

November 2015

Councillor Malcolm Wade

Appointment of New Chief Executive

John Coughlan, Deputy Chief Executive and Director of Children's Services to be appointed for the post of Chief Executive with effect from 01 November 2015. John Coughlan with many years' experience in local government is a good choice as the new Chief Executive during what will be very challenging times for the authority in this period of intense funding cuts.

Council Meeting 22nd October 2015

The main item apart from the official appointment of the new Chief Exec was:

MEDIUM TERM FINANCIAL STRATEGY UPDATE AND TRANSFORMATION TO 2017 SAVINGS PROPOSALS

An anticipated budget gap of £98m was predicted by the 2017/18 financial year and savings targets of £90m were allocated to Departments as part of the Transformation to 2017 Programme. The balance of £8m was to be met from housekeeping savings, targeted at inflation and debt management savings.

It has been announced that Government Departments have been asked to draw up plans to tackle real terms reductions of 25% and 40% over the next four years. The County Council has been planning on the basis that it will receive a 10% per annum cash reduction in the grant that it receives over this period.

2015/16 represents a further milestone in this journey, given that a further £102.5m was removed from budgets in this year, taking the total to £242m since the grant reductions began.

The consultation on what HCC does next with regards to dealing with the on-going grant reduction produced some interesting views on council tax increases. 55% of respondents supported an increase in council tax of between 1% and 1.99% and 20% supported an increase of 3%, whilst 21% did not want any increase at all. Those respondents that supported a council tax increase generally wanted the additional resources that this generated to protect services for vulnerable adults and children.

The administration thought committing to a council tax increase at this stage removes any ability to rely on this at a later date should the financial position worsen for example due to higher than anticipated Government grant reductions so will not pursue this at present.

The total savings targets for each Department, compared to the proposals that are expected to be delivered (in cash terms) in 2017/18 and 2018/19 are as follows:-

	2017/18 Savings Target	2017/18 Proposals	2018/19 Full Year
	£'000	£'000	£'000
Adults	43,100	43,055	52,530
Children's - Non Schools	23,302	22,836	23,302
ETE	14,697	12,746	14,700
P&R	11,701	11,701	12,667
Total	92,800	90,338	103,199

The equal percentage savings across all departments was hotly debated as Adults and Children's services dealing with vulnerable people should have greater priority than Economy and Transport and Policy & Resources. However this was not supported by the administration but thankfully they did support the ring fencing of continued funding support for Breaks for Disabled Children, a vital service for both the children and families. The budget meeting will be in February, where HCC will set the budget for 2016/2017, when the full details of the government grant reductions will be known.