

Leader's speech – Budget – 29 February 2012

Delivering what's best for the people of Wiltshire – a budget that makes a difference...

Our priority at Wiltshire Council has always been to deliver what's best for the people of Wiltshire; to look after our growing ageing population, our vulnerable children, to manage the challenging economic situation and to keep council tax at a zero per cent increase for the third year running.

To achieve this we are taking a radical and innovative approach.

We will continue to work locally to inspire and encourage our communities to participate in what we do and to make sure that with our support they are able to deliver more in their local areas.

We have a clear vision - to create stronger and more resilient communities - and our goals; to provide high quality, low cost customer focused services, to prioritise local issues, to be open and honest in our decision making, and to work with our partners to support Wiltshire's communities - remain at the forefront of everything that we do.

Last year we translated our vision into a four-year business plan. The plan set out our key priorities, which are to invest in our front line services; protect the most vulnerable people in our communities; and to make the savings and efficiencies so that we can do this.

We took a long term, pragmatic view and recognised that we could take advantage of being a relatively new unitary authority. We are an ambitious and visionary organisation – and we knew that we had to do things differently, if we were to deliver what's best for Wiltshire.

We are transforming our organisation and how we provide our key services including waste and recycling collections, leisure, libraries and older people's accommodation; and we are radically reducing the number of offices and

buildings we occupy and we are moving towards a new community campus model – *‘for the community, in the community, by the community’*.

Last year, the first year of our four-year business plan, we focused on delivery and on tangible outcomes that would impact positively on our communities.

We successfully realigned £36 million of efficiency savings into our front line services and as a result we improved key services that we know matter to Wiltshire people, and we protected the most vulnerable in our communities.

We know that maintaining our roads remains a priority for local people. Our recent “what matters to you” survey and public budget consultation forums highlighted that this area continues to be a priority.

I am pleased to announce that last year we maintained an additional 290 kilometres of roads and we filled 1,200 more potholes than the previous year, and I will announce shortly the additional investment we propose to make this year.

Work is also well underway to roll out our new weekly waste and recycling service. This will have an impact on the amount we recycle and it is vital that this figure continues to rise. Currently, we are recycling around forty per cent of our waste. This figure must increase if we are to avoid the ever increasing land fill tax that is imposed on us.

I am confident that the new collection services will enable us to hit our targets by 2014, and improve on our current recycling rate of forty three per cent to more than fifty, and to reduce the amount of waste that we currently take to landfill sites. Following the adoption of the ECO Strategy, £180,000 has been saved in CRC costs for street lights. Working with the Carbon Trust we have launched the Low Carbon Schools Programme which has identified further savings.

In the current economic climate, we have recognised the need to assist and support our local Wiltshire economy. In the last twelve months we have secured major inward investment of over £150 million which has resulted in 632 new jobs being created in Wiltshire, with another 1,000 jobs in the pipeline.

We have worked with 623 businesses and safeguarded 2,719 jobs and a new three year business support service established by us, working with the Wessex Association of Chambers of Commerce, will replace the services lost by business link and the Regional Development Agency. This new service will be the point of contact for business support, start up and growth services.

Last year we submitted expressions of interest to the government to secure European Regional Development funding for new incubation centre environments at Castledown near Tidworth, Royal Wootton Bassett, Trowbridge and Salisbury. We agreed to provide £375,000 of capital and up to £400,000 of revenue funding to support this initiative over the next four years.

So far we have secured £130,000 in funding to deliver the Castledown project, and it is anticipated that an announcement on further funding of £600,000 will be made on the 28th March.

We were extremely pleased to be chosen as a government pilot area for superfast broadband. We know how critical this will be to boosting and sustaining our economy. We were allocated £4.5 million of government funding to support the £16 million investment that we allocated in our four year financial plan.

On a national basis, youth unemployment is a growing concern and this has been highlighted a great deal in the media.

Young people aged between 18-24 account for 32 per cent of all the job seeker allowance claimants. The youth unemployment level in Wiltshire is currently at 5.9 per cent which is well below the national average of 8.1.

Nevertheless, addressing youth unemployment and supporting young people to obtain and sustain their first employment continues to be a key priority for us.

Improving job prospects for young people and developing their employability and providing new routes to work has been a key focus for us. Together with partners, through our Action for Wiltshire programme, we have worked hard to keep youth unemployment as low as possible in our county.

As you will probably recall we were particularly successful with the Future Jobs Fund programme and secured £3.2 million which allowed us to create 495 new jobs for long term unemployed 18-24 year olds.

For many these jobs offered a first break into employment. Working with the Employment & Skills Board we are delivering a number of projects and initiatives to continue to assist young people to acquire the appropriate competencies, functional skills and experience of the work environment.

These include our in-council apprenticeship programme where last year seven people started their advanced apprenticeship. And, working with Wiltshire College and other locally based training organisations, we want employers to create 1,000 new apprenticeship opportunities across Wiltshire by July 2013.

We are also supporting Job Centre Plus with sourcing high quality, structured work experience with local employers for unemployed young people. Over the next twelve months, it is anticipated that work experience placements will be created for up to 300 young unemployed people.

These plus many other projects are placing young people in work and as a major employer in Wiltshire we will also be doing all that we can.

Young people remain a priority and by working with the area boards we have made a commitment to retain open access youth provision in all community areas and we will not close any youth centres.

As schools will now be responsible for providing universal information, advice and guidance on careers, to avoid any duplication we will now target our resources to the most vulnerable young people; those with disabilities and those who are not in employment, training, and education.

We have also continued to work very closely with Wiltshire Parent Carer Council to deliver and develop our short break programme. We have invested in key services including leisure centres, libraries, playgrounds and youth clubs to make these facilities more accessible and welcoming to disabled children and young people.

With more funding being diverted to the Local Offer payment this year - £600 per eligible child - more families are benefitting as a result of the improved access to these services. Our approach has received positive feedback from families who appreciate the lack of bureaucracy and assessment. We have continued to enable and empower over 900 families to make real choices about the way they use their short break provision. Over 95 per cent of families reported that the short break their child accessed using the Local Offer was good or excellent.

Last year, as part of our nationally acclaimed military integration programme, the MoD supported our children's services department to provide the excellent Wellington Academy delivering top quality education and sports facilities for children and young people in the Tidworth area.

And, I am also pleased to announce that our GCSE results across Wiltshire have improved by 4.5 per cent.

We also opened two new family resource centres in Trowbridge and Devizes providing quality support for our most vulnerable families. A new centre will open in Salisbury in March.

We have also undertaken work to commission a new family and parenting support service from Action for Children. From 1 April, this service will provide support for families where there is domestic violence, parental mental health difficulties and substance misuse, or where a parent is involved with the criminal justice system. The service will provide longer term support for families with these difficulties where there are concerns about children's development and well-being, but where the family does not meet the social care thresholds. This was identified as a 'gap' in our service leading to increased referrals to children's social care. The new service provides an opportunity for earlier intervention for families, in line with the Munro Review.

We have been absolutely clear that our key focus is to protect the most vulnerable in our communities. Last year the investment we made in this area meant we were able to look after 349 more adults.

We also launched a visionary and innovative scheme to deliver much needed extra care homes. This is a long term project that invests £200 million over the next 10 years and will go some way to addressing the housing needs of Wiltshire's growing older population. We opened a new state of the art extra care home - Florence Court in Trowbridge, that has enabled approximately forty older people to leave residential care and live independently for longer. This is a model that will be rolled out across all our community areas.

And, we opened a new library in Pewsey, which has seen the number of visitors increase by almost 70 per cent, and, work is well underway on the

new library for Trowbridge which will open in its new location in County Hall in September.

On the matter of libraries, unlike many other councils, we have kept all our libraries, including mobile units, open; and, with the help of over 600 volunteers, some of these are being kept open for longer hours.

We have always known that there is an appetite for volunteering in our county and this example, along with other volunteers who are helping with digital inclusion has highlighted that with our support and encouragement they can use this opportunity to do more to help strengthen their local communities.

We will continue to work closely with the voluntary sector recognising that we must continue to invest at the same level to support the essential work that the third sector provides in the county.

As I said at the start we knew we could take advantage of being a new unitary authority and we are nearing completion on the consolidation of 98 offices and buildings into 4 high quality hubs, and we are working on the new campus model.

We recently decided to reduce to go one step further and reduce from four to three hubs and close the offices at Browfort in Devizes. We recognised that since we published our business plan last year, we have reduced the number of posts in our staffing structure by approximately 440, which means we need less office space.

The consolidation of over 280 operational buildings, including other public sector assets, into approximately 35 community based facilities, including the new campus programme, which will deliver £85 million of savings over the next 10 years, which can be reinvested into vital services.

We have shared our asset portfolio with our public sector partners and have started to co-locate services at a local area level delivering a one-stop service for our customers. The recent move to collocate Police into our Monkton Park offices is an example of this. We are also developing discussions with a number of private and third sector organisations to deliver a shared approach to campus facilities.

Our customer access strategy will take services to the customer and focus on outcomes rather than outputs and managers are being encouraged to liberate staff from a 'behind the desk approach to work' and go to a location that suits the customer.

This will mean the need for less office space and the reduction in our property portfolio will deliver £17 million of sales and net cashable savings of £4.5 million per year by 2014/15. It will also reduce our liability for the new levy under the government's Carbon Reduction Commitment.

Local community areas are determining the specification and scope of their tailored campus model, which is a major part of our approach to delivering the localism agenda.

The campus model is a development that is community based, and for the benefit of the community, bringing the services it needs together and these will all be different as we know that a one-size-fits-all approach will not work for a county full of such eclectic and unique communities.

Our communities are doing more for themselves - with some support and facilitation they are delivering sustainable outcomes and real results in their local areas. We have many examples of where communities are taking responsibility and making decisions on budgets that affect the services they receive.

We will continue to strengthen our work with communities and by using social media we will encourage further debate and through interactive online communities get them more involved in making decisions in their local areas.

We are developing a culture where we are always willing to help and we adopt a can-do approach in everything that we do.

On this basis, we refrained from taking a blanket or salami slicing approach to making efficiencies last year. Instead, we managed the cut in government funding and the impact of this by looking at how, and where, savings could be delivered by working differently.

Through service reviews – where customers are at the centre of the design of services - wasteful processes are being removed and a leaner, more focused organisation, but one capable of adapting to new or unforeseen challenges in the future, is being delivered.

We are in a strong position and can do the best for the people of Wiltshire. Through realigning resources where they are most needed we can continue to invest in key services and protect and support our local communities.

And, I am really pleased to announce that our recent “what matters to you” household survey showed an increase in customer satisfaction levels of 16 per cent. The Place Survey in 2009, showed a satisfaction level of 40 per cent. In these difficult times for local government this new figure of 56 per cent is reassuring and gives us confidence that we are doing what’s best for local people.

In February 2011, we reported that we expected a £13.3 million decrease in government funding. However, the actual decrease is £3.2 million, which is £10.1million better than we originally forecast.

This is due to new government grants; a one off £5.5 million council tax freeze grant and as we have built more homes in Wiltshire it means we have received a £2.9 million new homes bonus, plus the additional council tax; and our council tax collection rate is high despite the current economic climate.

However, the financial challenge we face is made unfairly tougher as we do have some exceptional problems in Wiltshire. We receive an average of £228 in government grant per head of population, which is £96 less than the English rural average of £324.

Also, the population of Wiltshire aged 65 plus is 14 per cent higher than the national average and it is due to rise to 18 per cent by 2015. This is predicted to grow faster than most other authorities. The population of aged 85 plus is 16 per cent higher than the national average and this will rise to 20 per cent by 2015.

This means there is a need to invest £7.1 million in older people and mental health services for vulnerable adults next year.

We also continue to have a growing need for support for other vulnerable adults, including those with a learning disability, physical impairment or mental health needs, including care packages passed to the authority by the Ministry of Justice. The result is a need to invest a further £2.5 million next year.

Our level of support for vulnerable families and individuals has increased due to factors such as the recent economic downturn. Resulting in a need to invest £3.85 million more next year

The rate of inflation that drives our prices is based on the position at September last year which was around 5.6 per cent, resulting in unfunded price pressures, which were unexpected when the business plan was published last year.

At the same time we have been identifying ways to reprioritise and align funding into our key services. To do this, we had to find £32.6 million of savings. As a result of better than forecast grants income this is £3.6 million less than we forecast last February.

To help find the £29.4 million we needed to look at our cash flow for the investments we proposed in our four-year plan. We can make efficiencies by changing these investments for 2013/14. These include less money required for staff redundancy payments and rescheduling of broadband digital inclusion as the government funding will be allocated for this major project earlier than we expected.

I have to say that my cabinet and I did not take on this leadership role to cut services and, we have not been afraid to make tough decisions to do what we believe is right for the people of Wiltshire.

We have focused on removing waste and inefficiencies in all service areas and we will continue to improve how we purchase goods and services.

Our plan focuses on investment in Wiltshire, which is good for business and jobs. In line with our priorities we are investing in infrastructure, in particular in areas that the residents and businesses have told us were most important to them. This includes more affordable homes, roads maintenance and repairs and high-speed broadband.

In the next 3 years we will invest over £273 million in our capital programme. We are also working to ensure that this spend, wherever possible, is retained in the county with local businesses delivering the work creating more jobs for local people and boosting the local economy as contractors spend more in local shops.

£41.3 million will be allocated to build new affordable homes and improve the council's social housing. Our predicted 10 year need for affordable social

housing is over 3,800 homes. House prices in Wiltshire are on average 12.6 per cent above the national average.

£35.7 million will be allocated to deliver three new community campus models in Corsham, Melksham and Salisbury - and, we will continue to invest by increasing the amount of funding to £18.7 million for improvements to our roads and highways.

The Community Area Transport Groups have been a huge success making decisions based on the priorities of their local communities. We want to devolve more decisions to these groups and we propose to increase this funding by 40 per cent.

This will mean an allocation of £350,000. Plus, we will carry forward any under spend from last year which will result in a total budget of just over £500,000 this year.

As a result of sound financial planning we are proposing freezing Council Tax for 2012/13 at the same level as 2010/11 and freezing most of our fees and charges.

Since 2009, the average increase in Council Tax for Wiltshire is 4.5 per cent, whereas the average national Retail Price Index of inflation for the same period is nearly 14 per cent. This means a saving to individual residents of Wiltshire of £110 a year.

We have worked extremely hard to manage within our means and to deliver a balanced budget. We have re-directed funding to the areas of greatest need; investing more to provide for vulnerable children and adults, and to help communities do more to help themselves.

We have developed saving proposals in cross cutting themes rather than silo areas, and we are challenging all our budgets, carrying out due diligence on our assumptions and plans for the future.

We are, therefore, in a position to make these proposals, at a time of continuing economic uncertainty, as we have made some tough decisions. At a time when other local authorities are making cuts, we are improving and making investment in our services and increasing our support for local communities.

Last year we reduced our management team by 220 managers and saved over £8 million.

The decision to save more money by further reduction of our senior team was not taken easily or without a great deal of thought and debate. Removing the post of chief executive was radical by a large and relatively new unitary council, but, we remain confident that we were ready for this decision and that it was the right one for Wiltshire.

We are extremely fortunate that we have an active, positive and constructive working relationship with the unions and we have a common aim of ensuring the council is efficient and effective for the benefit of the public it serves.

We have jointly agreed redundancy and appointments procedures to assist with making these staff reductions and last year we successfully negotiated substantial changes to staff terms and conditions which resulted in significant budgetary savings of £8m being made over the next three years. Had our relationships not been so productive, these discussions could have resulted in major industrial relations problems and costs.

Our new leadership team model, of three corporate directors, supported by the service directors, is working extremely well. In their first 90 days they have delivered the projected gap in last year's budget, and as a result, we are on

target to deliver 98 per cent of the predicted savings. Where savings have since been identified as not deliverable, due to changes in circumstances, they have found new efficiencies.

A balanced budget is forecast for the year end.

They have also been highly visible meeting over 2,500 staff at forums and delivering an annual corporate awards event - supported entirely by sponsorship funding - to recognise the outstanding work of over 300 staff.

They are also implementing change programmes where these are most needed, including improvements to our development management service and a programme to help reinvigorate our local market towns. The team has also recognised that it can be leaner and they have proposed a further reduction of two service director posts to make additional savings of £160,000 per year.

This year – 2012 - will see two national, once in a lifetime events that will directly impact on Wiltshire; the Queen's Diamond Jubilee and the Olympic Torch Relay.

We recognise that this is a unique and invaluable opportunity for us to reinvigorate our local economy and showcase our county. The world's media will focus on Wiltshire publicising and promoting what our county has to offer. This level of publicity is priceless.

Our communities will be able to come together and show what makes them special. If we hadn't focused on 2012 and these key events, that will leave a legacy for years to come, then these amazing opportunities would have been lost.

Communities across the county have already signed up to take part in this year's events and the enthusiasm and energy to showcase Wiltshire is overwhelming.

At the recently held budget consultation forums many people voted to allocate money to celebrate 2012 and recognised, like we have, the value that this will add to Wiltshire. On this basis, I am proposing that we will fund £290,000 from existing base budgets to pump prime the events this year and that wherever possible the expenditure will be offset by income generated from businesses participating and/or sponsoring the events.

The money will come from holding vacancies in corporate services that have not already been deleted as part of the saving proposals.

Talking of the Olympics and getting more active, we were extremely concerned when the government withdrew the funding for free swimming for the under 16's and over 60's. We were fortunate that with the support of NHS Wiltshire we were able to continue with free swimming for several months after the grant was withdrawn.

However, it was with regret that in last year's budget we were unable to allocate funding for this to continue. We recognise that we need to support children to get fit, to be healthy and to tackle obesity and I am therefore pleased to announce that this year we are proposing to allocate £145,000 to enable the under 16s to swim for free in the school holidays. We will review the take up on this initiative after the summer holidays this year.

As I stated before, we are in a strong position. By making tough decisions and focusing on what's best for the people of Wiltshire we can plan to invest almost £350 million into key services over the next three years.

Our continued success in delivering our priorities and an ambitious number of transformational projects will result in an improvement to the lives of people in Wiltshire.

We will continue to change and we will keep looking at the way we deliver our services, working even more closely with our local communities.

We are, therefore, developing a culture that drives, embraces and embeds change. We have clear strong leadership that is steering, guiding and continuously supporting and managing change to ensure we deliver quality outcomes.

We will continue to engage with our customers and communities and our focus is to place our customers at the heart of everything that we do and adopt a can-do approach, so that we work as one council, one team to deliver even more.

I can't end without expressing my thanks to the new leadership team, the extended leadership team and all the council's staff for their hard work, commitment and outstanding delivery this year, particularly in these challenging and demanding times, and a special thanks must be extended to Michael Hudson, Finance Director and his team for the production of this year's budget and all the supporting papers.

I would like to move the recommendations on page 118 and to add to these recommendations the amendment made at cabinet on the 15 February regarding free swimming for under 16's in the school holiday period.