



**Cabinet – 9th February 2018**

## **Comments on the MTFS**

### **MORE CAN BE DONE TO HELP VULNERABLE PEOPLE**

Central Government underfunding makes it increasingly difficult for the Council to protect services. Having said that, it does seem that money is not being prioritised in the best way, particularly regarding services for vulnerable children.

As with every budget, the report paints a picture that's even grimmer than the year before. Revenue Support Grant has almost been completely cut. Next year it will disappear altogether.

Yet the Government won't stop there. They will start taking a slice from our Business Rate income. Leicestershire Councils already only keep 36% of the Business Rates collected in the County. If the Government carries on at the current pace, this is expected to fall to just 25% by the end of the four year period.

In the meantime, demand for social services will continue to grow. The report predicts that over the four years, this increase of need that will cost the Council an extra £15m per year for children's social care services, and £10m per year for adults.

This means that despite the largest Council Tax hike in 15 years, residents will continue to see their services cut. And as austerity continues, the cuts become harder to make, and more vicious.

The Liberal Democrats are disappointed to see the re-emergence of cuts to Bus subsidies, even though the Administration amended their own budget last year, promising that it wouldn't appear in the four year plan. Now they're back just a year later.



Our main concerns are over cuts to services for vulnerable children. The Early Help budget cuts will lead to closure of children's centres across the County. The report to last Cabinet warned that *"The reduction in funding will clearly result in a reduction of services available to vulnerable families."*

And as we all know, the reduction of preventative services will store up trouble for the long run, increasing demand on more expensive statutory services. If we fail to invest in our children at an early stage, we pay a much higher price later on, both humanly and financially!

The cuts to SEN Transport are also a key concern. The listed saving can only be met if Post 16 SEN students lose transport funding averaging £2,400 per child. If this prevents a large number from being able to access suitable Post 16 education then this could negatively impact on the rest of their life.

Continued education is vital to ensure that they gain the skills, confidence and other attributes to live an independent life; determining whether their adult life is as independent tax contributors, or continual need of expensive state support. Again, both the human and financial costs for failing to invest in them at this critical juncture would be huge.

Paragraph 13 shows a table of the changes being made to the MTFS since the December draft. Included is the extra 1% of Council Tax that will raise an additional £2.7m, but only £0.6m is being allocated to protect an on-going service.

In both 2018/19 and 2019/20 a £3m+ surplus is being used to fund "Future Development". Appendix F lists some of the projects it might be spent on. Most of them seem to be desirable projects that would save the Council money. However, I cannot see



anything there that I think should take priority over services for our most vulnerable children.

As mentioned before, investing in our children saves us huge amounts of money in the long run. The Council's strategies often state this, but that means little unless we back it up with real money. The current funding plan is extremely short sighted in this respect.

If we're to charge Leicestershire residents an average of £70 more a year, I feel it is important that we give them something to show for their money and do more to protect the services that are important to them. I think it's important that the Council ensures that our spending plans value people over property.

For these reasons, I urge Cabinet to re-invest the £7m earmarked for "Future Developments" back into services that help our most vulnerable children.

**Simon Galton**

**Leader of the Liberal Democrats**

This page is intentionally left blank