

Item

LIBERAL DEMOCRAT GROUP AMENDMENT TO BUDGET-SETTING REPORT (BSR) 2021/22

To:

Councillor Mike Davey, Executive Councillor for Finance and Resources
Strategy & Resources Scrutiny Committee 08/02/2021

Report by:

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Wards affected:

All

Key Decision

Foreword to the Liberal Democrat Group Amendment

This is not a Liberal Democrat budget, but an amendment which can realistically only enhance the proposed budget by highlighting problems and identifying aspirations and missed opportunities. Voters will get a chance to vote for a Liberal Democrat vision for Cambridge at this year's elections.

In many ways the administration's budget is an interim measure, which postpones fundamental questions, both about the needs and hopes of the city and the way the council will organise to meet them.

The Covid pandemic has changed the way many things are looked at and underscored many forgotten truths. We believe that recovery will bring an unprecedented opportunity to re-energise our political system so that we can work together to address the challenges of the 21st Century.

We want Cambridge to make a better job of planning for the global challenge of climate change than the world has made of planning for the global pandemic.

The council has been providing new housing to lower standards of sustainability in the last 5 years than it did 7 years ago. It can hardly be surprised that other developers see mixed messages. While national planning policy currently does not enable us to require high standards, apart from doing better when it is the developer, the council must use soft leadership to influence and inspire. We show a way of contributing to that within our proposals.

Public open space has been essential for supporting our community during the pandemic and must be protected and enhanced; for social reasons, biodiversity, and physical and mental health.

Apart from providing and protecting open space and applying the high standards of our local plan to new development, we want to enhance its quality and support the people who are using it in greater numbers. Our amendment includes some ways of doing this.

We have seen and benefitted from a low traffic city as fewer people have needed to travel during the pandemic. We already know that public and active transport must take the strain in future if we are to keep Cambridge accessible while tackling congestion and pollution: now is the time to plan to avoid their resurgence when activity returns.

Our amendment embraces the challenge of weaning the council off income from car parks and using their sites to help meet other under-provided social purposes like key worker housing – and mobilises support for active transport that the council has treated as a savings opportunity.

People power and community engagement has asserted itself during this pandemic, whether it's through the magnificent Covid mutual aid groups or the unprecedented participation in public consultations and petitions. This has lessons for the council in the way change is made.

Our amendment includes an important opportunity to seize the public imagination and help to make ours a more circular economy by increasing efforts to eliminate waste: mobilising a true citizen effort for something the council cannot do alone.

We specifically take issue with the budget proposal to rationalise and start closing public toilets. We regard public toilet provision as part of the primary role of a local council to supply basic universal services to all. We want to invest and improve.

Modernising ways residents can contact and do business with the council are welcome; but we don't want the council to follow the many organisations who have got this wrong. Especially because the current experience is so subject to complaint, councillors must satisfy themselves that change enables swift and personal attention and suitable ways of helping with complex problems - especially and equally for those not digitally aware or enabled and those who are vulnerable. They so far haven't.

To fund our proposals, we are taking advantage of further reductions in the cost of borrowing since the current Budget Setting Report was drafted.

The short term impact of the pandemic on the council's finances, in particular loss of income, is likely to be absorbed by government support, the use of reserves and the slow-down in other spending. However we acknowledge that beyond that, the council faces the same financial challenge that it faced before the pandemic: a future without ongoing central government grant and too much centralisation of revenues raised locally, including business rates. A transformation of many ways in which the council operates is necessary for it to become more self-supporting.

We will participate constructively in the transformation process and are ready to lead it. The council will need to ask itself what are the things on which it can most realistically make a difference and to ensure likely outcomes are judged above effort. It is likely to need to consider less paternalistic solutions and more enabling ones and to grow social enterprise in the city. It must draw on the combined capacity of a resourceful city. It must derive income from its operations and assets where this is compatible with its social role. It needs to

consider whether an integrated single tier of local government at our end of the county could enable more holistic approaches and more efficient and responsive services. Whatever the changes, protection for those who are vulnerable will be our priority. The council must remain ambitious in shaping the city for all its citizens and be open to new ways of achieving that.

We see the change in the funding of the capital programme as the most significant proposal in the budget for the council's future financial planning and impact on public assets. We understand the value of prioritising use of external grant funding, developer contributions and recycling of existing capital, where available, before calling on revenue funding of the programme. However, we have some concerns about the dependency this may create for necessary ongoing replacement and renewal of council assets, such as play equipment in open spaces, and other programmes of capital spending, such as Environment Improvement Schemes, which may not be recipients of grant funding. Borrowing is identified as a potential solution and has the attraction of spreading cost; but may ultimately become unsustainable if it were to accumulate over time due to its weight on ongoing revenue budgets and the fact that many council assets do not generate income to support and pay off loans. We will be looking for assurance that existing community infrastructure will be promptly renewed when required and that improvements will not be squeezed out.

Councillor Tim Bick, Leader of the Liberal Democrat Group

Councillor Jamie Dalzell, Liberal Democrat Group Spokesperson on Finance and Resources

1. Executive Summary

This report sets out amendments proposed by the Lib Dem group to the overall set of budget proposals in the Budget Setting Report to be considered by the Executive at its meeting on 8th February 2021, for recommendation to the Council on 25th February 2021.

Through the Liberal Democrat Group Budget amendment:

- A redevelopment of the Queen Anne Car Park will be explored, primarily for housing;
- Plans to rationalise public toilets will be replaced with an investment programme to refurbish and modernise them;
- A campaign will be launched to promote effective recycling and waste minimisation across the city through public engagement;
- A Children's Tree Programme will be adopted in partnership with city primary schools, providing for all year 4 pupils to receive the gift of a young tree to plant;
- An education campaign will be initiated to discourage drivers from leaving their engines idling in stationary vehicles when out of traffic;
- Examples of high standards of sustainability and retrofit in the city will be widely shared through an enhancement of the council's architectural and design awards;
- The Arts Distribution Service will continue and be supported through the lockdown, assisting the recovery of cultural events after the pandemic - instead of being closed;
- Councillors will satisfy themselves of the practical acceptability of digitisation of resident contact with the council before savings are taken from Customer Services restructuring;
- Cycling and walking grants will be expanded after underspends in prior years as the role of Active Travel Officer has been left vacant. This will help the Council to support and utilise other schemes being introduced to promote active travel during the Covid-recovery;

- The provision of public water fountains across the city will be expanded, potentially including sites both in further green spaces and local urban centres;
- The play area on Scotland Road Recreation Ground will be re-equipped and a priority list of play areas for refurbishments across the city will be developed for future capital funding;
- The funding requirements for these additional items are largely met by an update to the assumptions on Interest Rates as confirmed by independent treasury advisors following a cut to Public Works Loan Board lending rates after the completion of the initial Budget Setting Report proposals.

2. Recommendations

Changes to recommendations highlighted in italics refer to the recommendations contained within the Budget-Setting Report (BSR) 2021/22, as presented to the meeting of the Strategy & Resources Scrutiny Committee held on 8 February 2021, subject to any other amendment agreed by the Executive Councillor at this committee meeting.

The Executive Councillor is recommended to:

General Fund Revenue Budgets: [Section 5, page 23 refers]

2.1 Under recommendation 2(a), add:

- ***Together with the changes in Appendix 1 to the Liberal Democrat Group Amendment to Budget-Setting Report (BSR) 2021/22 (and updated 19.2.21*** to remove S4759 from the budget because of its potential impact on the sustainability of grazing on Cambridge open spaces, which is prized as a unique characteristic of the city and already reduces costs and brings income to the council. Consultation and communication with the graziers about the elimination of this service does not appear to have been effective or comprehensive and any reduction in overnight cover or delays in attending might lead to harm to the animals. If still judged a necessary saving it should be reconsidered in a future budget - but only after thorough discussion with graziers, enabling all parties involved to make

appropriate plans).

- 2.2 Incorporate and replace the tables shown in Appendix 4 into the Budget-Setting Report (BSR) 2021/22 at the pages so annotated. Capital: [Section 6, page 25 refers]
- 2.3 At recommendation 2(e), after “Capital Plan”, add “***together with the changes in Appendix 2 to the Liberal Democrat Group Amendment to Budget-Setting Report (BSR) 2021/22***” (updated 19.2.21) and that options for replacing the Corn Exchange heating system (CAP4706), including renewable energy sources and carbon offsetting, should be subject to a prior report to the Environment and Community Scrutiny Committee (if necessary at a special meeting) before a final decision.
- 2.4 Incorporate and replace the tables shown in Appendix 4 into the Budget-Setting Report (BSR) 2021/22 at the pages so annotated.

General Fund: Expenditure and funding 2019/20 to 2024/25:
[Section 7, page 30 refers]

- 2.5 Incorporate and replace the tables shown in Appendix 4 into the Budget-Setting Report (BSR) 2021/22 at the pages so annotated.

Risks and Reserves: [Section 8, page 40 refers]

- 2.6 Incorporate and replace the tables shown in Appendix 4 into the Budget-Setting Report (BSR) 2021/22 at the pages so annotated.

Equality Impact Assessment: [Appendix F, page 108 refers]

- 2.7 Append Appendix 3 to the existing Equality Impact Assessment at Appendix F to the Budget-Setting Report (BSR) 2021/22.

Section 25 Report: [Section 10, page 56 refers]

- 2.8 Note the Section 151 Officer’s assessment, at Appendix 5, of the impact of these proposed amendments on the Section 25 report presented at Section 10 of the Budget-Setting Report (BSR)

2021/22.

3. Council Tax

- 3.1 No changes to council tax are being proposed by the Lib Dem Group.

4. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental, procurement or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

a) Financial Implications

Financial implications of budget proposals are summarised in the Budget-Setting Report (BSR) 2021/22, as amended by the recommendations above.

b) Staffing Implications

Staffing implications of budget proposals are also summarised in the Budget-Setting Report (BSR) 2021/22, as amended by the recommendations above.

c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the budget proposals is included at Appendix F to the Budget-Setting Report (BSR) 2021/22, as amended by Appendix 3. Individual Equality Impact Assessments have been conducted to support this and will be available on the Council's website.

A local poverty rating (using the classifications outlined at Appendix C(a) to the Budget-Setting Report (BSR) 2021/22) has been included in each budget proposal to assist with assessment.

d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals which are annotated as follows:

- +H/+M/+L: to indicate that the proposal has a high, medium or low positive impact.
- Nil: to indicate that the proposal has no climate change impact.
- -H/-M/-L: to indicate that the proposal has a high, medium or low negative impact.

e) Procurement Implications

Any procurement implications are outlined in the Budget-Setting Report (BSR) 2021/22, as amended by the recommendations above.

f) Community Safety Implications

Any Community Safety implications are outlined in the Budget-Setting Report (BSR) 2021/22, as amended by the recommendations above.

4. Background papers

Background papers used in the preparation of this report:

Budget-Setting Report (BSR) 2021/22
General Fund Medium Term Financial Strategy 2020
Individual Equality Impact Assessments

5. Appendices

Appendix 1: Lib Dem Budget Amendment – Revenue Budget Proposals

Appendix 2: Lib Dem Budget Amendment – Capital Budget Proposals

Appendix 3: Equality Impact Assessment

Appendix 4: Revised tables for BSR

Appendix 5: Lib Dem Budget Amendment – Section 25 Report

6. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Caroline Ryba, Head of Finance, tel: 01223 - 458134, email: caroline.ryba@cambridge.gov.uk.