



# **NORWICH** City Council

## **COUNCIL**

**30 November 2010**

### **Questions to Cabinet Members and Committee Chairs**

#### **Question 1**

**Councillor Brenda Arthur to the cabinet member for resources, performance and shared services:-**

“Will the Cabinet member please explain from what we know so far how the proposed housing benefit changes will effect individuals, communities and the city of Norwich as a whole.”

**Councillor Alan Waters, cabinet member for resources, performance and shared services’ reply:-**

“The full implications of these changes are not at all clear but we can be sure that the changes will have significant impacts on some of the most vulnerable people. This is what we can see so far:

#### **Short Term**

In April 2011 the first major changes to HB\CTB will be in place.

- Up-rating for both benefits will be on the basis of CPI and therefore will be lower than expected. The actual figures are not expected to be available until the New Year.
- Non-dependent deductions will be dramatically increased to take account of freezes on increases since 2000.

Of these, the increase in non-dependent deductions is by far the most dramatic in terms of income and expenditure for tenants.

In Norwich we currently have approximately 600 claims where there is a deduction for non-dependents reducing (but not completely) the amount of benefit that the claimant is paid. Of these, 500 are Council tenants. The remaining 100 are evenly split between private sector tenants and Housing Association tenants.

It is envisaged that in every one of these cases reductions in benefit will be enforced resulting in a significant number of people coming off benefit entirely. No accurate number can be predicted at this stage until actual increases are announced.

#### **Medium Term**

In October 2011 changes in LHA will be implemented including;

- LHA rate calculated on the 30<sup>th</sup> percentile as opposed to the 50<sup>th</sup> percentile as at present
- Increased age for shared room rate from 25 to 35

Both of these changes will see a marked reduction in the rates paid to LHA claimants. The DWP's own Impact Assessment has accepted that there will be 100% of claimants adversely affected with an average reduction in benefit of between £7 and £11 per week. Nationwide that means nearly 700,000 households will be adversely affected.

### **Long term**

As yet it is still unclear about exactly when reforms to housing costs of social tenants will be brought in but these could include restricting HB to household size as is the case for private sector tenants at present. In addition, benefit, if paid as part of the Universal Credit, will mean that Council Tenants will receive their benefit directly and be expected to pay their rent in full to the Council. This might be problematic at best but when allied to the likelihood of benefit being restricted/cut the prospects of increased rent arrears is high.

From 2013 measures will be put in place to pay new claimants the Universal Credit which will be an amalgam of all means-tested benefits including Housing and council tax costs. This benefit is to be administered by the HMRC with minimal input from local authorities.

The full picture is still unclear and like all long range forecasts will be subject to slippage/change however it is clear that the Government intention is to take back the administration, payment and adjudication of HB and CTB under the aegis of the Universal Credit. This will be a rolling programme and will only initially affect new claims. The ultimate target however is that all claims will be being handled by HMRC by 2017.

Clearly therefore there will be a reducing role required by the authority through this period of transition. The DWP have made no comment other than that discussions are on-going with local authorities as to their changing role. Other duties may be inserted but it is unlikely to take on all the staff affected.

Changes could include 'Support for Vulnerable Tenants', operating a 'localised' Council Tax Rebate scheme."

### **Question 2**

**Councillor Adrian Ramsay to the cabinet member for resources, performance and shared services:-**

"In 2000, a Labour administration privatised City Works, to become CityCare. In 2002, a Labour administration privatised the Council's IT support, contracting out to Steria. In the years leading up to 2010, a Labour administration failed to do the necessary preparations to bring CityCare services back in house when the contract ended. Yet in the last year, the Labour administration has repeatedly said that it does

not favour any further privatisation of Council services. When and why did the administration change its mind on the principle of privatising public services?"

**Councillor Alan Waters, cabinet member for resources, performance and shared services' reply:-**

"We have many types of question come to full council: works of fiction are however, a new departure. Councillor Ramsey would benefit from the facts.

In the late 1990's the government reduced the support to local government and the council had to refocus service delivery. This had a major impact on the council's direct labour organisation, City Works. The council was faced with two choices – either to scale down City Works by making people redundant, at a significant cost, and endangering the viability of City Works, or to diversify and bid for work elsewhere, thereby maintaining and even expanding the workforce, giving greater flexibility to City Works and the ability to cover the peaks and troughs this kind of industry experiences.

As the financial implications of downsizing City Works were enormous the decision was to expand and bid for work. The consequence of this was that this could be best done with a private sector partner, and the District Auditor had also made it clear that expansion into other markets could only be achieved with a private sector partner. This was not an outsourcing in the conventional sense – the 10 year contract which transferred all the DLO services and workforce to 'City Care' was designed to (and did) preserve the DLO infrastructure and the jobs of the workforce.

You have clearly misunderstood the contract that the council entered into with Steria in 2002. The council required a significant investment in ICT. This was a ground breaking contract which gave

- capital investment from Steria into the councils ICT infrastructure
- £1.5 million per year PFI credits
- innovative ICT that enabled the council to improve customer service and become more efficient

In order to secure the PFI credits which were an essential part of the investment needed the council were required to outsource the IT division.

In 2010, when the contract with CityCare expired, the council had 25 contracts to a value of £37million per year, and these all ended on 31<sup>st</sup> March 2010. The council did not have the knowledge, skills or systems in place to run these services in house, and the scale of the operation meant that it was not possible to consider insourcing at that point. This was discussed by the cross-party contracts working party. What the council did was to stagger the length of the contracts which will allow full consideration to be given to service delivery options in the future. As you know, following the demise of the Councils main contractor, interim contracts have just been awarded for the housing services contracts, and the council has the opportunity to look again at service delivery options.

At no point during the discussions about how the relet contracts were to be delivered did you or any of your colleagues in the Green Group ask Scrutiny Committee to 'call in' any of the decisions on the contract relets.

I'm sorry that we don't all live in 'Greenland' where all things are possible and the city council has ample resources at its disposal. If that was the case, then your question might have some substance to it. The Labour administration is committed to the principle of strong, directly provided public services. However, even the most cursory research (which Councillor Ramsey has obviously failed to do) show that the council has been under continued financial pressure since the 1990s. I wish it were otherwise. In dealing with these financial realities we have always sought, to find innovative ways to tackle the financial constraints that we face, to become more efficient and to protect service delivery to the residents of Norwich."

### **Question 3**

#### **Councillor Stephen Little to the cabinet member for wellbeing:-**

"I noticed (from the Cabinet Forward Agenda) that the 24th November Cabinet meeting was to discuss an item regarding "Business Case for Integrated Customer Contact Systems" as part of the "Spend Save agenda". What does this involve, and why was this discussion cancelled or postponed?"

#### **Councillor Susan Sands, cabinet member for wellbeing's reply:-**

"The Business case for an Integrated Customer Contact System is a proposal to provide the organisation with the building blocks required to implement considerable change to how we deliver services to our customers in line with the 'Blueprint for a lean council'."

Further information was required and the report is now due to go to Cabinet on the 8 December 2010, the report has been published today and can be accessed via e-councillor."

### **Question 4**

#### **Councillor Claire Stephenson to the cabinet member for resources, performance and shared services:-**

"On 1 October the government asked local authorities to publish their spending over £500 on-line for public scrutiny. Some local authorities have done this voluntarily already. How is the Council progressing towards having done this by the deadline at the end of January 2011?"

#### **Councillor Alan Waters, cabinet member for resources, performance and shared services' reply:-**

'We are currently working on developing the reporting software to enable us to download our spending information directly from our financial systems, and this will be tested during December. Our current payroll reporting mechanisms are sufficient

to produce the information required. We have every confidence that the January deadline will be met.'

#### **Question 5**

**Councillor Samir Jeraj to the cabinet member for neighbourhoods south and west:-**

"When will the disabled parking bay at Marston Marsh be repainted? This work was originally meant to be carried out in the 2009/10 financial year but despite repeated enquiries from a constituent and then myself over the past year the repainting has not happened."

**Councillor Bert Bremner, cabinet member for neighbourhoods south and west's reply:-**

"Unfortunately it was not possible to carry out the repainting last year due to insufficient funding. Turning to this year the lining budget is only £23,000, whereas the backlog of lining works is estimated to be approaching £100,000. With a reduced budget, the repainting of the parking bay will have to be considered alongside other needs such as stop lines at traffic signals. I am therefore unable to say whether the repainting will come forward later this year or whether it will have to wait until 2011/12, when we anticipate an increase in the lining budget."

#### **Question 6**

**Councillor Ruth Makoff to the cabinet member for resources, performance and shared services:-**

"Does the cabinet member support the idea of the council making Councillors' meeting attendance records available to the public, along with an opportunity for councillors to give a personal explanation of any specific absences?"

**Councillor Alan Waters, cabinet member for resources, performance and shared services' reply:-**

"The public is able to see whether members are attending meetings of the main council meetings through accessing the agendas and minutes either by inspecting the minute books or through the council's website.

At the end of each civic year Democratic Services produces a record of attendance by members at the main committees of the council. This has mainly been used in the past for groups to inform decisions re allocation of seats on committee. I would be happy, in the spirit of openness, for this to be made available on the council's website.

Apologies for absence are recorded if notification is received. The only reason recorded is when the apology is because the member is "on other council business".

I see no reason/benefit of adding to the bureaucracy, the need to record explanations in each individual case.”

#### **Question 7**

##### **Councillor Lesley Grahame to the cabinet member for the environment:-**

“Have Council officers investigated the implications for Norwich of the Government’s revised draft National Policy Statements for energy infrastructure consultation, and do they intend to respond corporately before January 24th deadline?”

##### **Councillor Victoria MacDonald, cabinet member for the environment’s reply:-**

“The government is currently publishing a large range of draft policies for consultation, some of which have already been the subject of previous consultations. The initial consultation on the National Policy on Planning for New Energy Infrastructure took place in 2009/10, and the current consultation focuses specifically on elements of existing national planning policy statements covering fossil fuels, renewables, gas supply/pipelines, electricity networks and nuclear energy.

Based on an initial assessment of the consultation documents it is clear that the potential impact on the City of Norwich is likely to be limited. For this reason we do not believe that there is a requirement for the council to provide a specific response. However, should it be determined that, following further review by officers, a specific response is required, and then this will be submitted within the required timescale ie by the 24<sup>th</sup> January 2011.

#### **Question 8**

##### **Councillor Steven Altman to the cabinet member for housing:-**

“Many council tenants have complained to Green Councillors about the condition of the tenants’ sheds, which have gone unpainted for years and seem to have little prospect of being done soon. Will the Council consider allowing tenants to paint their own exterior doors and sheds if tenants want to do this?”

##### **Councillor Brenda Arthur, cabinet member for housing’s reply:-**

“I do wonder why this question has come to council. An email to the councillor’s enquiry line would have provided an answer to this. Alternatively Councillor Altman might have asked the Green Party political assistant to undertake the research.

That said the Council does have a process in place whereby tenants can ask for permission to paint their own sheds, under the ‘Tenants Own Improvement’ scheme. A tenant has simply to make a written application detailing what they would like permission to do, in most cases, the Council will respond with a letter confirming permission.”

## **Question 9**

### **Councillor Peter Offord to the cabinet member for the environment:-**

“Is the council pleased to have increased the recycling rate from 33.61% in 2008/9 to “over 34%” in 2009/10? Was this in line with expectations and targets?”

### **Councillor Victoria MacDonald, cabinet member for the environment’s reply:-**

“The recycling rate of 34% exceeded our expectations and targets. I would remind members that an overall aim of our waste management strategy was to double our recycling rates from 16% in 2007 to 32% by March 2010. Not only did we reach and exceed our recycling targets last year by recycling and composting over 34% of our waste but also managed to reduce the amount of overall domestic waste produced by some 18%; a fantastic achievement culminating in the council being commended at last year’s National Recycling Awards ceremony for our efforts. The council sent just over 14,500 tonnes of waste for recycling and composting last year which would otherwise have gone to landfill. The city should be proud of what it has achieved over the last two years with the successful introduction of green waste collections, moving to alternate weekly collections, kerbside glass collections, and food waste collections – the only authority in Norfolk to have such a comprehensive waste management service. However, we are not resting on our laurels and are committed to being amongst the best recycling authorities in the country. The introduction of the food waste collection service will ensure residents have access to an effective and efficient collection service that will see our recycle rates go past 50% by the end of next year.”

## **Question 10**

### **Councillor Ash Haynes to the cabinet member for the environment:-**

“There have recently been problems with refuse collection at many locations across the city where both food waste and refuse in black sacks have gone uncollected. Can we be assured that these problems are being swiftly resolved and that residents are fully informed about the latest arrangements?”

### **Councillor Victoria MacDonald, cabinet member for the environment’s reply:-**

“As members will be aware, 18<sup>th</sup> October 2010 was a momentous day for the city’s waste management service. It saw the introduction of a comprehensive waste collection and recycling service (including food waste) to the majority of city residents. The service offered is a first in Norfolk with no other authority offering such a comprehensive service for its residents use and which will see our recycling rates go past 50% by the end of next year.

To achieve this, the whole service had to be restructured. This included re-routing collections for all 63,000 households in the city, mobilising new working practices, sourcing a brand new fleet of 20 refuse vehicles, delivering 55,000 food waste caddies as well as providing leaflets and information to our residents so they knew what to expect and when.

It was inevitable that any change to a service of this scale would lead to more enquiries. Working with our contractor, issues were quickly dealt with and resolved resulting in queries returning to a normal level sooner than expected.

I hope that Councillor Haynes will agree that it is a credit to our residents, our staff and our contractor that we have managed to introduce a major service change with only minor disruptions to the service occurring."

#### **Question 11**

**Councillor Bob Gledhill to the cabinet member for neighbourhoods south and west:-**

"Despite some stretches of Unthank Road being resurfaced in the past year there is still a major problem with the overall condition of the highway. Will the Council take the example of Earlham Road and properly resurface the street to ensure that it is safe for all road users?"

**Councillor Bert Bremner, cabinet member for neighbourhoods south and west's reply:-**

"The poor condition of Unthank Road, between Trinity Street and College Road in particular, is acknowledged. However, the maintenance budget for this type of C class road (along with the quieter residential roads) is extremely limited. Given a likely reduction in structural maintenance funding in 2011/12 and given other roads in need of treatment, it therefore impossible to say with any clarity when a resurfacing scheme for Unthank Road is likely to come forward.

Earlham Road for example is a B road and alongside A roads, there is a much bigger budget available for structural maintenance. The reason for this is the A and B road network carry the most traffic and wear out the quickest.

BUT the road classification in Norwich has not been reviewed for several years, and work by officers has recently commenced to consider, for maintenance purposes, whether roads such as Unthank Road which carry significant traffic volumes should be effectively be classified as B roads. This would make real sense to everyone who lives in Norwich and has any knowledge of the traffic on Unthank Road. Even if this does occur, however, given the uncertainty over future year funding it is still impossible to say when a resurfacing scheme might come forward."

#### **Question 12**

**Councillor Adrian Holmes to the cabinet member for housing:-**

"Residents on Coslany Street in Council properties which form part of the Barnards Yard complex are being denied digital switch over from the analogue communal aerial facilities. The reason stated by the City Council is that there might be legal repercussions in future if current council properties are sold off. Will the Council look at individual properties on a case by case basis and make a judgement on particular circumstances rather than assume a blanket restriction?"



**Councillor Brenda Arthur, cabinet member for housing's reply:-**

"I am somewhat surprised that Councillor Holmes needed to ask this question as he will know from the experience of one of his colleagues, Councillor Offord that officers have discretion to allow connection of individual properties where there are reception issues owing to location and it is practical to make a connection to an existing aerial or dish. Any tenant in this position can contact the council to discuss the matter further."

**Question 13**

**Councillor David Fairbairn to the leader of the council:-**

"Many of the streets in the city are cluttered with signs concerned with parking, travel directions, or traffic conditions ahead. They are distracting for drivers, and detract from the views of the city, especially in its older parts. Can the cabinet member for highways promote a policy of reducing or limiting the amount of signage, in order to improve the appearance of the city?"

**Councillor Steve Morpew, leader of the council's reply:-**

"I would absolutely love to be able to do something more about that as it is one of those things that I find personally extremely irritating. However in current financial circumstances I doubt Councillor Fairburn will argue this will be a priority for council spending or officer resources

The council has taken a variety of steps to minimise street clutter due to signage and road markings etc. For example, the council has successfully pressed Government for dispensations to allow us to reduce the number of signs and road markings associated with controlled parking zones. Sign and line clutter has been minimised in introducing new schemes such as the Prince of Wales safety scheme and the St Georges Street pedestrian priority scheme.

The council's approach is set out in the Streetscape Design Manual and it is pleasing that the need to reduced street clutter has also been recognised in recent statements from Government. It must be appreciated, however, that most signs are required either to warn road users or, in particular, to clarify and reinforce restrictions, such as parking places. Such signage is prescribed in Government regulations and in its absence; the council may be unable to enforce a parking restriction for example. Similarly if a risk has been identified that requires a sign for it to be addressed, it is very difficult to remove such a sign subsequently.

In light of the Government's statements to encourage the removal of sign clutter, it has been suggested that an audit process is carried out and steps are taken to remove unnecessary signage. However, with highway budgets being significantly reduced it is difficult to justify such expenditure over health and safety maintenance (such as mending potholes) or schemes to improve conditions for road users (such as pedestrian crossing or bus priority schemes)"

#### **Question 14**

##### **Councillor John Fisher to the cabinet member for housing:-**

“How many empty homes has the council assisted with bringing back into use in the past 12 months?”

##### **Councillor Brenda Arthur, cabinet member for housing’s reply:-**

“In the last full year (09/10) we brought 22 empty properties back into use. This year, to date, we have brought back 8.

In the previous two years we brought 107 properties back into use. At that time we had been granted significant sub-regional funding which allowed us to provide financial incentives to the owners of empty properties in return for allowing us to let them directly to people at risk of becoming homeless. This was a highly successful, nationally recognised, project which turned some of the worst examples of abandoned, dilapidated, properties in Norwich into modern homes for people in housing need.

A further measure of the project's success can be seen with the reducing percentage of private sector properties in Norwich that have been empty for more than six months (compared against the total private sector stock.) Over the last four years this has reduced from 2% to 1.23%.

The project's funding has now been exhausted and this is reflected in the numbers of properties currently being brought back into use.

We are currently combining Strategic Housing with the Regeneration and Economic Development teams into a new 'Local Delivery Unit' which will be tasked with increasing jobs and homes in Norwich. An important part of the work of the unit will be to take full advantage of all opportunities for funding as they emerge over the coming months. Examples of these opportunities include funding from the Homes and Community Agency (HCA) which views empty homes work as an increasing priority, and the proposed New Homes Bonus which may extend to existing homes that are brought back into use. If funding for empty homes work does become available we will, as a result of the work done to date, be in a very good position to take full advantage of it.”

#### **Question 15**

##### **Councillor Evelyn Collishaw to the leader of the council:-**

What support and advice is the City Council extending to new businesses and persons wishing to start a new business?

##### **Councillor Steve Morpew, leader of the council’s reply:-**

“The Norwich Enterprise Centre, located at 4B Guildhall, opened in 2008 as a free business advice centre. Established as a part of the Local Enterprise Growth Initiative (LEGI) programme, the centre supports people to start up in business with free information, impartial business advice and business skills training; also offering support to small businesses that have been running for two years or less. As a business support hub, the Norwich Enterprise Centre also provides signposting and

referrals to other sources of support as appropriate to the individual – such as the soft loans and support available to young people starting in business via The Prince's Trust; access to finance for those unable to secure mainstream funding through high street banks via Foundation East, and specialist support and networks for social enterprises and women entrepreneurs.

City Council officers themselves provide a wide range of support services to the local business community such as free basic business information; economic data to support business plans – often in partnership with local banks; help to locate business premises and specialist online information to assist food businesses.

Through the LEGI Programme and as a part of our ongoing commitment to business support, Norwich City Council works with and supports a variety of partners and networks in Norwich, who all share our goal – to encourage more people to start and grow small businesses in the City. At the moment this includes working with our partners on the Business Support Alliance to identify and respond to gaps in local business support that will result from Government spending cuts such as the demise of East of England Development Agency (EEDA) and restructuring of the national Business Link service.

More than 540 small businesses have started up in Norwich with support from the City Council and its LEGI Programme since April 2007 with many areas of support, including Norwich Enterprise Centre, set to continue beyond 2011 as a part of the programme's ongoing legacy.

It is a great pity the coalition government has seen fit to take away the remainder of the LEGI funding that would have been available to continue this important and enormously successful initiative. Norwich has good right to be very proud of our record on small business creation, especially compared to the rest of the county. I have briefed Chloe Smith MP on the impact this will have but with no result."

## **Question 16**

### **Councillor Niki George to the leader of the council:-**

To what extent does the cabinet support the County Council's call for volunteers to help with gritting roads and pathways throughout the city?

### **Councillor Steve Morpew, leader of the council's reply:-**

"There are 221 grit bins in the Norwich City Council area pad for by the county council for people to use to grit roads and footpaths during icy weather so it follows we are keen for people to volunteer to use the opportunities provided. These are usually located on residential roads with a slope and the council naturally encourages their use. On the inside of the lid to the bins is a phone number so that people can phone the council to arrange the bins to be replenished. If I have a criticism it would be that there is a demand for considerably more bins and it is a pity more of those wanting to use them will not have the facility available.

Alongside the County Council, the City Council is encouraging residents more generally to clear snow and ice from footpaths etc. In part, this will be through an article in the winter edition of Citizen Magazine. Information about clearing snow is

provided in the Government's snow code which the Citizen article will refer to. I have asked officers to draw the snow code to Members attention via e-councillor"

## Question 17

### **Councillor Andrew Wiltshire to the cabinet member for wellbeing:-**

"What sort of quality control does Norwich City Council undertake to ensure enquiries are not 'lost' in the system, particularly letters and phone calls, and is the council meeting its response time targets?"

### **Councillor Susan Sands, cabinet member for wellbeing's reply:-**

"In line with good practice for contact centres phone calls are monitored through a variety of performance measures. Last quarters figures show that we successfully met our target when answering telephone calls. However last months target (October) was not met due to the roll out of the new food caddies scheme.

Service standards for letters are in place with the results available broken down across service areas as well as for the council as a whole. Last quarters performance for letters shows that the target was met by 3 service areas".

## Question 18

### **Councillor Judith Lubbock to the cabinet member for resources, performance and shared services:-**

"Looking to budget constraints for the next few years I would like to ask how much has been spent by this authority on consultants over the last financial year 2009 – 2010 and in the first 6 months of this financial year?"

### **Councillor Alan Waters, cabinet member for resources, performance and shared services' reply:-**

"In the financial year 2009/10, a total of £999,000 has been identified as spend on consultants, and in the first six months of the current financial year, a total of £393,000. These costs include:

<b>Service</b>	<b>2009/10 £000s</b>	<b>2010/11 £000s</b>
Management of Concessionary Bus scheme	78	33
Procurement advice re Contract Re-provisioning	213	0
Technical advice re Contract Re-provisioning	70	5
Pension scheme advice & valuations	17	15
Housing consultation	49	16
Building Control services (joint venture)	87	22
Tax Rebate & Accountancy advice	33	0
Transformation & Efficiency services	143	43
Outsourced Internal Audit services	0	26
Specialist Treasury Management services	25	0

Expenditure on services such as the transformation and efficiency services has been incurred in order to enable the achievement of major savings and new ways of working by the council. This included carrying out a cost diagnostic across the council in 2009/10 and developing and implementing a new target operating model (the lean blueprint) in 2010/11. These two key pieces of specialist work have been used to guide the council's transformation and efficiency programme and have helped the council to realise £6 million of general fund savings for 2010/11 and to identify £3 million of general fund savings for 2011/12 whilst protecting frontline services. They have also helped the council to develop a range of new ways of working including its corporate business support model, HR business partner model and elements of its neighbourhood model. This work will continue to be used in future years to help the council identify further savings, develop innovative new methods of service provision and continue to protect front-line services wherever possible.

Several of the other services, including management of the concessionary bus scheme, pension's advice, and treasury management services, are procured externally on an ongoing basis as this approach provides the best value for money for the council. These services are so specialised the council would not be able to recruit and retain adequately qualified and experienced staff, or to cost-effectively develop the in-house capacity.

Other services, including around contract re-provisioning and tax & accountancy advice, have been procured externally in order to cover short term requirements for specialist services, to deal with unusually high but limited life situations. This work has also contributed to the successful delivery of the significant savings highlighted earlier in the response including £1 million of general fund savings from environmental services and the recovery of over £600k of overpaid tax.

All consultancy services are procured in line with the council's procurement strategy, and business processes are in place to ensure that the need for and potential cost of services are scrutinised and that value for money is obtained.

## **Question 19**

### **Question relating to Urgent Matters (Appendix 1, Rule 12.3 (ii))**

The following question relating to urgent matters was taken with the consent of the cabinet member for resources, performance and shared services.

### **Councillor Steve Morpew to the cabinet member for resources, performance and shared services:-**

"Anxiety about the impact of cuts by Norfolk County Council on the people of Norwich and the knock on effect on city council services is understandably growing. The annual accounts for Norfolk County Council show they have £60m in earmarked reserves in addition to around £15 in general reserves. Could those extensive reserves be used to reduce the cuts in county council services in Norwich and would he share with me concerns that such high level of reserves is being held at the same time as crucial services to vulnerable people are being reduced or threatened?"

**Councillor Alan Waters, cabinet member for resources, performance and shared services' reply:-**

"If we were living in the era of 'new politics' which David Cameron and Nick Clegg promised during the General Election campaign, Councillor Morpew might not have needed to ask this question.

A large hole in the public finances created by having to pick up the debts from the near collapse of the banking system might have been an ideal opportunity for a spot of 'new politics'. After all we are 'all in it together'. The distinguished political commentator and historian, David Marquand argues that the 'new politics' *'should have encouraged searching select committee inquiries, preferably in public, into its macroeconomic thinking and the options that implied before completing the Spending Review. Leading supporters and opponents of the government's approach would have been cross-examined: non-governmental organisations, local authorities, industrialists and trade union leaders would have given evidence; parliament and the public would have had a chance to appraise their arguments. Nothing of the sort happened'*. The Spending Review was preceded not by open discussion in a non-partisan setting but by massive cuts in public expenditure and vindictive policies towards some of the most vulnerable groups in society.

This general principle has been applied at Whitehall department level. Eric Pickles, in what is left of the Department of Communities and Local Government, has done little to defend local government and has relished taking an axe to its budgets. Without, it would seem, thinking through the consequences. As the announcement of Revenue Support Grant settlement draws closer, there is evidence of second thoughts. Should the 25% budget cuts be 'frontloaded'? There are rumours of local government ministers' going back to the Treasury to try to change the way the funding formula is being applied so that it doesn't look quite so obvious that poorer areas are going to be hit, to help to protect the funding for richer parts of England.

And so to the County Council, which seems to be caught up in the same 'cut now think later' culture. Its frontline services cuts, will, without doubt, fall disproportionately on Norwich residents. What is proposed are cuts in areas that should not even be considered as a last resort: sensory support, travel subsidies for students, day centres, meals on wheels; 'supporting people' budgets funding for youth services, street lights. Yet we learn from the County Council's statement of Accounts' that they have something in order of £75 million in reserves.

When Norwich was faced with a budget gap created by the recession in 2008; we used a proportion of our reserves to buy the time to think about the best way to deal with the deficit and to give ourselves the best chance of protecting services. With £75million in reserves the Conservative controlled County Council have no excuse for making deep frontline service cuts they should go back to the drawing board, start again."