

Liberal Democrat Amendment to the Budget: 11 February 2020

Proposed by Councillor Mackrory and seconded by Councillor Turrell.

That the net effect of the budget resolution be amended as set out for the reasons and purposes set out below:

1.0 Recognising the enormity of the Climate Change Emergency

1.1 The setting up of the Essex Climate Change Commission is a welcome development but the initial budget of £1.5m for 2020/21 does not recognise the urgency to tackle what is truly an emergency. An additional **£1.0m** funding is proposed to:

- Promote a sustainable approach to growth, development and a low carbon future.
- Implement measures to improve the green infrastructure of Essex and increase biodiversity.
- Improve the environmental quality, attractiveness and recreational potential of public spaces in ECC ownership.
- Implement measures to reduce waste, lower energy consumption and improve air quality in identified hot spots and introduce Clean Air Zones.

1.2 This to be funded by drawing down an additional **£1.0m** from the £5m Essex Climate Change Commission Reserve.

2.0 Maximise the use of and retain the Essex Library network

2.1 Increase the Libraries budget (Customer, Communities, Culture and Corporate) by **£200,000 in 2020/21, £150,000 in 2021/22 and £100,000 in 2022/23** (for the period of the libraries strategy) subject to reducing the **Transformation Reserve** by an equivalent amount in 2020/21, specifically to come from the £3m earmarked for the Library Strategy and Modernisation.

This additional funding to be added to that described in the July 2019 Cabinet report and to be used to support Community-run Libraries in the first three years to promote reading and the love of books and literature amongst children, young people and their families to maximise the use of libraries.

3.0 Supporting the needs of children, young people and adults with mental health issues

3.1 Whilst welcoming the additional £1m funding in last year's budget the pace of improvement is too slow to meet the demand. Therefore, it is proposed to Increase the Public Health budget by **£1.5m** (Health and Adult Social Care portfolio), subject to reducing the **Transformation Reserve** by an equivalent amount and thereafter added to the Medium-Term Resources Strategy for action to be identified to determine a permanent funding solution. This additional funding to enable more vital work with children, young people and

adults with mental health issues. Measures to tackle suicide prevention and sexual health conditions will also reduce costly treatment to the NHS. We will promote the benefits of investing in match-funding this significant additional expenditure with the Clinical Commissioning Groups to provide more mental health counselling support in infant and primary schools to help identify and address mental health issues at an early age with the intention of reducing demand on services in the future.

4.0 Supporting Essex's young people

- 4.1 An increase of **£350,000** in the budget provision for Youth Services (Education and Skills portfolio) for the provision of Youth Service projects including, support, mentoring and respite for young carers, school lunchtime clubs/drop in sessions run by youth workers and outreach work, including detached working. The increase is to be funded by a withdrawal from the **Transformation Reserve** in 2020/21 and thereafter added to the Medium-Term Resources Strategy for action to be identified to determine a permanent funding solution, subject to the evaluation of the pilot.

5.0 Investing in our infrastructure and keeping Essex safe

- 5.1 An increase in the 2020/21 capital programme provision for **Local Highways Panels** (Infrastructure portfolio) of **£4m**. This will be allocated to individual panels, to return their total funding to the 2015/16 level (i.e. to £8m).
- 5.2 The additional **£4m** referred to above will be funded by a transfer from the Capital programme provision for Road Maintenance.
- 5.3 There are three council areas where bus lane and bus gate enforcement exist that are budgeted to raise **£3.2m** in 2020/21 from penalty charges. (In 2018/19 these were Basildon £91,000, Chelmsford £878,000, Colchester £1.292m). It is proposed to reduce the Roads Maintenance capital programme by **£3.2m** and further increase the Local Highways Panels budget by **£3.2m** for Basildon, Chelmsford and Colchester, pro-rata to the revenue income collected from bus lane and bus gate enforcement fines, to help fund higher cost projects in those areas.

6.0 Reducing Fly Tipping

- 6.1 An increase of **£250,000** in the budget provision for Waste Disposal (Environment and Waste portfolio) to tackle the scourge of fly tipping which is blighting the countryside. This increase is to be funded from the **Waste Reserve** in 2020/21.

Section 151 Officer's Commentary on Liberal Democrat Budget Amendment

1.0 Summary of Proposals

- 1.1 A number of the amendments that are proposed to be funded from reserves in 2020/21 have an ongoing impact on the MTRS from 2021/22 onwards, increasing the gap in future years by the amount shown in the table below:

Description	2020/21 £000	2021/22 £000	2022/23 £000
Investment in the Libraries Service	200	150	100
Investment in Mental Health Services	1,500	1,500	1,500
Investment in Youth Services	350	350	350
Ongoing impact	2,050	2,000	1,950
Investment in Climate Change Emergency	1,500	-	-
Investment in Fly Tipping reduction	250	-	-
One off cost in 2020/21	1,750	-	-
Total cost	3,800	2,000	1,950

- 1.2 It is recognised that there will be no overall increase to the 2020/21 budget arising from the proposed changes as funds identified will be drawing down from Reserves.

- 1.3 The impact on reserves in 2020/21 is summarised in the below table.

Reserve	Current estimated closing balance £000	2020/21	
		Proposed additional usage £000	Revised estimated closing balance £000
Transformation	34,147	(2,050)	32,097
Essex Climate Change Commission	3,750	(1,500)	2,250
Waste	109,618	(250)	109,368

- 1.4 The amendments also impact on the 2020/21 capital programme as follows

Description	Current 2020/21 Budget £000	Proposed 2020/21 Budget £000	Increase/ (decrease) £000
Additional funding for Local Highways Panels	4,150	11,350	7,200
Reduction to Roads Maintenance	40,750	33,550	(7,200)

2.0 S151 Officer's Statement on the Liberal Democrat Budget Amendment

- 2.1 The proposals have set out clearly the funding sources for 2020/21, which includes a £2.050m withdrawal from the Transformation Reserve, taking the balance on this reserve to £32.097m at the end of 2020/21, £27.717m at the

end of 2021/22 and £23.337m at the end of 2022/23. The reduction in Transformation Reserve will impact capacity to invest in change to enable financial sustainability given the £71m gap over the medium term.

- 2.2 No sources of funding are identified beyond 2020/21 and so the MTRS gap will increase by £2m from 2021/22 onwards.
- 2.3 Given the reduction in the reserve, and the increase in the gap, it will be imperative that action is taken to find appropriate and on-going funding for these proposals. Without such action, the risk profile of the authority increases. The Transformation Reserve is intended primarily for funding costs associated with the Council's Transformation programme. It is important that using any funds from this reserve delivers service transformation aligned to service strategy.