

Leader's Budget Speech 2015/16

Mr Chairman, Members,

In this speech, I outline our budget for an even better Essex.

Essex continues to be in a strong financial situation both with our economy and our County Hall budget.

This budget is based on sound Conservative principles and policies that have ensured we have a stable budget that benefits all of our residents.

As businesses have faced tough times so has the County Council and, like businesses, we have cut our cloth accordingly. With strong prudent Conservative values we have ensured our front line services are maintained while tackling major reductions in our grants from central Government.

We should all take great comfort that our Government has taken the difficult decisions necessary to get our country back on track, all of which are reaping dividends with the UK now one of the fastest growing economies in Europe.

In our preparations for this year's budget, while still facing tough times we as a Conservative administration have prepared and taken early tough decisions so that we are best placed to ensure we put people first.

We have ensured we have built an Essex that provides opportunity for all to reach their potential.

An Essex that takes the tough decisions needed to ensure the long-term sustainability of public services.

Mr Chairman, this year, as our nation prepares to go to the polls, our county, and our country face a clear choice.

We can go back to the failed tax and spend policies of the previous Government.

Or we can continue with sensible economic policies and responsible financial management that ensures no-one is left behind and that everyone does the right thing by their family and their community.

Mr Chairman, because of the confident policies of the Government and the firm economic plans by this Administration, our economy is growing again with more people in jobs, more people starting businesses and wages now growing above inflation in Essex and across the country.

However, we must not be complacent and we still face many challenges.

The challenges are real and must be discussed and debated with our residents. We all have a responsibility and together we will find solutions to help everyone.

The reality, which is not party political, is simple. We have an ageing population that places more demand on our services and we have less money.

The fact that people are living longer is tremendous news and welcomed – now we must ensure that all of our residents from whatever background are cared for in their final but longer years as much as we care for everyone throughout their lives.

To help prepare for this we have already saved over £450 million over the past four years and are on track to save a further £100 million in the current year.

And in order to meet these demands we must continue to make the savings needed to ensure our council is sustainable into the future.

Therefore, Mr Chairman I outline our key priorities for this budget and beyond, which are dedicated to help everyone in Essex.

This financial year, we are spending over £2 billion on public services for the 1.4 million people of Essex.

And we're spending it on:

Investing £272 million into roads, schools, and flood defences.

Supporting economic growth and Essex businesses.

Looking after the most vulnerable people in our communities.

And keeping Essex a low tax county by freezing council tax for a record fifth year in a row.

Freezing council tax

Mr Chairman, let me expand on our decision over council tax.

I thought long and hard about whether we should increase council tax this year or freeze it for the fifth year running.

A difficult decision.

Mr. Chairman, the economy is improving, there is no doubt about this – we have seen considerable improvements in GDP, reducing unemployment and wage growth now increasing more than general inflation.

We have just seen the lowest ever level of people not in employment, education or training at 4.5%. And we will go further to bring this figure down still further.

It is because of this that I and my Conservative colleagues firmly believe that we should not take more of the people's money than we need. It is their money and we trust the people to spend in wisely while helping to boost our economy.

And this is why we have decided to freeze council tax for that record fifth year in a row.

In a year when the majority of county councils across the country are choosing to increase their council tax, our commitment to freeze tax and keep Essex a low tax county is all the more significant.

This means that for the fifth successive year at band D the council tax will remain at £1,087 – the lowest Council tax charge of any county council in the Eastern Region.

This represents a saving of up to £335 for the average household in Essex and it is worth noting that in real terms freezing council tax represents a reduction in the tax burden on the people of Essex.

We are today proposing a budget which delivers the biggest capital investment programme we have ever seen, and invests in our front line services to ensure our residents and businesses get the service they need, without them paying more in council tax.

This is achieved because of careful prudent planning. Only the Conservatives can and have delivered this.

A budget for the future

Mr Chairman, this is a budget that invests in the future of Essex.

Investing in roads.

Schools.

Superfast broadband.

Flood defences.

Waste and recycling.

And protecting the most vulnerable people in our communities.

This year alone, thanks to our careful management of finances, we are able to embark on a record capital investment programme of over £272 million – £60 million more than last year.

We have chosen to invest over £130 million into our highways network to help drive economic growth, reduce traffic congestion and improve the conditions of our roads further.

Over the past year, we have invested heavily in improving the condition of our principle roads.

We were successful in securing significant investment in the key strategic routes through Essex and the wider transport network such as the A12, A120, and A414

and we have reduced the number of potholes on our strategic road network to just 500.

This year, we will continue to deliver the investment that our transport network needs.

Opening the Colchester Park and Ride and finalising a Ring and Loop system for Chelmsford City Centre.

And we plan to spend £17.5 million on fixing potholes and maintaining our network of footpaths, public rights of way, and bridges right across the county.

We are absolutely committed to ensuring that every child in Essex gets the best start in life and over the next 12 months, we are delivering an increase of 3,000 primary schools places.

And over the next five years, we will invest over £200 million in our schools to provide more than 20,000 additional school places.

And we are improving educational outcomes as well. The percentage of pupils achieving a Level 4 or higher in reading, writing and maths has risen by 4% to 79% in the past year – above the national average.

Over the last two years, we have seen a 12% increase in the number of primary schools who are good or outstanding and a 16% in secondary schools.

But it is not enough for us to be an above average council when it comes to the education of our children. We want to be exemplars in excellence – our children deserve nothing less.

This year, we are building on our successes to ensure that every child in Essex goes to a good or outstanding school by 2018.

We have chosen to invest £23 million into an ambitious flood defence programme – from large coastal defences to local schemes – to keep Essex residents and their homes safe from flooding.

This includes £4 million of investment into the Clacton Holland Sea Defence scheme in Tendring to protect our coastal communities.

We have chosen to invest in waste and recycling infrastructure that enable us to reduce the amount of waste going to landfill and reduce our carbon footprint.

I am proud that our Courtauld Road Waste Facility is now successfully testing ready for its official opening this summer, and the network of waste transfer stations across the county, is the key element of our long-term strategy that will lead to a more efficient system and save taxpayers money.

We have chosen to invest in super broadband to ensure that 95% of Essex residents and business will have coverage.

And we proud to say that we are ahead of schedule in our rollout.

And we are investing in programmes that support and look after around 40,000 vulnerable people across our communities.

Mr Chairman, it is with great pride that today I announce that we are continuing the Essential Living Fund to support the most vulnerable people in communities, despite a decrease in funding from Government.

The Essential Living Fund will provide £1.5 million to continue to support food banks and charities and provide practical help for over 14,000 Essex residents, including those with young children and people trying to stay in work but struggling with the cost of living.

And we are looking across portfolios and working with partners to develop a strategy to support children and families from disadvantaged backgrounds.

Our economic recovery means that all districts have seen reductions in the number of children living in relative poverty since 2009 and Tendring and Basildon – where rates are highest – have made greater reductions than the Essex average.

And we are working to seek further reductions.

By ensuring all Essex schools are good or outstanding by 2018.

By continuing the excellent Family Solutions work with troubled families.

And by working with Health partners and districts to tackle health and housing issues that affect life chances.

It's all about ensuring the right families can access the right support and guidance when they need it. It's about helping people help themselves.

But we want to go further and are already thinking years ahead to continue the success we have already delivered.

We have plans, Mr Chairman, for almost £1 billion of capital investment over five years.

This is, of course, dependent on government funding and our own continuing innovations and financial discipline. But let there be no doubt we intend to invest

£1 billion for the issues that matter most to people – better roads, more school places, and protection from flooding.

Because a strong and prosperous county is a county that benefits all residents and businesses.

This is a budget for the future, Mr Chairman, and this is precisely why it must also be a responsible budget.

We cannot – and we will not – shirk from the tough decisions that need to be made to guarantee the long-term financial sustainability of the council.

Without sound management of the council's finances, we simply would not be in a position to freeze council tax for the fifth year running.

Without a constant drive for efficiency and innovation, we would not be able to deliver the savings needed to balance the books yet again.

Without careful management of our financial resources, we would not be able to embark on a record £272 million capital investment programme in 2015/16, investing in our economy and infrastructure to further boost and consolidate our economic recovery.

Doing things differently

How are we achieving all this with austerity still part of the long term economic plan and difficult financial pressures in the future?

The answer is that we have learnt to do things differently, protecting our services but looking at creative ways to save taxpayers' money and not wasting precious resources.

In difficult times, we have no choice but to work in new ways.

Necessity is the mother of invention after all.

So, Mr. Chairman, let me outline five key pillars that underpin how we will achieve what we have set out to do.

First, we strive for continual innovation in everything we do.

Our vision is of a county where innovation brings prosperity.

Innovation is at the heart of our success story.

Only through new and innovative approaches we have been able to deliver £450 million of savings for the taxpayer.

For example, as a result of the successful restructuring of our Youth Service, we are delivering more activities than ever before while achieving a savings of around 60% in the cost of the service, despite the Opposition telling us it couldn't be done.

And we want to continue this success to be the most innovative council in the country.

That is why in this budget, I am pleased to announce that we are creating a £1 million Essex Innovation Challenge Prize.

This money will be used to encourage our staff and our communities to find new solutions to some of the most difficult challenges facing public services in Essex.

We fully recognise that we don't have all the answers. And through this initiative we will tap into the wealth of knowledge and creativity that exists in our great county to support people to live full, independent and productive lives, from infancy to later years.

And in the days to come, I will set out in detail how this fund will work.

Second, Mr. Chairman, in a world of austerity we have proved ourselves to be leaders in efficiency.

Our constant drive to find efficiencies and boost productivity has allowed us to do more for less.

For example, we have invested in the latest technology to enable our 8,000 strong workforce to work more flexibly and mobile, saving taxpayers money by reducing operating, travel, and printing costs.

We have reduced the number of offices we use, and pay for, from 56 to 9, and in the last 12 months we have further consolidated our office portfolio to save the taxpayer over £1 million. We have streamlined and automated our back office support services and have saved £4.9 million as a result. And by doing this, we have been able to redirect these resources to our front line services

We are delivering £6 million of savings in our Children's and Families portfolio by improving productivity and reducing the number of children in care. And this has come with an increase in the quality of the service we provide – an increase in quality which resulted in our 'Good' Ofsted rating in 2014.

Mr. Chairman, I am proud to stand here today and say that since 2012, we have reduced the number of children in care by 28% – an achievement that bucks the national trend.

So Mr. Chairman, let us just pause for a moment to think about what this means.

Contrary to what others might tell you, we can save residents money while improving the lives of people in Essex.

Only by working in new ways will we be able to deliver the savings we must and achieve the outcomes that we strive for.

Third, we are reshaping our public services to prevent issues from occurring rather than dealing with problems after they arise.

We all know that prevention is better than cure.

That is why we have carried out over 54,000 health checks in the last 12 months – over 4,000 more than the previous year – for people between the ages of 40 and 74 to help prevent heart disease, stroke, diabetes and kidney disease.

Mr. Chairman, fellow councillors, I would like to share with Council an issue that I am particularly passionate about.

That is our work on domestic abuse.

Our joint domestic abuse programme provides independent advisers for all high-risk domestic abuse victims, improves access to safe accommodation, and introduces routine questioning by domestic abuse professionals in health settings.

Not only are we bringing a wide range of partners together to tackle this terrible problem. But in the process we have reshaped how we support victims of domestic abuse by shifting the focus of our work to prevention and early intervention.

This is a fantastic example of what can be achieved when we work together.

But what is all the more the impressive about this programme is that it is saving the taxpayer £3.5 million across Essex by 2020 through tackling the issue head on, instead of waiting for the victim of violence to come forward when the abuse simply becomes unbearable.

Our fourth key pillar is our commitment to work together with partners across Essex.

By working with partners across Essex and across sectors we are embarking on an ambitious programme to fundamentally reshape and redefine public services in this county.

Our partnership work has been so successful at improving outcomes for residents and delivering savings that we have been recognised by Government with a £3.3 million award to continue our efforts to reshape public services in Essex.

And we want to take this to the next level.

We are collaborating with our district, borough, city and unitary council partners so that we can achieve a devolution settlement from Government that will be in the best interest of all our residents.

More power to decide what should happen in Essex, not what is dictated to us by Westminster.

More money to spend on local priorities, not what Whitehall thinks is best.

And more flexibility to implement solutions that make sense locally, not a one size fits all approach.

And last, but by no means least, Mr. Chairman, we are supporting communities and individuals to be more independent and do the things that they can do for themselves.

For example, in 2015/16, we are spending £31 million on local bus routes, community transport services and concessionary bus passes to support the elderly and disabled to get around on their own.

The Council is committed to working closely with adults in Essex, to ensure that wherever possible they can live in their own homes, close to their families, networks and communities. This is why we are increasing funding by over £5 million to our Adult Social Care Services.

Our Winter Warmer programme works with Age UK and the local voluntary and community sector to both prevent and respond to crises and deaths amongst frail elderly and other vulnerable people by providing simple assistance such as minor home improvements and emergency heating, and supporting people who are most at risk to get the help they need.

And this year, as we step up to meet our task at hand, we will be asking the people of Essex to step up to the challenges facing their communities.

For too long, governments have looked at communities and individuals and asked: “What are they missing? What do they need?”

Well, we want to ask another question: “What can communities and individuals do for themselves?”

What strengths do they have?

We recognise that thriving communities make for a thriving county and we want to create the conditions in which people helping people becomes the norm.

Our vision is for an Essex with strong and resilient communities of people helping people.

A big year ahead

Mr. Chairman, I began my speech last year by reminding colleagues this is without a doubt the most important date, and debate, in the council’s year.

So let me finish this year, by looking ahead.

With a general election on the horizon, this year undoubtedly holds added significance.

Our own budget has contained many extremely tough choices.

Over the next three years, we need to save some £190 million.

That is against the backdrop of a reduction in our income from Government of £49 million this year – an almost identical reduction to the previous year.

And yet here we are, for the fifth year running – proposing not to increase the tax burden on families and individuals across our great county.

Just as the nation faces a choice about the future in this year's General Election, we have made a choice about the future in this year's budget.

We have chosen to freeze council tax and keep Essex a low tax authority.

We have chosen to invest in roads, schools, broadband and flood defences.

We have chosen to support the most vulnerable people in our society.

We have chosen to boost economic growth and employment

And we have done all of this without cuts to frontline services.

By innovating. By being smarter. By intervening earlier. By working together. And by supporting our communities to do the things that they can do for themselves.

Mr. Chairman, this budget is a budget for the residents of Essex.

It is guided by our priorities and achieved only through responsible management.

Keeping tax low.

Investing in the future.

Balancing the books.

And providing high-quality services.

This is our vision for a better Essex.

And this budget – a budget for the future; a budget for the people of Essex – will deliver it.

Mr Chairman, cabinet colleagues, fellow members, I commend this budget to the council.