

2019/20 Budget consultation

Budget consultation

- Each year Herefordshire Council consults on its budget and this year is no different.
- We want to hear your views on some of the tough decisions we will need to take.
- We have a clear focus on improving outcomes for Herefordshire and an enviable track record of delivering on what we set out to do.
- We are proud of our work with partners and communities in transforming services and improving outcomes. This is underpinned by our strong social and commercial values.

Herefordshire and the need for change

- As a county we have fantastic economic, social and landscape assets – we offer a unique quality of life to people who work and live within the county and for those who visit the area and want to do business here.
- The council has reshaped in recent years – we continue to invest in a range of projects that change the way we work and how we deliver services to meet the needs of customers.

Herefordshire and the need for change

- The high costs of providing services for a rural and sparsely populated county have always been a challenge.
- The county has an older age structure than England & Wales as a whole and this proportion is increasing annually.
- To cope with this and other demands such as children's wellbeing, we are focusing on prevention.
- We aim to work with individuals, families and communities to support them to be independent and to keep them safe and healthy.

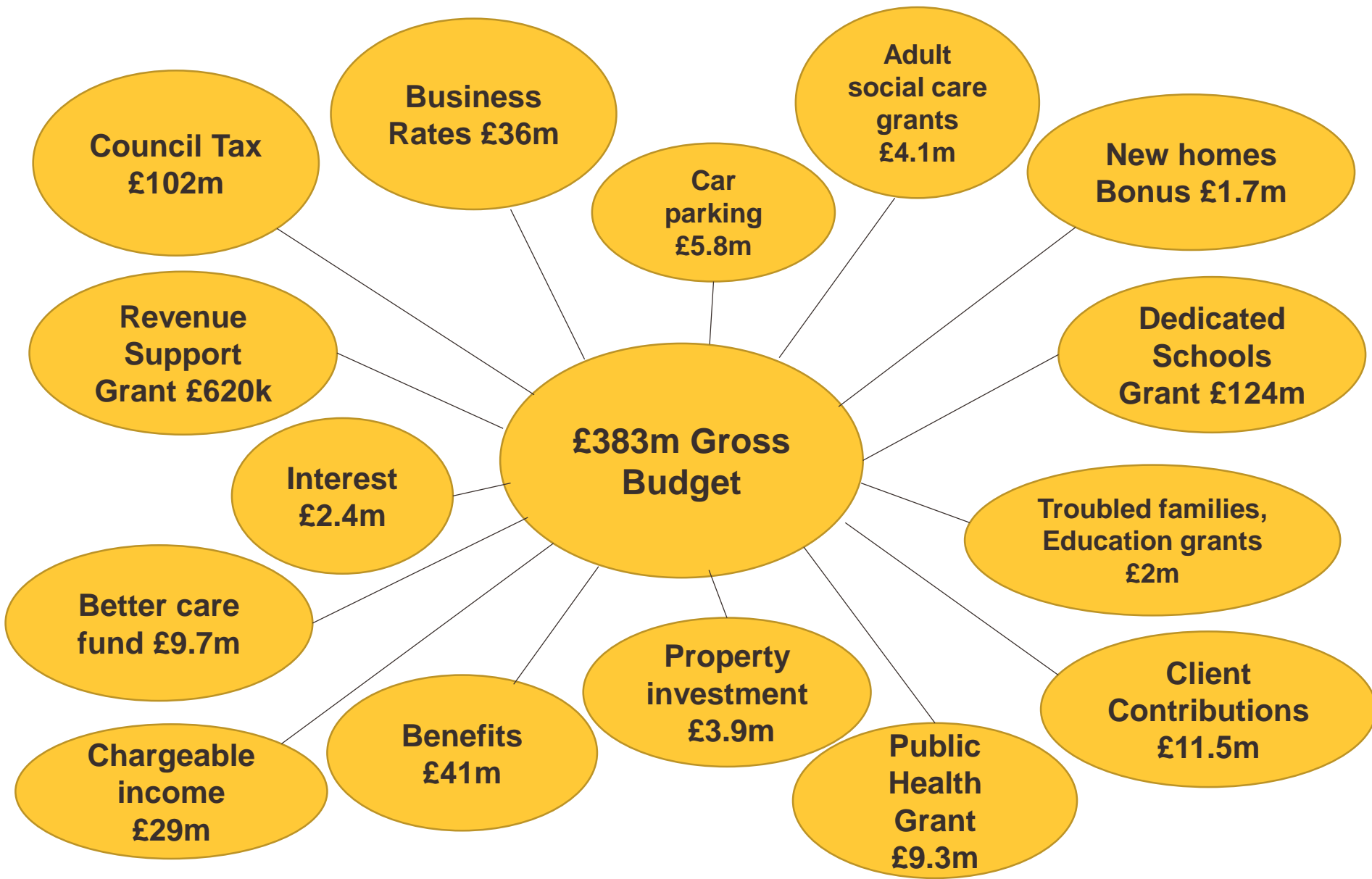
Herefordshire Council

2018/19:

- Gross revenue budget £383m
- Council Tax charges for an average Band D property (£120.32 per month)
- Capital budget £147m 2018-2021

2019/20:

- Our Medium Term Financial Strategy assumes a 4.9% increase to next year's Council Tax (£126.23 per month for an average Band D property)
 - 2.9% increase in the core Council Tax
 - 2% adult social care precept



Projected 2019/20 Till Receipt



Charges per month (average Band D property)
2019/20 Monthly Council Tax receipt

	#
** Daily life **	
* Bin collections and environment	13.72
* Roads, bridges and care of public spaces	7.21
* Schools and education	98.13
* Buses and community transport	6.39
* Libraries, records and customer services	1.30
** Looking after adults **	
* Older people in residential / nursing care	13.38
* Older people supported at home	9.24
* Disabled adults	27.76
* Lifestyles services (substance abuse, sexual health)	2.64
* Health improvement (Public Health nursing, health checks, smoking cessation)	5.61
* Housing	0.52
** Looking after children **	
* Child protection	3.75
* Children in care	12.87
* Children with special needs	3.28

** Local government running costs **

* Election, governance and legal services	3.24
* Directors & staff costs	0.65
* Organisational administration	1.41
* IT, transactions and billing (Hoople)	5.19
* Insurance and property maintenance	5.08
* Capital finance - Debt repayment	7.83
* Capital finance - Interest payments	10.24

** Economic growth **

* Economic development and regeneration	1.27
* Broadband - rural rollout	0.13
* Planning	0.35
	241.19

** VOUCHER **

** Other income to supplement council tax **

* Investment Property income	-2.91
* Car parking	-5.36
* Capital finance - Interest received	-2.01
* Public Health grant	-7.70
* National Education funding (schools)	-96.98

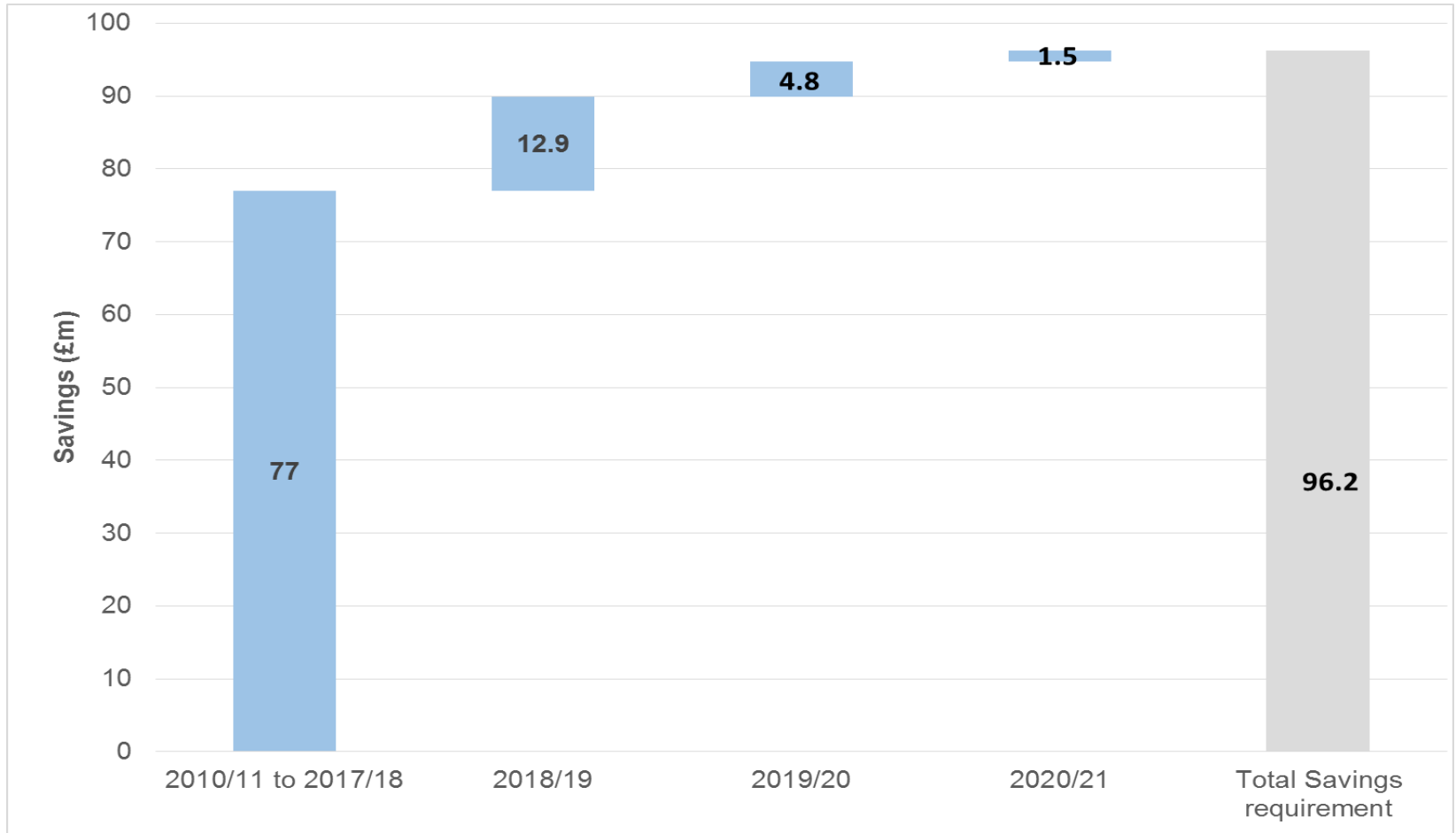
TOTAL TO PAY (per month) £126.23

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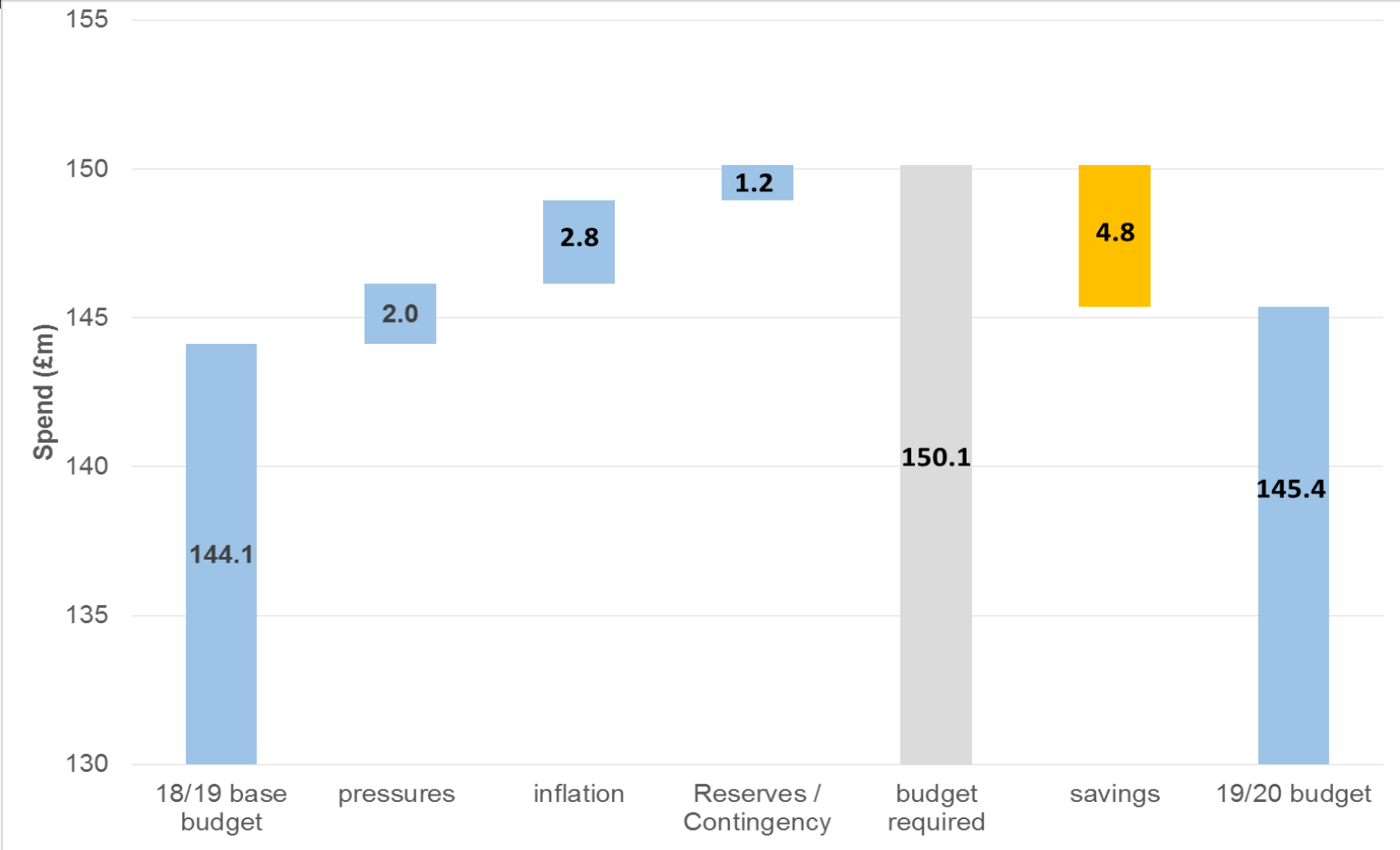
Scale of change



Savings required

Directorate Savings	2019/20 £000s	2020/21 £000s	Total £000s
Adults and wellbeing	1,500	0	1,500
Children's wellbeing	1,050	650	1,700
Economy, communities & corporate	2,017	350	2,367
Corporate savings	200	500	700
Total Savings	4,767	1,500	5,267

Calculation of savings requirement for 2019/20



Priorities

Our priorities for the period 2016 – 2020 are set out in the Herefordshire Council Corporate Plan:

- Enable residents to live safe, healthy and independent lives;
- Keep children and young people safe and give them a great start in life;
- Support the growth of our economy; and
- Secure better services, quality of life and value for money.

Feedback from business

- Find it difficult to recruit and retain good quality staff.
- Skills gaps in certain sectors.
- Infrastructure is key to opening up new markets and accessing services.

The council's response

- A positive planning framework with 16,500 new houses across the county.
- New employment allocations in Hereford and the market towns.
- New infrastructure, including bypasses for Leominster and Hereford

Moving forward

- We will build ‘assets’ that support indigenous business growth and attract inward investment.
- We will develop the relationship between the public and private sectors.
- We have appointed two development partners (Keepmoat Homes and Engie Regeneration).
- We are the accountable body on behalf of central Government for the £23m to the New Model in Technology & Engineering (NMiTE) for delivering the new university.

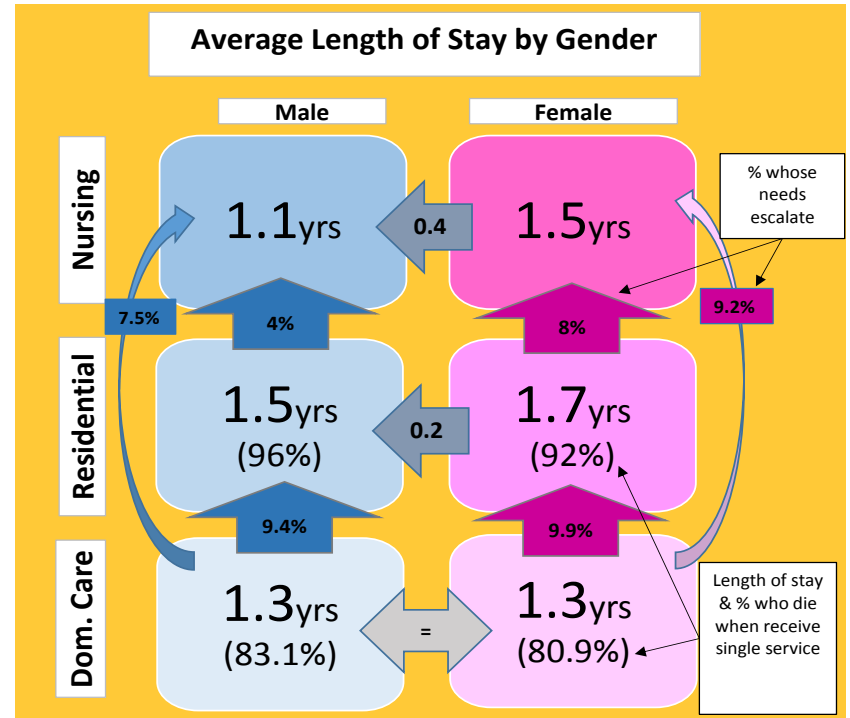
£1.5m Adults and wellbeing savings required in 2019/20

Savings Proposal	£000
Improved Better Care Fund (IBCF) – Workforce savings	600
Implementation of the Adult Social Care Pathway	800
Change in Policy on disregards	100
Total adults and wellbeing	1,500

Adults and wellbeing

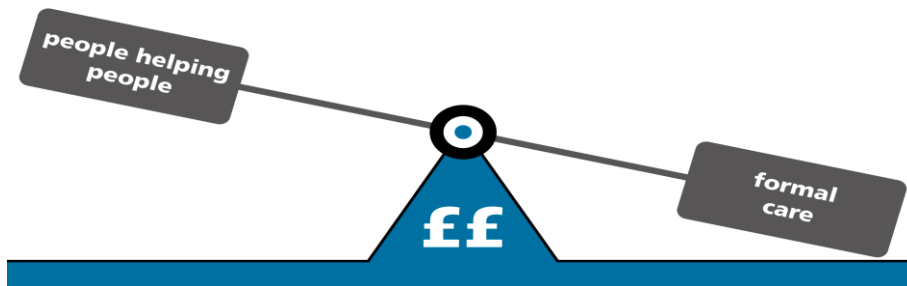
- Implementation of our pathway model is paying dividends and has been recognised as best practice in the sector.
- We have seen a reduction in the average cost of care packages.
- A new strategy for people with learning disabilities has been adopted – its focus is to ensure the best outcomes for this group of vulnerable people.
- It is imperative that our Public Health and wider wellbeing message is heard by system partners.

How long do they stay?



How can you help

- Get to know and use our community advice and directory tool – WISH;
- Encourage your local groups and volunteers to register their skills and activities on WISH;
- Direct people to WISH if they are looking for some help or support that they or their families or carers could organise themselves;
- Find out about local projects or activities that are building networks of support and offer your local knowledge and insights to support them e.g. Connecting Communities – Leominster – Golden Valley



£1.050m Children's wellbeing savings required in 2019/20

Savings Proposal	£000
Contract Inflation	200
Reduction in the cost of looked after children	650
Workforce structure	200
Total Childrens Wellbeing	1,050

Schools and high needs

- Funded by government grants (schools and academies £99.4m and high needs £24.5m).
- There is severe cost pressure on high needs spend at a national level for all councils – many are overspending.
- We forecast a £2m overspend within 3 years in Herefordshire if no action is taken.
- A cost reduction programme has been agreed with the schools forum and a fundamental service review is underway.
- £0.7m of savings identified so far (more to follow).

Local support of children's services

- Support families and communities to encourage healthy eating (particularly for children).
- A campaign is about to be launched which encourages good dental health.
- Encourage businesses to offer apprenticeships and work opportunities for young people (help them into employment).

£2.017m Economy, communities and corporate savings required in 2019/20

Savings Proposal	£000
Museum, library and archive services	250
Public and Community Transport	225
Public Realm / Annual Plan	125
Accommodation Strategy	360
ECC efficiencies	460
Procurement Savings	300
Property Services contract savings	200
Organisational Redesign savings	97
Total Economy, Communities and Corporate	2,017

Improving efficiency

- Reviewing public transport and making efficiency improvements across these contracts enabled early delivery of savings.
- Achieving our income targets from car parking will be challenging.
- Currently reviewing delivery options for museum, library and archive services.
- Our continuing investment in superfast broadband will make the county one of the country's most fibre connected areas.
- Fixing the roads is important to the economy of the county.

Capital programme

	2018/19 £000	2019/20 £000	2020/21 £000
Capital Investment Programme and Financing			
Total Expenditure	92,148	47,911	8,317
Prudential Borrowing	28,156	25,547	-
Grants and contributions	51,497	22,213	8,317
Capital Receipts	12,495	150	-
Total Funding	92,148	47,911	8,317

Budget consultation



- The main method for people to give their views on a variety of proposals will be via an online survey.
- The survey will be promoted through a mixture of digital and traditional communication channels.
- Targeted engagement with key stakeholder groups (elected members, parish councils, health partners, schools and businesses).