

**COUNTY COUNCIL MEETING – 29<sup>TH</sup> SEPTEMBER 2021****POSITION STATEMENT FROM THE LEAD MEMBER FOR RESOURCES**

Members will be aware that we start our annual budgeting exercise in September. In line with previous years, a proposed Medium Term Financial Strategy will be presented to the Cabinet in December. With the Chancellor's recent announcement that the three-year Spending Review and Autumn Budget will be presented on the 27<sup>th</sup> October, this is an opportune time to provide an update to this council.

The Chancellor has an unenviable position with uncertain income levels, due to the economic recovery, post covid cost pressures, and an ambitious improvement agenda.

I can empathise with his predicament.

Locally, income has held up better than we feared for both Council Tax and Business Rates, although we are not out of the woods yet. It will be Christmas before the Government announces our settlement and the permissible level of Council Tax increases. The three-year settlement is very welcome, although the certainty that it would usually offer is likely to be overshadowed by the Adult Social Care reforms.

Having movement on Adult Social Care reform is welcome, although we will wait for the detail before making a judgement. One thing we know for certain is that this is not a silver bullet and cost pressures will continue from across the whole of social care, from children through working age adults and into old age.

It is apparent that the impact of covid will be long lasting. This is being compounded by disruption to global supply chains, with construction, transport and utilities seeing eye-watering cost increases. Even if these inflationary pressures are as short lived as hoped, they represent a stepped increase in our cost base. It would be remiss of me not to mention the overspend in Adult Social Care. The service is being caught between the Health Service's need to expedite discharges and a provider market that needs to reshape. Mrs Radford will say more but this is the key reason the council is forecast to overspend by £12 million this year. The overspend has attracted some recent media coverage; this is a reflection that we have declared the problem early rather than Leicestershire having a unique problem. This is evidenced by the flurry of similar announcements from other councils over the past week.

The extensive pressures that we faced pre-pandemic continue. Children's Social Care and Special Education Needs are key drivers of cost and there is little news on their respective reforms.

Capital investment has been a growing pressure for several years. The expenditure undoubtedly benefits the services provided in Leicestershire and investment to save schemes have been a key part of our financial strategy. However, the scale of demand for infrastructure investment is unprecedented. This is vital investment that allows the county to continue to grow ensuring new communities have the right facilities and access to public services, but it comes with a price. As a council we have bucked the national trend and avoided new borrowing for several years. This

approach has reduced the need for savings to be found, but the demands are such that we now need to consider capital as another pressure on the revenue budget.

As a low funded authority, it is vital that we are realistic about what we can do, but equally important that we take on and maximise opportunities such as the Freeport and County Deal when present themselves. It is also vital we continue to push for fair funding.

The Leader has spoken openly about a broken funding system for local Government, out of touch and in need of fixing. The Report by the Onward thinktank 'Fair Funding – Levelling up local government finances' authored by "our very own" Chris Tambini, is our latest input into the national debate. We continue to have good support from all local MPs and will push for reform and a fair deal for Leicestershire residents.

I can confirm that that the PM and the Chancellor are aware that we are the lowest funded County authority in England, having met them during their recent visit to the County.

When the MTFs is updated the challenges and uncertainties we are facing will be set out. This will be a hugely challenging budget round with national finances under huge pressure coupled with rising demand and costs for nearly all services.

Even against this backdrop I am confident we will set a sound MTFs.

Finally, I would like to share two items of positive news.

The Health, Safety and Wellbeing service have achieved ISO 45001 certification.

ISO 45001 is an international standard for occupational health and safety management, which demonstrates best practice in health and safety management by using a structured framework of policies, processes and controls. The Health, Safety and Wellbeing service received certification to this standard in April 2021, following an external audit. The auditor praised the team on the high standard of the work presented and issued the certificate without any recommendations for improvement or non-conformities. As part of the certification process the Health, Safety and Wellbeing Service has created a series of ISO 45001 guidance documents, which form the Council's health and safety management system. All Managers have a part to play in implementing these processes and procedures to ensure they are managing health and safety to this standard.

Secondly, tomorrow I welcome delegates to the Midlands Parks Forum conference at the Century Theatre in Snibston Colliery Park in Coalville.

With its theme of 'Green Heritage', so many of the topics of the day are demonstrated at this site. Snibston Colliery was founded by George Stephenson the 'father of the railways' and he described the colliery here as 'the most profitable enterprise I ever took'. The colliery site closed in 1986 and was acquired by Leicestershire County Council and regenerated, first as a museum and secondly, with a £3.5m investment in 2020, as Snibston Colliery Park.

On a recent visit, I saw the heritage artifacts, but also a site that encourages engagement with the local community with a fantastic new play area, café and studio space. Within the wider country park, on the former colliery spoil tip, we have created four kilometres of blue grade mountain bike trails and for those visitors preferring a gentler experience, the site also has fishing lakes, a Victorian arboretum and wildflower meadows and woodlands to walk in, with fantastic views over the countryside and town of Coalville.

I encourage all of you to visit our 18 Country Parks that cover over 500 hectares of land across the county.

**Mr L. Breckon CC**

This page is intentionally left blank