

COUNTY COUNCIL MEETING – 2ND DECEMBER 2015
POSITION STATEMENT FROM THE LEADER OF THE COUNCIL

Combined Authorities

Later on the agenda we have a report on the Leicester and Leicestershire Combined Authority.

On 24th November I attended the ‘Midlands Engine’ local authority workshop hosted by Birmingham City Council. It provided a good opportunity to meet with East and West Midlands authorities to discuss their Combined Authority bids and opportunities for co-operation. A number of the bids are not progressing as quickly as had been hoped for. I am planning to meet the new Leader of Birmingham City Council, Cllr John Clancy, early in the new year. I naturally hope that Birmingham will contribute to initiatives such as the ‘Midlands Engine’ as positively as they did under Sir Albert Bore’s leadership.

On Friday, 4th December I will be meeting Izzi Seccombe, Leader of Warwickshire to explore how we might work more closely on issues of mutual benefit. I also plan to meet with Roger Begy and Sir Alan Duncan MP to discuss closer cooperation with Rutland.

Boundary Review

Members of the Council will have seen the recommendations of the Local Government Boundary Commission, the majority of which are in line with the County Council’s proposals. The most significant changes relate to Melton, Coalville town and its immediate surrounds and the part of Charnwood which includes Syston, Sileby, Thurmaston and the surrounding areas.

The closing date for comments to the Commission is Monday 11th January and the Boundary Review Working Party, chaired by Kevin Feltham, will be meeting on 4th December to consider the recommendations and the Council’s response. It is clear that the Boundary Commission is looking to improve electoral equality and that they would need well thought out and compelling evidence to make changes to their

recommendations. My view is, as a Council, we should accept the recommendations, but advise the Commission that members may wish to make representations on the proposals as it affects their electoral divisions.

Rugby World Cup

England and Wales hosted the most successful Rugby World Cup to date and Leicester and Leicestershire played their part in this success. The King Power stadium hosted 3 games and attendance at each was approximately 30,000. Credit has to be paid to the City Council who provided additional viewing facilities in Victoria Park, something that I know was very well received. Such international tournaments do much to enhance the reputation of the City and the County.

The County also played an important role. Leicester Grammar School in Great Glen hosted the Canadian team and Loughborough University hosted teams from Namibia, Tonga and Uruguay.

Whilst on the sporting theme, may I take this opportunity to congratulate Leicester City Football Club and Leicester Tigers on their excellent starts to their season.

Green Plaque Awards

Introduced almost two years ago to recognise people and places of historical importance in the county, Leicestershire residents have embraced the Green Plaque scheme, nominating and voting for those they think are worthy of a Leicestershire County Council Green Plaque.

Nine Green Plaques have been unveiled so far, the first to the philanthropist Charles Booth at Thringstone, and the latest will be unveiled in Ravenstone on 8 December 2015 to honour engineer and railway pioneer, George Stephenson. Others include Private William Henry Buckingham of the Leicestershire Regiment, who was awarded the Victoria Cross in 1915; Dambuster pilot, Geoffrey Rice; and Ladybird books in Loughborough.

The scheme remains within budget (£1,000 per Plaque) largely due to the support and goodwill of local communities. At two of the events, the catering was supplied

free of charge and so far, venues for refreshments/speeches have also been provided free of charge by residents/local authorities.

The Green Plaque Awards scheme is all about bringing communities together to nominate then vote for those people and places they feel are worthy of commemoration. The events have engaged specific groups such as young people, older people, the vulnerable, the unemployed and those with disabilities in a low-cost project that builds a sense of community and pride in local heritage, while reducing the isolation that many such groups often experience.

Terror Attacks

I am sure that the Council will join me in extending our sympathy and condolences to all those who have been affected by the terror attacks in Paris and elsewhere. During this time of heightened tension it is important that we are extra vigilant. Equally important is for all communities to come together and stand up for the freedoms we all cherish and not to allow such acts to divide us.

As a result of recent events, partners across the public sector have come together to review how we would respond to and manage major incidents. We are fortunate to have good security and police forces who work tremendously hard to keep us safe and I would like to pay tribute to them.

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COUNTY COUNCIL MEETING – 2 DECEMBER 2015

POSITION STATEMENT FROM THE DEPUTY LEADER

Medium Term Financial Outlook

The Country still faces a large public sector deficit, albeit reduced from 10.2% of GDP in 2010 to 3.9% in 2015. Significant savings still need to be made across the public sector.

The Spending Review announced by the chancellor on the 25th November, although not as difficult as anticipated, is still one of the tightest in post war history.

Even so there were some potentially positive proposals as the government have recognised the pressure social care authorities are under and the importance of integrating our services with the NHS. The devil will, however, be in the detail.

The Spending Review did contain announcements of funding reductions for Public Health and other services. There are also some extra costs including those arising from the apprenticeship levy. Overall funding for local government continues to fall sharply with a 56% real terms decrease in the local government expenditure limit set by government. This is larger than any government department. The Government, however, have announced that overall there will be a real terms decrease of 7% in overall local government funding once other sources of income are included such as the proposed Social Care precept.

The position for Leicestershire is particularly difficult given our starting point of being the lowest funded county council. If we were funded at the same level in terms of 'spending power' as East Sussex we would be £83m better off. We continue to make our case to government. We have come up with proposals for a new damping system.

The current Local Government Finance Settlement includes a "floor" system where authorities' overall change in Spending Power is compared to a level set by DCLG and those authorities seeing a greater reduction are given Efficiency Support Grant to raise their funding to that "floor" level. The focus of the system is on the change in Spending Power, rather than the level of funding of authorities.

Our proposal is that the floor is based on the level of funding per dwelling each authority receives. To give a measure of protection to particularly low funded authorities, it is suggested that DCLG sets a floor level of funding, and that authorities with funding below that level be provided with a separate amount of grant to lift their funding to the floor amount. The floors could be reduced each year to allow the Government to meet its deficit reduction plans. If the floor was set at the same 'spending power' as Staffordshire we would be £14m better off.

Overall our position is extremely challenging. As we stand at the moment we need to make all £82m of the savings in the current MTFS and because of demand and costs pressures including the living wage by 2019/20 we believe the savings requirement will rise to £130m.

Following the Autumn Statement, hopefully our funding position will improve a little. But even if this happens we face an extremely bleak future. Some counties have already got into financial difficulty, including Northamptonshire, Somerset and Buckinghamshire who have already stopped non- essential expenditure. It is only through sound financial management and a real focus on planning that the County Council will be able to meet this challenge.

The up and coming MTFS will include some very tough decisions, particularly on service reductions and other savings required to balance the budget. The Government has in effect 'devolved' the funding of severe pressures on social care, much of which relates to the National Living Wage. The ability to add 2% each year to council tax in the form of a social care "precept" will need careful consideration and if agreed will lead to more significant costs falling on council tax payers than the Council had originally planned.