Introduction

Each year Cumbria County Council consults on its budget and this year is no different. We want to hear your views on some of the tough decisions we will need to make. This is important as these decisions may impact on you, your family and your friends. So please make time to read about our proposed plans and have your say.

This consultation provides an opportunity for you to review and comment on the Council’s overall approach to meeting the budget challenges ahead and proposed council tax increase. Many of this year’s savings proposals can be achieved within existing council policies and procedures as they do not impact on front facing services and do not require wider public consultation. These include a range of financial management savings and further improvements to the council’s contract arrangements.

There are a small number of savings that are being proposed that will require specific consultation. We will do this in a timely manner directly with any customers and stakeholders who are affected and their feedback will then be used to help shape and inform any final decisions.

To have your say please complete our questionnaire online at cumbria.gov.uk/budgetconsultation or if you have picked up a paper copy of this year’s consultation document then there is a questionnaire at the end for you to complete and return to our freepost address. Just mark the envelope: Freepost, CUMBRIA COUNTY COUNCIL.

Comments on this document are welcome and the closing date for this consultation is 5pm on Monday 8 January 2018.
Foreword

Cumbria is a great place to live, work and visit and we are determined to improve the quality of life for our residents. We have significant ambition and we are committed to our voice being heard locally, regionally and nationally.

Despite national austerity and the pressures faced, we have been resolute in our commitment to addressing the financial challenges, finding creative solutions to balance our budget and protect frontline services wherever possible.

More than that, as a result of doing things differently and despite the ongoing financial uncertainty, we have still managed significant capital investment in our infrastructure with new care homes, investment in our roads and bridges and ongoing investment into our schools. We have been very successful in finding new and more efficient ways, to do more with less.

Efficiency alone is no longer sufficient and with the increasing uncertainty surrounding public sector funding, a fresh approach is required. This will focus on working differently, including opportunities for us to raise income, and plans to become much more enterprising. We need to work much more closely with our partners so that collectively we can tackle the increased demand on services for those who need us most - children, young people and vulnerable adults.

Our future is one of hope and aspiration. We want a future for all that is financially sustainable and one that places the customer at the very heart of all we do.

Making these changes won't be easy and we can't achieve it alone. That is why we are asking you to be part of this conversation and take part in this year’s consultation.

Cllr Stewart Young
Leader

Cllr Ian Stewart
Deputy Leader

Katherine Fairclough
Chief Executive
Our approach

The County Council is committed to improving outcomes for the people of Cumbria.
If we are to deliver on this commitment then the Council will need to do things differently
over the next four years.
This will mean making the most of new opportunities, working with local communities and
residents, utilising the latest technology and maximising the talent of our workforce.

Where we are now

Cumbria County Council has faced unprecedented levels of budget reductions over the past
few years, as have Councils up and down the country. This has resulted in extensive savings,
amounting to many millions of pounds, in order to balance the budget year on year and
maintain vital services for the public.
This issue of austerity and uncertainty is a national one, and one that has been felt within
the public sector since the beginning of this century.
In response, Local Government has been on a continuous journey of reshaping itself to be
more efficient. So being efficient is not a new concept, but it is something that is becoming
increasingly difficult to achieve in ongoing and uncertain economic times.
Here in Cumbria since 2011, the Council has made savings of £214million, and we still need
to save approximately £70 million by 2022. This amounts to savings around £285 million over
an 11 year period.
We are not clear about the future shape of local government finance and so the way local services are funded in the future remains unknown.

What we do expect though is that the Council will have to manage with less at a time when demand for Council services is rising as a result of a super ageing population and increased demand from those who need our care and support on a daily basis.

Despite all this, the Council remains committed to serving the people of Cumbria and to achieving our goal of becoming a financially sustainable organisation.

**Context: Cumbria and the need for change**

Cumbria is a county with fantastic assets. It offers a unique quality of life to the people who live and work within the county and for those who visit the area and want to do business here. Cumbria offers:

- Strong and diverse communities;
- A world class environment and great quality of life;
- An unparalleled visitor experience;
- A place of business innovation and enterprise; and,
- The capability to provide the UK with a significant supply of energy and water.
We also face significant challenges:

- Government funding to local government continues to decline;
- National and local concerns about pressures from increasing demand, particularly in adult social care, and how this will be funded in the future;
- Considerable economic inequalities within the county with some pockets of deprivation, high house prices creating affordability issues for local people, and parts of the economy characterised by low wages;
- Unsatisfactory transport infrastructure, high speed broadband and poor mobile coverage;
- A fragile health and care system struggling to manage the demands of the super-ageing population and tackle the health inequalities across the county;
- A high number of looked after children who need a family or greater permanence and stability in their lives;
- Complex arrangements across the different public services in the area;
- Demands on the workforce are rising with staff increasingly feeling under pressure;
- Changing customer needs and increasing expectations.

Nationally, we are also in a time of increased uncertainty and change. The impact of Brexit on the economy, of the recent General Election on political decision-making, and of wider society and world events all bring uncertainty which impacts on planning for the future for public services.
How have we met the challenges so far

The Council has reshaped in recent years. We have already fundamentally changed the way we work, including:

- further improvements to our already careful financial management;
- changed the way in which we commission and buy services;
- rationalised our property; and
- reshaped services within the council.

And despite severe funding cuts from Government, we have continued to invest in a range of projects to change the way we work and how we deliver services to meet the needs of our customers. We still have plans to invest £345 million of capital funding over the next 5 years including investment in the following:

- building new care homes;
- extra care housing;
- investing in the council’s infrastructure like roads and bridges; and
- a range of educational initiatives.
Looking ahead and achieving our ambitions

To achieve our ambitions we need to transform the Council and ensure that we focus on the right things.

To do this we need to agree a new vision, outcomes, ways of working and finally, agree a new four year financial plan to help us deliver our services with the money available to us.

Our vision

A council that works with residents, businesses and communities to deliver the best services possible within the available resources.
Outcomes

Our outcomes describe what we want to achieve for the people of Cumbria. These will provide a clear focus for everything we do:

- **People in Cumbria are healthy and safe**
  - People’s physical and mental health will flourish. The environment and society will support them to be healthy and manage their own physical and mental wellbeing.
  - People will receive specialist services when they need them.
  - People will feel and be safe - children, young people and the most vulnerable will be protected from harm.
  - People will receive advice and support to help keep themselves safe, and receive the help they need in case of emergency.

- **Places in Cumbria are well connected and thriving**
  - The physical and digital infrastructure that people need to access services, learning, employment, business and leisure will be in place - roads, railways, superfast and ultrafast broadband and mobile coverage.
  - Communities will receive the support they need to develop services and solutions to meet their needs and ambitions.

- **The economy in Cumbria is growing and benefits everyone**
  - People will be supported to achieve their aspirations. Children and young people will receive the best education possible.
  - People will have access to learning opportunities throughout their life and career.
  - People will have access to good quality employment opportunities, the county will be an attractive place for businesses to invest; and local businesses will thrive.
How will we achieve this?

Our rapidly changing environment and changing customer needs will require a different approach if we are to be successful in achieving our vision and the outcomes we think are important.

These core principles will underpin the way we do things in the future.

- **Putting customers at the heart of everything we do.**
- **Supporting communities to thrive.**
- **Focusing on the most vulnerable.**
- **Managing demand.**

Alongside this, over the next four years, we will embrace new ways of working focusing on:

- **Working Together**: Working with partner organisations and communities to achieve shared aspirations.
- **Prevention & Early Intervention**: acting early to achieve better outcomes.
- **Digital Transformation**: giving our customers choice and easy access to services online.
- **Enterprise and Efficiency**: exploring new ways to deliver services and maximise our resources.

Our new approach is explained in the diagram opposite.
**Vision:** A council that works with residents, businesses and communities to deliver the best services possible within the available resources.

- **Working together:** Working with partner organisations and communities to achieve shared aspirations.
- **Enterprise and efficiency:** Exploring new ways to deliver services and maximise our resources.
- **Prevention and early intervention:** Giving our customers choice and easy access to online services.
- **Digital transformation:** The economy in Cumbria is growing and benefits everyone.
- **Putting our customers at the heart of everything we do:** Places in Cumbria are well-connected and thriving.
- **Focusing on the most vulnerable:** People in Cumbria are healthy and safe.

**Core principles:**
- Focusing on the most vulnerable
- Managing demand
- Supporting communities to thrive
Our budget and the services we provide

Where our budget comes from

The council’s budget currently stands at just over **£380 million**

- **Just over £217 million** comes from Council Tax
- **About £84 million** comes from Business Rates
- **Just under £80 million** comes from Government Grants
What we spend it on (millions)

- **Adult social care**: £143m
  - Residential Care
  - Supported Living
  - Reablement
  - Assistive Technology
  - Extra Care Housing

- **Waste disposal**: £57m
- **Maintaining the roads**: £50m
- **Younger people in social care**: £50m
- **Other services**: £18m
  - Public Health
  - Libraries
  - Archives
- **Supporting children in education**: £25m
- **Fire**: £18m
- **Waste disposal**: £42m
- **Public Protection in social care**: £45m
  - Child Protection
  - Fostering
  - Adoption
- **Other services**: £57m
  - Public Health
  - Libraries
  - Archives
Cumbria County Council

We provide free schools meals to children in need across the county.

We support over 53,000 volunteers.

We provide Social Care support to over 9000 adults.

Last year we supported over 3000 children who needed our help and care.

We are the 4th largest highways network in England with over 7905km of roads.

We are investing over £20m building three new care homes.

Serving the people of Cumbria
Balancing our budget and setting the 2018/19 council tax

As in previous years we have been working hard to ensure we have plans in place to balance our budget for 2018/19. These proposals have been identified as a result of careful financial management and internal reshaping. This means that this year, most of the proposals will not require formal consultation, and the few that do will have bespoke consultations at a later date.

This year our proposals have been grouped around four themes: Working Together, Prevention and Early Intervention, Digital Transformation and Enterprise and Efficiency.

<table>
<thead>
<tr>
<th>Themed saving proposals</th>
<th>2018/19 Net (£m)</th>
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<tbody>
<tr>
<td>Revised Budget Gap (Updated for Sources of Finance and Pressures)</td>
<td>33.581</td>
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<tr>
<td>Working Together</td>
<td>(0.537)</td>
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<tr>
<td>Prevention and Early Intervention</td>
<td>(1.277)</td>
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<tr>
<td>Digital Transformation</td>
<td>(0.342)</td>
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<tr>
<td>Enterprise and Efficiency</td>
<td>(31.425)</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>(33.581)</strong></td>
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Setting next year’s council tax

For the last three years the County Council has agreed to increase general Council Tax by 1.99%. The proposal for 2018/19 is to increase the general Council Tax by 1.99%.

Every 1% increase in Council Tax generates approximately £2m of income to the Council. Without an increase in Council Tax, the Council would need to find more savings.

On top of this, the Government has already introduced the ability to apply an Adult Social Care precept, which currently increases at 2% each year to help fund the increasing cost pressures that councils experience in relation to the provision of adult social care.

This year we invite your views on whether or not we should apply a 1.99% increase on the county council’s share of Council Tax. This together with the 2% Adult Social Care precept as proposed by the Government would mean a total increase of 3.99%. The table below shows what a 3.99% increase would be for each council tax band.

<table>
<thead>
<tr>
<th>Council Tax Band</th>
<th>Annual Increase</th>
<th>Council Tax Band</th>
<th>Annual Increase</th>
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<tbody>
<tr>
<td>Band A (up to £40,000)</td>
<td>£34.07</td>
<td>Band E (£88,001-£120,000)</td>
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<tr>
<td>Band B (£40,001-£52,000)</td>
<td>£39.75</td>
<td>Band F (£120,001-£160,000)</td>
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<td>Band C (£52,001-£68,000)</td>
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<td>Band G (£160,001-£320,000)</td>
<td>£85.19</td>
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<tr>
<td>Band D (£68,001-£88,000)</td>
<td>£51.11</td>
<td>Band H (£320,001 and over)</td>
<td>£102.23</td>
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</table>
To have your say on the Council’s Budget Consultation proposals for 2018/19 go to:

cumbria.citizenspace.com