	0.24
15	Children's Services		
16	St Neots debt	0.65	-0.34
17			
18	Council tax		
19	3.4% after first year	0.00	7.82
20			
21	Total above	2.99	11.08
22			
23	CAPITAL		
24	prudential borrowing	0.50	-0.50
25			
26	Grand total	3.49	10.58

Figure 1: Extra resources (£million; data are not cumulative)

SAVINGS

Line 3 parking spaces (£120 thousand saving over 2 years)

Removal of the separate parking facility for all members and some staff. Requirement for those who are able to use alternative methods of transport (including Park and Ride facilities and the Cambridgeshire Guided Bus when it opens) to do so. Rental of spaces to local businesses or some staff. Potential to charge for parking on Sundays as well as Saturdays. Retention of 20 parking spaces for members attending non all-day meetings at Shire Hall.

Line 4 reduction in business miles (£1.2 million)

After years of failure, the Council needs to get a grip on this expenditure. Ban all non essential travel. Instigate use of teleconferencing, videoconferencing and Skype etc rather than 1:1 meetings requiring travel. Applicable to both Staff and Members. Member and Officer mind set will need encouragement to embrace this change. Members Seminars should be available to view on the web.

Line 5 reduction in printing costs

Reduction in printing / photocopying. Removal of CountyWide as a paper-based magazine. Better production of meeting materials in particular making volume more manageable and targeted for Members. Better production of overhead slides for meetings reducing need for paper copies to be distributed. More insistence on electronic distribution as opposed to electronic AND paper distribution. Year 2 sees an increased target for this as staff numbers decrease but acceptance of the new way of working increases.

Line 6 reduction in office catering

Removal of free biscuits, beverages for member meetings and free drinks from Members lounge; removal of free buffets from meetings; removal of all free beverages at meetings

Line 7 reduction in affiliations

Reduce Members and Officers attendance at affiliated Meetings e.g. CCN. Reduction would come from membership fees of organisation and travel expenses.

Line 8 CCC press and PR (£620 thousand)

Removal of 7 posts from Corporate Communications Office. Retain one Communications Officer with backup support from PA. Better leverage of communications work undertaken in other parts of the Council.

Line 9 energy efficiency (£250 thousand)

The Liberal Democrat group believe this council should be more ambitious in its targets to reduce energy consumption. These savings come from a 5% annual reduction in our energy usage, based on the 2009/2010 non-schools energy costs of £1,660,624.24.

Line 10 director redundancies (£200 thousand)

As a result of this year's cuts and redundancies this council will be a much smaller organisation and therefore will need a smaller number of directors to run it. We would expect to reshape the structure at the top of the organisation and make the equivalent of 2 directors redundant. This is not limited to reducing the number of service directors but would extend right to the top of the organisation.

Line 12 Park and Ride (£1.4 million)

Financially the Park and Ride contract represents a bad deal for this authority. At its most recent renegotiation, the council agreed to reduce its share of the takings (the departure charge) by 25%, on condition that the operator freeze ticket prices for only one year. After one year, the ticket price increased significantly above inflation, more than negating the one-year freeze. If inflation is taken into account, the council is, despite the steady growth of passenger journeys, taking an increasingly low proportion of the revenue, and paying the steadily increasing on-site costs, while the operator is taking a higher proportion of ticket sales and not footing any of the rising costs. Not one shred of documentation exists explaining why these terms were agreed, compounding the impression of poor management. We would make quick savings by reducing the council's on-site part of the operation, going down to a less gold-plated (but not skeletal) service level, and taking cleaning in-house. We would also replace the existing contract with one that gets significantly better value for this major council asset. We would move quickly to open a competitive dialogue with interested operators.

Line 13 home to school mainstream (£1.45 million)

The Conservative budget has taken on board our proposal to make savings by consolidating home to school transport contracts and maximising efficiency in this service area. It has also applied this proposal to SEN home-to-school transport, where it aims to make ambitious savings of 33%. Although equivalent savings are not possible in Mainstream school transport, the target savings of 5% dramatically underestimate the savings that can be made in this area. The bulk of expenditure in this area is on school bus contracts. There are real savings to be made here too, if the authority is willing to use its negotiating power to the full.

Line 12 home to school taxis (£360 thousand)

The Conservative budget correctly assumes that removing the subsidised bus network will generate increased costs in home to school transport, because the authority will have a statutory obligation to provide taxis for a number of children who currently use subsidised buses to get to school. It provides for this by allocating 60k per annum to CYPS. By maintaining funding for subsidised buses we would avoid these costs and therefore make a saving of £180k over two years. The modest additional saving would be generated by our proposal to significantly increase the council's investment in community transport, and by the root and branch review of the subsidised bus network that we are proposing. Jointly, these measures would slightly reduce the council's costly dependence on taxis.

Line 16 St Neots debt (£310 thousand)

The St Neots Community College overspend of £971k has already been cleared but the entire sum is loaded against the 11-12 budget. In order to give greater flexibility and open up more creative options, the payment could be spaced over three years. There would be small increase for interest charges in the later years. This releases £650k for 11-12.

COUNCIL TAX INCREASE**Line 19 3.4% increase after first year**

We would plan to begin reinvesting in the county in year 2 with a council tax increase in line with inflation. This accords with the views expressed through the Simalto research and corresponds with plans already table by other councils and other precepting public bodies

CAPITAL**Line 24 prudential borrowing (£0.5 million)**

This capital funding will be raised within the Council's prudential borrowing rules in 2011/12 and repaid in 2012/13.

EXTRA SPENDING ON LIBERAL DEMOCRAT PRIORITIES

The plan for new spending priorities is set out in Figure 2 and summarised below.

CORPORATE DIRECTORATES**Line 3 asset management (£100 thousand extra expenditure over 2 years)**

This budget is to enable the employment of expertise to enable the council to more effectively leverage its assets for income generation. The focus should be less on selling them off and more on using them to the benefit of the council and the wider community

Line 4 Corporate sustainability staff (£115 thousand)

If sustainability is to be embedded throughout the Council, it is crucial that we have staff with the relevant knowledge to assist in Corporate services, where the Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES) is managed. This funding would cover three members of staff - one at senior level (£51.3K) and two at Scale 6/S01 level (£32K). The senior post would set strategic direction and policy towards minimising the cost of the CRCEES to the Council, as well as achieving objectives under the Carbon Management Plan. This post would also provide senior level advice on the sustainability implications of the localism and shared services agendas. The £32K posts would assist in the work on data and monitoring of the CRCEES, as well as on management of the County's land holdings for biodiversity.

ref		2011/12	2012/13
1	Spending		
2	Corporate Directorates		
3	Asset management	0.00	0.10
4	Corporate sustainability staff	0.00	0.12
5	Environment Services		
6	<i>public transport</i>		
7	bus subsidies	0.59	1.04
8	maintain concessionary fares	0.08	0.15
9	rail developments etc	0.20	0.20
10	community transport and rural demand responsive buses	0.20	0.20
11	real time information	0.00	0.13
12	<i>highways</i>		
13	improving our roads	0.50	2.25
14	gritting	0.10	0.10
15	disabled access	0.05	0.05
16	<i>other environment services</i>		
17	environment and climate change funding	0.13	0.23
18	maintain annual funding of the biodiversity partnership	0.00	0.00
19	maintain current rights of way budget	0.06	0.06
20	match-funding of vehicle activated signs	0.03	0.05
21	Children and Young People's Services		
22	youth services/children's fund	0.26	1.07
23	restore CREDS and SEN	0.33	0.73
24	Cambridgeshire music	0.10	0.10
25	over-16 school buses	0.00	0.11
26	Community and Adult Services		
27	library conversions	0.10	0.20
28	reversal of 25% RAS cut for elderly	0.00	2.25
29	users group for people in care	0.10	0.30
30	pump-priming local day care	0.00	1.00
31	community mental health nurses	0.15	0.15
32	Financing	0.02	0.02
33	Total above	2.99	10.58
34			
35	over spend on revenue	0.00	-0.50
36			
37	Capital	0.50	0.00
38			
39	overspend on capital	0.00	0.50
40			
41	Grand total spending	3.49	10.58

Figure 2 **Extra spending (£million; data are not cumulative)**

Public transport

Line 7 bus subsidies (£1.638 million)

We propose to maintain the current level of spending on subsidised buses, because they are socially necessary, and enable people to access the wider community of Cambridgeshire and the range of services offered by the council. Subsidised buses are fundamental to many of the authority's strategic objectives, including supporting vulnerable people, improving quality of life and enabling people to thrive, and meeting the challenges of climate change. In addition, subsidised bus services alleviate problems specific to Cambridgeshire, including the appalling lack of public transport in rural areas, and the subsequent isolation of elderly people who live in these areas. We accept that there exist inefficiencies and under the current setup, so we would conduct a root and branch review of subsidised bus services, taking into account not only value for money, but also the social importance of each service: ie, the existence (or not) of alternative forms of public transport in an area, the degree of rural isolation, whether a bus connects with a wider network or other key services such as hospitals, and also the type of service user (ie, an unusually high proportion of people with mobility issues).

Line 8 maintain concessionary fares (£232 thousand)

By scrapping all bus subsidies the Conservative budget makes a double saving for the council, simultaneously reducing the amount it spends on concessionary bus fare payouts for pensioners, on the principle that "they cannot use their bus passes on buses that no longer exist". This is contrary to Coalition pledge to protect free bus travel for the elderly. We have quantified the Conservative savings on concessionary fares as follows: contracted services equate to around 8.7% of the annual bus patronage; based on last year's outturn figure for concessionary fare payments of £5.6M this would equate to savings of around £487k in year 4, by which time all bus subsidy would have been removed. By keeping a subsidised bus network and incurring the additional cost for pensioner's journeys on it, we would keep the Coalition pledge to protect free bus travel for the elderly.

Line 9 rail development (£400 thousand)

Budget cuts have left the Council without specialist railway expertise. As a result, the council does little work on rail. This is regrettable because any viable and joined-up transport strategy must take rail into account, and not treat it as secondary or peripheral. Councillor van de Ven's work on rail transport for school children has shown that joined-up thinking in this area can deliver both savings for the council and better services for the public. We would make a small fund available for developing the council's work on rail, with a particular focus on developing two projects of strategic importance: the Bramley Line, and Chesterton Railway Station.

Line 10 community transport and rural demand responsive buses (£400 thousand)

Community transport is no substitute for a subsidised bus network; however, it is highly effective when it can link up with such a network. Our additional investment in Community Transport and Rural Demand Responsive Buses would allow people with limited access to public transport to link up with the wider network, which we propose to maintain. Rural Demand Responsive Buses are a variant of Community Transport that have proven highly effective at targeting isolation and lack of access in rural areas, especially among the elderly. These buses service flexible routes on a semi-fixed basis. If local people wish to use the service they contact the provider by phone, and the bus diverts to them on its route. On top of our proposals to maintain current levels of bus subsidies, these would provide an enhanced and more equitable public transport network for Cambridgeshire.

Line 11 Real time information (£125 thousand)

The investment of £500k over five years shows our continuing commitment to Real Time information and public transport. Scrapping the IBIS (Intelligent Bus Information System) was necessary because it failed on basic criteria of functionality, principally reliability, and was too gold-plated for the current economic climate. However we must recognise that Real Time is a

key way to increase use and viability of bus services, especially in areas where their frequency is low.

Highways

Line 13 Improving our Roads

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. The Conservative proposals to make a one-off capital investment in our roads for the next two years, while reducing revenue funding, means a very small temporary increase followed by a much bigger long-term decrease in funding. This is a false economy and a strategic error, which will result in soaring costs of low quality patch-up work that needs to be repeated year after year. We would invest at least £10M over five years in structural work on our roads that will last.

Line 14 gritting (£200 thousand)

This small additional fund would enable some modest enhancements to existing gritting provision. In particular, it would allow for the core of Cambridge City Centre to be added to the reduced network, and for the Riverside cycle route to be gritted. The fund would also allow for more generous provision of grit to those willing to do the gritting themselves.

Line 15 disabled access fund (£100 thousand)

County Council provision for disabled access is desperately inadequate, to the extent that district councils are often forced to pay for dropped kerbs. This small fund would allow for an annual program of dropped kerbs to be installed where demand is highest.

Other environment services

Line 17 environment and climate change funding (£360 thousand)

This funding would put money back in to maintain the team in Environment Services working on sustainable transport, advice on sustainability implications of planning applications and outreach work on carbon reduction and biodiversity.

Line 18 maintain annual funding of the biodiversity partnership

We will continue to provide the annual £4k support to this partnership which does important work to protect and improve biodiversity in a rural county with much intensive agriculture and high levels of housing growth. The budget papers themselves admit that the partnership is under threat through lack of funding.

Line 19 maintain current rights of way budget (£110 thousand)

We will maintain the Rights of Way budget at current levels and reverse the £55k cut for 2011/12. The maintaining of the County's Rights of Way is important to encourage access to the countryside, personal well-being and encourage sustainable modes of transport.

Line 20 match-funding of vehicle activated signs (£75 thousand)

We will reverse the cut of £30k in this budget for 2011/12 for the maintenance of vehicle activated signs put in at the request of parish councils. Parish Councils will therefore have a year before cuts to this budget begin. From 2012/13 we will match fund the cost of maintaining the signs, rather than forcing Parish Councils to raise the full amounts themselves, and so will cut the budget by £45k instead of the £90k proposed in the Conservatives' budget.

CHILDREN and YOUNG PEOPLE'S SERVICES

Line 22 youth services/children's fund (£1.33 million)

We would reduce the cuts to the youth service budget and children's fund. The reductions to the youth service offer have caused great concern already across the County. The Children's Fund provides money to a wide range of projects run by voluntary sector organisations. Most of these projects are very carefully targeted at those children and young people most in need. The administration's budget makes clear that projects whose funding will cease include:

- Funding for the Red Hen Family Project in King's Hedges/Arbury

- Transitions work on the Oxmoor Estate
- The two Youth Inclusion Panels in Wisbech and Cambridge City which focus on preventing offending behaviour in younger children.

We feel that these projects provide good value to the council in preventing children and young people requiring greater levels of service at later stages. They are also totally in line with the council's priority of encouraging the partner organisations to be involved in provision of service.

Line 23 restore CREDS and SEN (1.06 million)

We would reduce the cut to the CREDS and SEN teachers' budgets by £33k in the first year and £730 in the second year. The CREDS budget provides support to schools with large numbers of immigrant or traveller children. These schools are particularly in need of our support, and it would be wrong to use the pupil premium as a reason for taking away support that has been available, and needed in the past. The SEN specialist teachers are a particularly valuable resource and the county schools can ill afford to lose their expertise.

Line 24 Cambridgeshire Music (£200 thousand)

We are deeply concerned that the move for Cambridgeshire music to an entirely traded service will prevent talented children from less well off backgrounds from accessing high quality music tuition. We would therefore create a £50k fund from which applications for funding for travel and fees for Cambridgeshire music services could be met. The criteria for funding would be similar to the free school meals criteria, but I would also like to see some discretion for Cambridgeshire Music staff determine who should have access to the fund.

Line 25 over-16 school buses (£110 thousand)

We would reverse the planned changes to post 16 school transport. At a time when youth unemployment is such a high national priority it seems surprising that the council is intending to make staying on at school significantly less attractive to 16 year olds and their families. The planned changes will add to the costs of all 16 year olds, but will be a particular burden to those families who have until now been offered free transport. It is particularly important that this group receive all the encouragement possible to stay in education, as the economic pressures on their families of their continuing in full time education are likely to be particularly difficult.

COMMUNITY and ADULT SERVICES

Line 27 Library conversions (£300 thousand)

Ensure financial support in place for successful conversion of existing small libraries to the new community-based model, which combines professional, volunteer and self-service input. Could include other libraries beyond initially identified pool of 13 who may wish to pursue a community hub model. Protect against libraries being retained in name only by virtue of clustering with a larger neighbour, as this would result in the loss of established local community meeting points. Overall process of library transitions should work on the basis of a level playing field for all small libraries.

Line 28 Reversal of 25% RAS cut for elderly (£2.25 million)

In year 2, the Liberal Democrats would reverse the 25% cut in care imposed on elderly people in autumn 2010. Those people who have received assessments at the 75% level would have their care level increased to 100%. It is wrong that the elderly should bear so much of the burden of cuts.

Line 29 Users group for people in care (£400 thousand)

It is vital that people choosing the care they are to receive are given better, independent advice on the quality of care provided in Cambridgeshire. People with personal care budgets need to know which care-providers are good and which aren't. This user group would run a Which?-style bulletin, based on feedback from others receiving care, to help people decide what care they want to receive and from whom. People will be able to make better choices for themselves if they know what people in similar positions think and say rather than relying on council staff or the marketing departments of the care providers.

Line 30 Pump-priming local day care (£1 million)

Lib Dems would put an extra million a year from year 2 into boosting the supply of local day-care facilities around the county. As the waste of money on unused old-style institutional day-care places is phased out, local organisations keen to provide attractive local care need practical help and start-up funding. This £1 million would mean many more communities would get the help they need to get local services going.

Line 31 Community Mental Health Nurses (£300 thousand)

The Lib Dems would commission two extra Community Psychiatric Nurses for Cambridgeshire to provide extra care for those suffering from mental illness and to provide earlier advice and support both for patients and their carers.

FINANCING

Line 32 financing (£30 thousand)

There will be a small financing charge for the modest prudential loan taken out for highways projects.

RISKS

There are risks in our proposals and as responsible politicians we have identified them and determined how we should respond to them. They are set out below.

Risk 1 the 'Pickles promise'

ref	risk	likelihood	score	consequence	score	product
1	the 'Pickles Promise' applies for 1 year only	unlikely	2	major	4	8

All the advice today suggests that the Pickles' promise will extend over the full IPP period. If it does terminate after year 1 we will have to adapt to this change by a mix of funding from the pressures and development reserve, an increase in prudential borrowing, the delay of some investment programs and the acceleration of savings programs.

Risk 2 inflation

ref	risk	likelihood	score	consequence	score	product
2	inflation is higher than expected	possible	3	minor	2	6

If inflation does increase then the resulting cost pressure will need to be addressed. However the impact of this on the core of the council's budget will be much higher than on the increment proposed in this alternative budget and adaption to it will fit into the overall umbrella of the council's response.

Risk 3 energy savings

ref	risk	likelihood	score	consequence	score	product
3	we cannot make energy savings	likely	4	minor	2	8

The council does not have a good record of making energy savings. However this is within our control and we will implement internal management measures to ensure that they are achieved. We will learn from best practice in similar organisations

Risk 4 relates to a funding stream which is no longer being considered and is therefore withdrawn.

Risk 5 bus contracts

ref	risk	likelihood	score	consequence	score	product
5	we are unable to negotiate bus contracts	possible	3	major	4	12

The council has the officers to be able to negotiate these contracts and consultants are also available. They will be set tough targets and given clear guidance.

Risk 6 Park and Ride

ref	risk	likelihood	score	consequence	score	product
6	we cannot agree a new P&R contract	unlikely	2	major	4	8

This contract should have been improved last time it was tendered. We know what to do and should give the officers the clear mandate to do it.

Risk 7 council tax capping

ref	risk	likelihood	score	consequence	score	product
7	council tax rise will be capped at 2.5%	possible	3	major	4	12

See also risk 1.

Risk 8 business miles

ref	risk	likelihood	score	consequence	score	product
8	we cannot reduce business miles	likely	4	minor	2	8

See also risk 3

Risk 9 press and PR

ref	risk	likelihood	score	consequence	score	product
9	press and PR savings are excessive	likely	4	minor	2	8

It is important that the council maintains an effective level of press and PR support for its operations. This will be monitored carefully.

We believe that we have identified appropriate actions to mitigate those risks which we can influence and to adapt to those which we cannot.