

## **Appendix 'A' - Annex 2**

### **Budget Consultation: Scrutiny Committee Response**

The Scrutiny Committee has conducted a thorough examination of the cabinet's budget proposals, meeting with every cabinet member in the course of its considerations stretching over four meetings. Full notes of those meetings have been provided to the cabinet.

From its wide considerations, the committee would like to highlight the following issues as key messages for the cabinet in taking the budget proposals forward:

#### **Cabinet Member for Adult and Community Services**

- The direction of travel on libraries is welcomed as a continuation of longer term project
- Support is given for reconsideration of the current level of fees and charges – increased fees to better reflect actual cost is supported as a principle
- Support is given for the future of libraries as community hubs
- Support is also given for the use of libraries as service centres for a range of council services and services delivered by partners.
- Engagement with volunteers & community groups in using, supporting and running library services is essential
- It will be important to ensure that the capital investment in libraries and staffing level reductions are managed carefully to ensure service levels are maintained through the process
- There is a need to continue to engage in continuing dialogue with the major recipients of arts grant funding

#### **Cabinet Members for Children and Schools and for Young People**

- Support is given for the Total Family model
- Opportunities for income generation through young people's service premises should be fully explored
- Efforts to ensure PCTs are effectively coordinated on efforts to tackle teenage pregnancy are supported
- The needs of vulnerable children remain the principle concern and this should be taken into account in the development of the proposals

#### **Cabinet Member for Highways and Transport**

- Community involvement in decisions about part-night switch offs is essential
- Consideration should be given to retaining Real Time Information, that consideration to include reviewing cost recovery options.
- Support is given to discussions with bus operators, parish councils and local communities about alternative solutions where bus services no longer met the threshold for council subsidy

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### Leader (including cross cutting issues)

- Efforts to develop shared back office services with other local authorities and other bodies are recognised as a major area for savings across the public sector and are supported.
- Mechanisms for developing and delivering joint services could be strengthened.

### Deputy Leader (waste portfolio)

- Concern exists about the level of tree planting in Lancashire, and reassurance is sought on future levels.
- There is concern that the reduction in HWRCs will seriously impact the current excellent performance in recycling in Lancashire

### Cabinet Member for Environment and Planning

- The further exploration of options for joint working and engagement with community organisations are supported.
- The cabinet is encouraged to examine the potential for the use of Section 106 monies to mitigate budget reductions

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### **Recommendations of the Education Scrutiny Committee to be reported to the Cabinet on the 3 February 2011**

In addition to the published Minutes of the meeting the Cabinet is asked to take account of the following recommendations when considering budget proposals in relation to the 2011/12 and 2012/13 revenue budget.

1. That the possibility of further efficiency savings through the provision of a joint training programme for passenger assistants who accompany children with Special needs and frequently also work in the schools be explored. Those who often work more widely with these children presently are given 2 sets of training.
2. That, subject to the necessary safeguarding checks, young people with SEN be encouraged to make greater use of public transport or shared transport in order to develop their confidence and independence.
3. that greater use be made of County council vehicles for other services when they are not required for SEN transport.
4. that the implications of the government white paper 'The importance of teaching' be monitored and the county council continue to provide good quality services in areas such as school improvement in order that they can be made available to schools as a traded service.
5. That should the proposed change in relation to interest on school balances be implemented the Schools Forum continue to be consulted in order to monitor the impact on schools.
6. That the proposed investment in developing facilities for outdoor education at Tower Wood be welcomed and that once completed the facilities be marketed in order that they can be made available to other groups at off peak times in order to generate additional income.

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### Recommendations of the Health Scrutiny Committee to be reported to the Cabinet on the 3 February 2011

The Steering Group of the Health Scrutiny Committee met on 18 January to formulate their response to the budget proposals relating to adult social care following a discussion at the full Committee on 11 January

Present:

CC Keith Bailey, CC Carolyn Evans, CC Margaret Brindle, CC Jennifer Mein (replacing CC Maggie Skilling) and representing West Lancashire Borough Council Cllr Doreen Stephenson

Members had a conversation about the discussions that took place in Committee and agreed that the minutes of the meetings would be provided to Cabinet for presentation at their meeting on 3 February. However members also agreed that certain key issues should be specifically drawn to Cabinet's attention and these are now detailed below:

- Under the circumstances the Steering Group accept that these proposals need to be implemented but safeguards needs to be in place to ensure that service users are not too detrimentally affected.

Whilst the Committee acknowledged the proposed changes to Fair Access to Care Services [FACS] and older people's day care provision, their main area of concern was around affordability and asked that the Directorate should consider the following suggestions:-

- People need to be provided with information on alternative provision and different opportunities that they may wish to take up.
  - Involve the new 3 tier locality working regarding the sharing of information relating to potential service users and financial assessments to ensure that they are claiming all the benefits they are eligible for.
  - Consider any changes to the state benefits and how this will also impact on service users
  - Carers eligibility for benefits –promote a take-up campaign
  - Recognition of the need to liaise with expert partner organisations to enable full eligibility of potential benefits
  - Easy co-ordinated access for help and opportunity to have an advocate
  - Consider the impact on those who were once deemed as 'moderate' - concerns around the reassessment of existing services users categorised as 'moderate' in terms of timescales and processes
  - Greater promotion of the welfare rights service through existing staff and partner organisations
  - Ensure that Help Direct are able to signpost effectively
  - Minimum period of review for service users under the FACS criteria – suggested that a review take place at least every 2/3 years to ensure that changes to eligibility are effectively identified.
- Again whilst the Committee acknowledged the proposed changes to the Learning Disability Supported Living Services, their main area of concern was service user choice and asked that the Directorate should consider the following suggestions:-

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- Service users should where possible remain in their local area if that was their wish
  - Any consideration of sharing accommodation needs should meet the individual's specific requirements and personalities & there should be greater use of person centred planning [PCP]
- Concerns that some service users may be affected by more than one proposal relating to service provision and/or support available which may compound their difficulties of affordability
- Concerns around the financial affordability for those on the fringes of benefit eligibility who in the past have received many services at a low cost or free and therefore there needs to be adequate support for those service users to help them with the transitional period.
- Safeguarding concerns for the most vulnerable in society due to reductions in services and affordability issues.
- Impact of the proposals need to reported back to the Committee after a suitable period to determine whether they have delivered the intended outcomes and affect on service users

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### **Budget Consultation responses – Lancashire District and Unitary Councils**

#### **Response from Cllr Langhorn, Leader – Lancaster City council**

**FROM COUNCILLOR STUART LANGHORN TO COUNTY COUNCILLOR GEOFF DRIVER:**

Dear Geoff

Thank you for the meeting earlier today, I think we now have a way forward regarding Three Tier Working. City Council members raised several issues in relation to the County Council's Budget which you explained is out for consultation.

- the issue of continued funding to the Community Safety Partnership which provides gap funding for 10 PCSOs
- the relative priority of the Arts to this District because of their importance of attracting visitors and economic development generally
- Supporting People funding

What we didn't mention is that in terms of alternative savings we would be happy to discuss any flexibility that there may be in respect of Second Homes Funding and Performance Reward Grant.

If you consider there is some potential in this, would you be happy for Mark to discuss with Phil?

Yours sincerely

**Stuart**

**Councillor Stuart Langhorn  
Leader of the Council**

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### Response from Lancaster City Council – Extract from Budget and Performance Panel Minutes 25.1.11

#### 37 THE COUNTY COUNCIL'S 2011/12 REVENUE BUDGET AND CAPITAL INVESTMENT

The Panel received a verbal presentation from Gill Kilpatrick, the County Council's Director for Resources on the County Council's Revenue Budget and Capital Investment Proposals for 2011/12. At the meeting members were given a summary of the proposals to accompany the verbal presentation.

The Director for Resources thanked the Panel for the invitation and advised that she would ensure that any comments regarding the budget proposals would be fed back to the County Council's Cabinet at its next meeting. The Panel were advised that the County Council's budget was facing similar issues and processes to those occurring at the city Council. The County Council anticipated having to make £179M in savings over the next 3 years, which represented a reduction of one quarter of the annual budget. The reasons for this were reduction in funding from central government and significant increases in costs.

Members were advised that the County Council's cabinet's overriding priority was to protect vulnerable members of the community.

It was noted that the County Council's Cabinet had resolved to maximise the 'below the line' savings which would reduce the management and administration costs of the Council, without impacting on services. Over a three year period 'below the line' savings were estimated to generate over £55M. Savings from service efficiencies were estimated at approximately £12M over the same period of time.

It was proposed that reductions in services would amount to approximately £97M, and would affect a broad range of services and areas. The Director for Resources outlined some of the more significant proposals in detail, including working with the private sector to negotiate social care fee reductions, and it was advised that the County Council

currently paid one of the highest rates in the North West. It was also proposed that the Fair Access to Care eligibility be amended, and that care would no longer be available for those assessed as having 'moderate' needs.

The Panel were advised of the proposals relating to libraries staff and service rationalisation. It was reported that the intention was not to close libraries, but to move towards self service and attempt to recruit more volunteers.

The Director for Resources discussed the proposals relating to Children and Young People. It was advised that there were a number of proposals which affected shape of services for young people and the Panel were given details regarding some of these proposals.

Following the verbal presentation, the County Council's Director for Resources answered extensive questions from the Panel and stakeholders. The issues raised by the Panel and stakeholders were:

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- Reduction in public transport information and removal of Real Time information service.
- The future of Sure Start Children's Centres.
- The potential cost of the M6 Link Road.
- Regarding Transforming Care Services - the reduction in the number of authority residential places for children and young people.
- The change in assessment of care needs for the elderly, including the proposal to remove all services for those assessed as having 'moderate' needs.
- The rationale behind the reductions in service for Children and Young People given the number of difficulties facing children and young people in the district.
- Given the proposals that no front line staff would be made redundant, how was front line to be defined for this purpose?
- The high dependency of Lancaster District on public sector employment, and the impact that a reduction of public sector jobs could have for young people in the district.
- The proposals relating to revised charging policy for day centre care for the elderly.
- The proposed reduction in specialist Special Educational Needs and Disability Transport (SEND).

The Director for Resources advised that she would ensure that these comments would be fed back to the County Council's Cabinet.

***Resolved:***

- (1) That the Director for Finance, Gill Kilpatrick be thanked for her presentation.



Response from Cllr Gibson, Leader – Wyre Borough council


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**Wyre Borough Council**  
WYRE LOVE WYRE

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INVESTOR IN PEOPLE

County Councillor Geoff Driver  
Leader, Lancashire County  
Council  
PO Box 78  
County Hall  
Preston  
PR1 8XJ

**Cllr Peter Gibson**  
**Leader of the Council**

**Our Ref:** PG/PD  
**Your Ref:**  
**Please ask for:** Cllr Peter Gibson  
**Date:** 21 January 2011  
**Email:** [pgibson@wyrebc.gov.uk](mailto:pgibson@wyrebc.gov.uk)

Dear Geoff,

**The County Council's Budget Proposals for 2011/12 to 2013/14.**

Whilst I welcome the opportunity to comment on the County Council's budget proposals and strategy for the next three years, I feel I must express my disappointment in that much of the detail surrounding the service proposals has not been made available and it is therefore very difficult to assess the likely impact on Wyre residents.


My Cabinet colleagues and I are particularly concerned about the impact of the proposed cuts on front line services including libraries, household waste recycling facilities, the reduction in bus services (in particular the Super 8 Service) and street lighting.

Only this week, community libraries, which are being successfully managed by volunteers in certain parts of the country, have been highlighted by the media and I know from our experience with our wide volunteer base that this is certainly a strategy worth pursuing.

I note the reference to voluntary redundancies in order to reduce costs but would suggest that this indicates an absence of strategic thinking and would challenge this approach. Whilst we at Wyre recognise that this is a difficult time for public sector staff, our role as elected members is surely to deliver the services that matter most to the public.

If you wish to discuss the matter further, please do not hesitate to contact me.

Yours sincerely,



**Cllr Peter Gibson (Leader)**

Do you have a compliment, complaint or suggestion about any of our services? Please contact our Corporate Feedback Co-ordinator on 01253 891000

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### Response from Cllr Driver to the letter from Cllr Gibson

<a href="http://www.lancashire.gov.uk">www.lancashire.gov.uk</a>		<b>Lancashire</b> County Council 
		Phone: (01772) 533355 Fax: (01772) 532885 Email: <a href="mailto:geoff.driver@lancashire.gov.uk">geoff.driver@lancashire.gov.uk</a>
Councillor Peter Gibson Leader Wyre Borough Council Civic Centre Breck Road Poulton-le-Fylde FY6 7PU	Your ref: Our ref: <b>GD/MB</b> Date: 1 February 2011	
<p>Dear Peter</p> <p>Thank you for your letter dated 21<sup>st</sup> January.</p> <p>You will note from the budget papers that the County Council need to save £180m over the next 3 years. Rather than adopt an annual salami slice approach we have sought to set out how we intend delivering all of these savings over the 3 year period thereby removing uncertainty for our stakeholders, particularly service recipients and staff.</p> <p>You will appreciate that at this stage it is not possible to provide the detailed implications of all cuts over the next 3 years, particularly how they may relate to 12 individual District Councils but we did offer to meet with individual District Councils and you did not take up this offer. However, we will endeavour to engage with each District as the budget is implemented.</p> <p>I am surprised and disappointed at your comments regarding the County Council's preference for voluntary redundancies and I note that your Chief Executive said something similar on the BBC Politics Show on the 23<sup>rd</sup> January. Of course we have made strategic decisions as to where the reductions will be made but we are managing the job losses that will result in a much more sensitive and caring manner than would apparently be the case at Wyre.</p> <p>The County Council employs over 20,000 staff and will obviously employ less in the future. I believe that at a time when councils are looking to get more from staff than ever before, the approach that you and your Chief Executive advocate would</p>		
County Councillor Geoff Driver Leader, Lancashire County Council PO Box 78 County Hall Preston PR1 6XJ	 2000-2009 2009-2010 2010-2011 2011-2012 2012-2013 2013-2014 2014-2015 2015-2016 2016-2017 2017-2018 2018-2019 2019-2020 2020-2021 2021-2022 2022-2023 2023-2024 2024-2025 2025-2026 2026-2027 2027-2028 2028-2029 2029-2030	

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be entirely inappropriate. It would simply create a demotivated workforce constantly looking over its collective shoulder. In a time of huge change, the likes of which we have never seen before, a well motivated, fully engaged, productive workforce is crucial.

Thanks again for taking the time to write to me.

Best wishes.

Yours sincerely



County Councillor Geoff Driver  
Leader,  
Lancashire County Council

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### Note of Budget Consultation Meeting with representatives of the Lancashire Trade Unions – 17 January 2011, Cabinet Room 'C', County Hall, Preston.

#### Present:

#### Members

County Councillor Geoff Driver (in the Chair)  
County Councillor Albert Atkinson  
County Councillor Jennifer Mein  
County Councillor Bill Winlow

#### Officers

Ian Young - Deputy County Secretary and Solicitor (LCC)  
George Graham - Assistant Director of Finance (LCC)  
Andy Milroy - Principal Support Officer, Executive Support Team (LCC – Clerk)

#### Representing the Lancashire Trade Unions

Liz Laverty - Association of School & College Lecturers  
M J Harrison - National Association of Schoolmasters Union of Women Teachers  
Les Ridings\* - Association of Teachers and Lecturers  
Carol Lukey - UNISON  
John Lewis - UNISON  
Ken Cridland - National Union of Teachers  
L J Turner - National Association of Headteachers  
Liz Laverty - Association of School & College Leaders (ASCL)  
T Mattinson - UNITE The Union  
Sandra Blight - GMB – Britain's General Union  
David Bone - ASPECT

\*Les Ridings attended in place of M Haworth

#### Apologies for absence

Apologies for absence were received from Tony Hayes (UNITE) and Yakub Padia (Association of Educational Psychologists)

#### Welcome and Introductions

The Leader, County Councillor Driver, welcomed the Trade Union representatives and explained that the purpose of the meeting was to consult with the Trade Unions on the

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Cabinet's budget proposals for 2011/12 to 2013/14. The proposals agreed by Cabinet on the 6<sup>th</sup> of January 2011 were circulated to the Trade Union representatives and their comments invited.

Comments made by the Trade Union Representatives included the following:

- General concerns were expressed regarding the level of reductions being proposed but it was accepted that the Council needed to address the financial position in which it found itself. The Leader emphasised that the Council was required to deliver a balanced budget and that the Cabinet's proposals were intended to protect the most vulnerable service users so far as the Council was able to do so within available resources.
- Concerns were expressed regarding the Strategic Partnership between the Council and BT, and whether the anticipated level of savings would in fact be achieved. The Leader emphasised that the agreement gave a minimum level of guaranteed savings and that it was hoped that more would be achieved.
- Clarification was sought concerning the staffing implications of the proposals. The Leader responded that he felt that it would be wrong to give out numbers of possible job losses at this stage as he wanted to take a more measured approach and ensure staff who were likely to be affected were the first to know. The fact that the Cabinet was proposing to set a 3 year budget gave a greater level of certainty for staff going forward. The Leader also confirmed that he had already given an undertaking that compulsory redundancies would only be a last resort and he was confident that savings could be achieved through voluntary redundancies. External recruitment had also been frozen and there would be a greater emphasis on redeployment.
- Concerns were raised regarding the proposals for "Transforming Care Services for Children and Young People" (page 32 of Appendix 'C'), the level of savings to be made relating to children's social care and reshaping residential homes, and proposals regarding the charging policy. The Leader confirmed that all proposals had been made on the basis that each Executive Director felt that the savings targets were achievable.

In conclusion, County Councillor Driver thanked the Trade Union representatives for their attendance and stated that he would be happy to respond further and in more detail on any specific points if requested.

DS/AM

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### **Budget Consultation responses – Representatives of the Local Business Community**

No responses have been received to date from the representatives of the local business community to whom consultation letters have been sent.

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### **Lancashire Youth Council**

#### **Consultation on Lancashire County Council's Budget for 2011/12**

**Thursday 13<sup>th</sup> January 2011, County Hall**

#### **The Process:**

This is the third year in which the Youth Council have been involved in the Lancashire County Council budget consultation process and we would like to take this opportunity to thank the cabinet for involving us in this process.

The consultation was split into two parts. The first part being done in district Youth Councils during November and December, young people were asked to discuss which areas of the council they thought were most important to them and should be discussed in more detail at the meeting in January and which needed key funding.

The second part of the consultation took place at the Lancashire Youth Council meeting on 13<sup>th</sup> January. At this meeting young people focused on the three main areas that they thought were most important: job opportunities for 16-24 year olds, highways and the Young People's Service.

#### **Feedback**

The young people discussed how relevant the consultation could be given the current budget cuts faced by the council. The youth council were given an overview of the budget proposals generally, approved by cabinet on 6<sup>th</sup> January, and specifically of the proposals in each of the three areas and were asked for their views. It was stressed that young people would have to put forward suggestions and thoughts on how money could be saved if they suggested not making cuts to certain areas.

#### **1. Young People's Service**

The key priority was to preserve youth centres, as budget reductions may lead to a loss of some of the centres. To some extent it was agreed that they should be focussed on areas of highest deprivation.

As an alternative, to accompany other accommodation initiatives it was felt that the service could make use of already operational buildings, for example schools and libraries, to provide places for young people to go. The young people felt there was scope for integrating libraries and services for young people.

It was felt there could be a review of charging options and potential revenue streams for centres to raise income, there would be a willingness among young people to support this.

Where possible, the young people support keeping face to face contact – it raises opportunities for young people and has proven results. However within the Information and Guidance element, the service could further utilise online communication methods (e-mail, texts, and social networks), particularly where paper based methods are used at present.

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The young people agreed with the proposal to narrow the focus however it was felt 11-19 year olds (rather than proposed 13-19) would be appropriate.

It was felt cutting young people's services could result in more young people hanging about on the street, higher crime rates, underage drinking and higher teenage pregnancy rates which would put pressure on public services in other areas.

### **Suggestions for saving money:**

- Share premises with schools, libraries or premises already used by district councils to reduce building costs
- Utilise mobile libraries so that libraries in rural areas could be closed, or integrate with youth clubs
- Reduce the number of books purchased and have electronic copies online so more room for other things
- Streamline library services and review charging options, for example for computer usage
- Tighter use of resources
- Spend less on publicity for competitions and campaigns which are not essential

## **2. Job Opportunities for 16-24yr olds**

No specific cuts were mentioned with regard to these opportunities.

The young people hadn't heard of all the schemes discussed as they weren't directly relevant to them depending on their age. It was felt that advertisement and promotion of these needs to be a priority, and more money could be spent in this area.

Job opportunity schemes in general are a good idea and should be protected from cuts, but possibly the number of entry levels in the schemes, e.g. WorkStart, could be reduced as a way of saving money.

There was positive feedback in particular regarding the Future Horizons scheme (which opens up work experience without qualifications), and the apprenticeship scheme, which is seen as an essential part of job opportunity development to be protected.

It was felt that funding could be used in a number of ways to support job opportunities for this age group:

- Provide graduate opportunities and placements by linking other businesses and organisations with the council, in addition to existing schemes
- Encourage local businesses to attend school events in Lancashire to advertise job opportunities
- Target training towards areas which are short staffed, concentrate the schemes on the employment needs of the council (to encourage retention)
- Run curriculum based learning to prepare young people in schools for work
- Job opportunities and training offered in schools/colleges rather than the council

## **3. Highways/Bus Services**

Suggestions for saving money in this area include:



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- Reduce the number of street lights – for example use one in five in some areas (where this wouldn't compromise safety)
- Invest in new technologies, for example movement activated lights
- Educate teachers in road safety so that young people can learn about it in schools rather than the council providing the training courses
- Agree that real time bus information is not a necessity and could be removed
- Schemes for over 60s, for example the NoW card should be means tested

As has been raised in previous years, the young people would like the council to engage with local bus companies to potentially fund student bus cards to encourage more young people onto public transport. The following suggestions were made:

- Increase bus fares for over 18's and those who are able to pay in order to subsidise fares for young people
- Charge more when buses are empty at night and less when it is full, pay as a proportion of how many are using the bus
- Look to merge bus companies operating across Lancashire

### **The future:**

The young people expressed their concern with the budget cuts and felt that they would feel the effects quite dramatically especially within resources provided by the Young People's Service.

We would like to take this opportunity to thank the Finance team for their time and support in the consultation and hope that we can continue to work together in the future.

## **Lancashire County Council Budget Consultation 2011/12 – 2013/14**

### **Consultation with the Public**

Members of the public have been invited to submit responses to the Leader of the Council in respect of the Council's budget proposals for 2011/12 to 2013/14.

These comments have been received through the Council's website at the [enquiries@lancashire.gov.uk](mailto:enquiries@lancashire.gov.uk) address and the key issues raised in those responses are summarised below.

- Concern expressed in respect of the proposals being made relating to Children's care and in particular the provision of respite for families that care for children with disabilities
  - o What consultation has been undertaken in respect of the change in legislation relating to the provision of overnight respite care?
  - o On what basis has the Council determined that current provision operates below full capacity and why are these facilities not operating at full capacity?
  - o What is the 'thresholds model' and how does it work in determining the future level of demand for such care?
  - o How is the review of Special Educational Needs Transport going to impact upon the users of the service?
- The publication of the Council magazine distributed to all households in Lancashire should be scrapped
- Consideration should be given to charging for entry to Museums
- Why is the Council proceeding with the project for a new school at Laneshaw bridge when resources are so scarce?