



# **Budget Consultation 2010/11**

Summary of responses to be considered by the Cabinet on 9/2/10 and Council on 12/2/10

## CLLR. JOHN WEBSTER: RESPONSE TO BUDGET CONSULTATION

January 28<sup>th</sup> 2010

### INTRODUCTION.

I attended the following meetings for consultation on the budget:

- Cheltenham Voluntary and Community Action on 17<sup>th</sup> Dec
- C5 meeting on 18<sup>th</sup> Jan (Cheltenham Parish Councils)
- Social and Community Overview & Scrutiny Committee on 11<sup>th</sup> Jan
- Environment Overview & Scrutiny Committee on 20<sup>th</sup> Jan
- Economic & Business Improvement Overview and Scrutiny Committee on 25<sup>th</sup> Jan.

A range of issues arose which were either answered or responded to subsequently. All are covered in the final reports to Council or in written responses.

Two of the three Overview & Scrutiny (O&S) sessions lasted well over an hour and covered a wide range of detail, some of which could only be provided after the meeting. This has been or will be circulated to the appropriate O&S members.

Some discussion may be useful to see whether or not the budget can be subject to more searching scrutiny in future, perhaps with one panel made up of members from the three committees having a more intensive budget scrutiny session or a series of budget scrutiny meetings.

A letter was sent from Cheltenham Voluntary and Community Action generally supporting the budget and urging that at least the present levels of support be continued, particularly in relation to the subsidised leasing or renting of Council property to Voluntary Sector organisations carrying out activity consistent with the Council's policies. It emphasised the importance of the Voluntary Sector to Cheltenham, its role in levering in funding from other sources such as the lottery and central Government funding and particularly in its impact in the more disadvantaged areas of the town. The budget acknowledges the key role of the Voluntary Sector and sees the relationship between it and the Council as being pivotal in achieving its goals.

### GENERAL QUESTIONNAIRE.

There were only 6 hard copy responses to the General Questionnaire, but almost a thousand electronic responses. This very good response to the Council's budget website indicates a much higher level of interest than to previous budgets and is of significance in securing greater public feedback and contains some important messages, but clearly was limited to those with access to the internet and in possession of some computer literacy.

The issue of the loan to the Everyman Theatre and Pittville Park had a role in initiating this response and this needs to be taken account of. The responses are listed below with my comments in italics.

There were a further 341 separate representations received in relation to the Everyman Theatre (see below), 333 of these in favour of support for the budget suggestions towards it.

## BUDGET CONSULTATION 2010/11 – SUMMARY OF RESPONSES

997 completed surveys were received.

**Q1. Do you feel that a 2.5% council tax increase (an extra £4.57 a year or 9p a week) is:**

		%
Too Much	303	30.4
About Right	450	45.1
Not enough to maintain local services	147	14.7
Don't know	97	9.7
<b>Total</b>	<b>997</b>	

Nearly 60% of respondents thought the Council Tax increase about right or not enough, with just over 30% believing it was too much.

**Q2. What do you think should be the Council's priorities for improving services? (up to 3 can be chosen)**

	Response	%
Preventing crime & disorder	426	19.2
Street cleaning and maintenance	328	14.8
Helping with community groups and voluntary sector groups	90	4
Parks and gardens	101	4.5
Protecting and enhancing the borough's environment	59	2.7
Funding discretionary element of concessionary travel	35	1.6
Reducing carbon emissions and adapting to climate change impacts	84	3.8
Delivering value for money	219	9.9
Waste collection and recycling	199	8.9
Arts and culture	333	15
Promoting sport and health living	44	2
Promoting civic pride	39	1.8
Affordable housing	82	3.7
Promoting tourism	46	2
Promoting business and employment	123	5.5
Other (See below):	9	0.4
<b>Total</b>	<b>2217</b>	

Responses to Q2 under "other":

- Fixing the roads.
- Heritage.
- I think we are in a time of protecting services rather than enhancing them.
- Make pavements much safer.
- Not promoting – actioning.
- Reducing waste and excessive cost within the Council.
- Repairing roads.
- Road surfaces.
- Strongly support Glos airport, Staverton.

*The greatest priorities listed were preventing crime and disorder (19.2%), Arts and Culture (15%) and street cleaning and maintenance (14.8%) with both delivering value for money (9.9%) and waste collection and recycling (8.9%) also having significant support.*

*The strong showing of Arts and Culture is of significance given the scores for some other of Cheltenham's features, such as Parks and Gardens, and indicates how it is valued in the town. This vindicates it as a cross cutting objective in the Corporate Plan identified is a vehicle for tackling economic, environmental and community objectives and justifies the high emphasis put on this by the*

Council in contributing to the quality of life in the town. The scores also underline the importance of partnership working because not all of the priorities are ones that the Council can tackle itself.

**Q3. What improvements would you most like to see the Council make to the borough?**

**In total 371 responses were received to this question. Common responses were:**

- Increase the number of recyclable items collected from the kerbside
- Improve road surface quality & fill-in potholes.
- More cycle routes
- More activities for teenagers.
- Cleaner streets and an improvement of general "untidiness".
- More car parking in the city centre.
- A greater number of police officers visible on the streets.
- Maintenance of the Everyman theatre.
- Maintenance of Pittville Park.

*These responses speak for themselves but also indicate the importance of Partnership working because many of them need to be addressed by a range of organisations.*

**Q4. Given the potential squeeze on public sector spending where do you think the council should look to reduce spending?**

	Response	%
Preventing crime & disorder	37	1.9
Street cleaning and maintenance	14	0.7
Helping with community groups and voluntary sector groups	149	7.5
Parks and gardens	108	5.4
Protecting and enhancing the borough's environment	70	3.5
Funding discretionary element of concessionary travel	326	16.4
Reducing carbon emissions and adapting to climate change impacts	199	10
Delivering value for money	39	2
Waste collection and recycling	17	0.9
Arts and culture	70	3.5
Promoting sport and health living	195	9.8
Promoting civic pride	357	18
Affordable housing	100	5
Promoting tourism	164	8.3
Promoting business and employment	96	4.8
Other (See below):	42	2.1
<b>Total</b>	<b>1983</b>	

Responses to Q4 under "other":

- Reduce overstaffing (x13)
- Reduce senior staff and salaries; downsize council property estate; ask councillors to forego their pay and allowances
- As few consultants and "initiatives" as possible please
- Staff costs and pensions (x 10)
- None of the above
- Street furniture
- Waste in public buildings & administration
- All non added value costs
- Internal efficiency (x2)
- Long-term benefits (such as Jobseekers' Allowance) (x2)
- Shouldn't reduce spending (x2)
- Be more efficient and less waste on ill advised legal advice

- No more Lairds
- Unwinnable legal disputes (x2)
- Look within. Substantial savings can be made on direct costs. Negotiate hard with suppliers. Look internally at areas that are underperforming or are overstaffed. Take a business like approach.
- Civic jollies
- On making up any pension scheme deficits. I feel for those involved however no-one will be topping up non-public employee losses.

*There is clearly some resentment over Borough Council funding for Civic Pride (18%) and funding the discretionary element to concessionary travel (16.4%), probably because the concession only benefits the over 60s and because it is now so heavily subsidised by local Council Tax payers. The 10% believing that spending can be reduced by 'Reducing carbon emissions and adapting to climate change impacts' is capable of two interpretations – those who may be 'climate change deniers' who don't want anything spent on it and those who think that cutting energy use will cut costs. There is an expected emphasis on increasing efficiency and asking councillors to forego allowances – both embedded in the budget.*

**Q5. The cabinet is proposing £1.2m of savings and increasing income, including cutting management and administration costs. What further savings or areas for increasing income do you believe the council should consider in the running of its services?**

A total of 283 comments were received. The most popular responses were:

- Cut staff pensions
- Reduce/remove pay for Councillors
- Stop expensive trips abroad for town twinning
- Share services with other Councils
- Sell the Municipal Offices
- Reduce street lighting
- Ensure efficiency of staff, particularly those working outdoors
- Reduce benefits such as job-seekers allowance.

*The issue of pensions in the public sector is one that the press has alerted people to and people are now questioning the long term sustainability of the present arrangements. This will be a major issue to resolve in the years to come.*

**Q6. Do you have any comments on the charges the council makes for its services?**

149 responses were received to this question – several people commented that they did not understand the question and would have liked some examples. Of the responses received, the following were most common:

- Car parking charges are too high
- Costs should be cut at the Municipal Offices
- Most respondent thought charges were generally fair.

*The issue of car parking charges is further explored in Q8 below.*

*The second response emphasises the need to continually improve Council efficiency and indicates the popular public view that there is waste in all Government. Shared Services and improved technology are driving costs down, and there is little obvious waste now within the Municipal Offices.*

**Q7. Do you agree with the plans to support the Everyman theatre by way of a £1m loan with interest plus a £250k grant?**

		%
<b>Yes</b>	<b>945</b>	<b>98</b>
<b>No</b>	<b>19</b>	<b>2</b>
	<b>964</b>	

*There is overwhelming support for the Council's support for the Everyman and underlines the emphasis put on Arts and Culture in Q2.*

**Q8. In order to keep council tax increases at 2.5% and to protect local services, we had to increase car parking charges by 3.5%. Would you have preferred an increase in council tax of 3.5% with car parking increases kept at 2.5%?**

		%
Yes	454	45.5
No	486	48.7
<b>Don't know</b>	<b>57</b>	<b>5.7</b>
<b>Total</b>	<b>997</b>	

*The response to this question indicates how controversial the issue of parking is within the town with a hefty number prepared to accept higher Council tax in exchange for lower parking fees. The reasons for this would need further research into where people lived, and their travel patterns and is something that needs to be pursued. The issue of parking charges is prominent in general comments about the budget below. No comment is made on this feedback because it is self explanatory.*

**Q9. Finally, do you have any general comments about the proposed budget?**

182 comments were received, several of which were regarding support of the Everyman theatre. Other examples include:

- In current economic circumstances we need to expect some unpalatable increases and cuts. As long as these bring finances back in line without affecting services significantly then the pain is acceptable. I do find Cheltenham's parking charges to be generally too high, however, and much more expensive than other similar towns I visit and I trust that in future there will be no further increases in charges. We need to remain competitive with Gloucester and Bristol in particular.
- Your budget proposals seem reasonable – although the Laird case costs should never have happened. Losing £2m is a disgrace.
- One assumes that to make savings by improving efficiency is an ongoing process year on year. Therefore it should not be used as a special area of attention or mention in this year's budget.
- Civic Pride will cost a fortune, with expensive personnel appointments already being made. Keep the Municipal Offices and don't destroy the Long Gardens. They will only be replaced with more bars, vomit, litter, drunks and vandalism. The weather here will never promote "café culture" and a new council building will never come in on budget.
- The budget increase is likely to be in line with RPI inflation. However many people are struggling financially. This is why it is so important to increase revenue from high added-value employment.
- I don't envy your task and think you have very tough decisions to make in the coming years.
- Q8 is a badly worded question. The Council does not HAVE TO increase parking charges or increase the council tax further. The Council should look at significant cost reductions in non-frontline staff, use of consultants, travel expenses and remuneration and benefit packages.
- I just hope this isn't another piece of apparent "public consultation" and that the views submitted are taken seriously otherwise this too would represent an enormously worthless cost.
- I am prepared to pay for good Council services if they are carefully selected and do not involve significant staff increases.
- Value for money is what most people want.

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In addition, a large number of comments (341) were received regarding the Everyman Theatre loan and grant. 333 of these were in favour of the loan, with common reasons being the tourism brought in by the theatre, the enjoyment many generations have had in visiting the Everyman, and that there are no similar theatres nearby. Several comments were received from local schools, highlighting the educational benefit of the Everyman.

Eight comments received were against the loan & grant to the Everyman Theatre, and in support of Pittville Park.

**NB: Detailed individual comments in respect of the Everyman Theatre and Pittville Park have been placed in the members room for information.**

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**One unrelated comment was received, as follows:**

**Luke Aguirre, Cheltenham**

'Please will someone try and save our bowling alley'.

*This plaintiff cry from Luke Aguirre will be investigated.*

### **RESPONSE TO PITTVILLE PARK/ EVERYMAN FUNDING ISSUE.**

The reality is that for the coming year (2010/11) the bulk of the Capital Budget (over half a million pounds in all) is being allocated to the maintenance of Regent Arcade (which we have a legal obligation to do), and the installation of a new IT storage system for the Council. This is why the £300k has had to be taken back into the capital reserve. Funding for the Everyman is proposed as part of the capital programme for 2011/12 which is when they expect to do the work.

The facts about the Pittville Park funding are as follows.

At Full Council on 17<sup>th</sup> March 2008 during the last Conservative administration it was agreed that the Council should contribute £1m match funding to a £3m HLF bid. The resolution that was passed made it quite clear that if the HLF bid was unsuccessful that 'Full Council will reconsider the allocation of the £1m funding'. **The funding was only ring-fenced for Pittville Park if the HLF bid came to fruition.**

The £1m was composed as follows

- £200k from 4 years general maintenance for all Parks (50k a year)
- £100k planned maintenance from the Parks budget overall.
- £200k s106 (planning gain) from Midwinter sale (clearly not available because the site has still not yet been sold)
- £10k from volunteers
- £190k of 'qualifying funding' which has already been spent
- Plus £300k of capital.

The HLF bid was **unsuccessful** despite being put forward as the highest priority in the region.

A report was submitted to Council on 12<sup>th</sup> Oct 2009 which recommended ring fencing the £300k, **not for Pittville Park, but to be invested in a range of other park and open space schemes.**

When I realised the impact of the £300k on the capital programme this report was withdrawn. My view was that it should not be allocated for something else – but that it should be considered along with other bids at budget time by full Council as the original resolution required.

There may be an opportunity to submit another HLF bid for Pittville Park - however, it was advised by the SW Office of HLF '*that concurrent bids from the same authority might be*

*considered to show a lack of strategic thinking'*, and the bid for the Art Gallery and Museum had been subsequently submitted.

**The key point here is that both Pittville Park and the Museum are owned and run by the Council whereas the Everyman building is owned by the Council – but it is leased to the Everyman and run as a business by the Everyman Theatre Ltd – a completely independent and autonomous 3<sup>rd</sup> Party which therefore stands a better chance of securing HLF funding.**

The fact that the Everyman has got through Stage 1 of a Heritage Lottery Grant application in September 09 convinced me that theirs was the emerging priority for funding. The Everyman's bid to HLF is £500k. The Phase I application was approved in September 09. My understanding is that the assessment of the Phase II application (in February) will require the Everyman to provide clear evidence of the theatre's funding strategy & evidence that the match funding to deliver the project is in place. The Council recommendation to provide funding for the Everyman provides the match funding the HLF is looking for.

I would like to make a number of other points about the Pittville Park funding.

- The £200k of maintenance from all Parks deprived the remaining parks in Cheltenham of 4 years maintenance funding: this funding now goes back to parks generally.
- About £25k a year will be spent on Pittville for the next two years.
- The children's play area has been improved. Further, no cuts are being proposed in the caged birds and animals which cost £20k a year to keep. This was an officer option presented for consideration and is still present in Appendix D of the budget papers. This administration has refused to make this cut and will not do so in the future.
- The original Council funding identified as match funding for the HLF bid included £200k from the sale of the Midwinter site which has not yet transpired. £2m of 'Midwinter' funding was also earmarked by the previous Conservative administration for the Museum, which this administration made available from other sources in last year's budget. Had the Pittville HLF bid been successful every other park in Cheltenham would have been penalised and we would have had to find not £300k, but half a million from Council funds to support the bid.
- There may be an opportunity for some funding for Pittville Park in the future if we sell assets, but this will almost certainly be for a much more modest scheme. Requests have been made to refurbish the main park gates and these can be considered running up to next budget, but given that we do not know what our circumstances may be, it is not sensible at the moment to give any undertakings about this.

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