



Leader's Budget Speech

20 February 2013

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The last 12 months have been among the most challenging I can remember during my years in local government. The ongoing economic crisis has piled pressure onto our finances and made the job of creating a balanced budget an increasingly difficult task. At the same time we must remember that our residents and local businesses are facing equally grave financial difficulties.

This places upon us the twin responsibilities of meeting an increasing demand for our services and keeping our council tax low. We achieved these two tasks in 2012/13 and you will soon be presented with a budget which will show how we plan to achieve the same in 2013/14 – including a freeze on Council Tax.

Throughout the year we have worked closely with other economic development agencies and partners to alleviate the pressures on our local businesses and local households whilst preparing for the anticipated cuts in future government grants to us as an organisation. All the while we have kept our focus on our three key priorities – to create a financially sustainable council, to promote economic growth in the borough and to deliver public service excellence.

Our most notable achievements during the year are all the more impressive when judged against the very challenging financial

picture. We have had to find new, innovative ways to deliver top quality services while keeping Council Tax down.

There is no doubt the national economic climate has directly impacted upon the residents of the borough and this is clearly reflected in the increasing demands that have been placed upon us during the year by our customers. A notable indicator of this is the high number of people who have turned to us for support from both our housing and benefits services because they are suffering under the threat of homelessness.

In the first quarter alone the Housing Team helped 184 households avoid homelessness, leading inevitably to a high number in B&B accommodation. The team continue to work with private sector landlords to increase the availability of accommodation and it is clear that this pressure on the housing market will only increase. In the mean time we have made sure our most vulnerable residents get the help they need when they need it by placing efforts on improving our processing of new claims for housing benefit and council tax benefit. We have averaged 10 days compared to 11 days in 2011/12.

Across many of our services, and particularly in areas such as planning and community, we have seen an increase in complex customer enquiries as residents continue to face real difficulties and look to us, as the local authority, for help. We have coped with this increasing demand and continue to invest in our most valued

resource - our people. We have provided organisation-wide training to ensure our staff are able to provide professional, modern and responsive services for our customers . Of course the best way to eliminate complaints is to provide an excellent service in the first place, and this is what we have done throughout the year as we strive to make the borough the best place it can be to live, work, do business and play in!

It is cleaner: Strong work during the last 12 months has seen the number of missed refuse and recycling bins drop to the lowest level for a long time, at 27 per 100,000 collections, while graffiti and litter has been cleared and the income from recycled glass picked up during the year.

It is safer: Assaults, criminal damage and the number of recorded incidents of anti-social behaviour were down when compared to last year

And it is more prosperous: We have once again proposed a freeze on Council Tax – the fourth year running.

As a public service organisation we continue to deliver for our customers. We have set priorities and budgets for 2013-14 and are fully aware of the pressures and needs of both residents and businesses whilst mindful of future government funding reductions.

It is with pleasure that I put before you the budget for 2013/14. Despite facing a deficit of over one million back in October and uncertainty as to the level of government grant. Most pleasingly Cabinet has been able to recommend to you that we do not increase Council Tax this year. We can do this because we received in January confirmation of a better government grant than had been expected for 2013/14 – as well as an £83,431 grant from the Government for freezing the Council Tax. BUT, we must still prepare for lean years in the future.

In balancing our budget for 2013/14 we have made more than £1m in savings and efficiencies over the last year which will help us in future years. We have done this without affecting front-line services by maximising our income streams and our own efficiency. This is the fourth year in a row we have managed not to increase Council Tax – a huge achievement in these times.

Our taxpayers are facing the biggest economic crisis since the war – we must not exacerbate these troubles by placing on them further, unnecessary financial burdens. As a result, Havant Borough Council's portion of the Council Tax, for a Band D property, will remain at £192.78.

Our Revenue Support Grants look set to diminish further in the future. As the government battles a recession that has punched a £114bn hole in public finances it is right that we must do our bit to bring down

the deficit. However, our residents should not accept reductions in frontline services or compromises in the quality of their delivery.

Part of our continued success story at Havant Borough Council has been our partnership with East Hampshire District Council. Alongside our shared Chief Executive, Sandy Hopkins, we also have a joint management team and more and more services are working across the two organisations. The partnership is expected to save more than £1.6m across both councils. As a result our residents will reap the benefits through front line services.

It may be a difficult time for local government but it is not impossible to thrive and succeed. We have had to be much smarter with our resources and how we provide our services but I am still proud of what we have achieved in the last 12 months.

I am sure we will go into the next 12 months with the confidence and determination to achieve our goals and make Havant a cleaner, safer and more prosperous place to live.

I now turn to the future of Havant 2020 and beyond

We have built a sound foundation for our future and are now considering what public services will look like in 2020 and beyond. Using a technique called 'Future Basing' we are putting ourselves in

the year 2020 and looking back at what we need to put in place in order to achieve our vision.

In this future we will look like this....

We will be working in partnership with East Hampshire Council but our staff will be part of ONE organisation serving two separate democratic councils who continue to represent the people of their areas. A single employer offering a mixed economy of staff with new delivery models including mutual's, social enterprises, companies, charities, management buy-outs (MBOs) and other forms of partnership with other local councils, as well as the private sector suppliers already in the market. A core of staff will remain to manage the commissioning of services and the 'brand' and these will be employed as a separate entity serving however many organisations are in the 'partnership'.

Our organisation will be run on a model that is not unlike the John Lewis Partnership where the 'banner' of the South and East Hampshire Partnership is a public service partnership offering an excellent brand to be associated with. The mixed economy of service providers across this area will wish to be associated with this banner, because it represents a model that gives each employee part-ownership of the company and a say in how it is run. In theory, such a model gives employees/partners more ownership in their work leading to increased productivity for public services across the area.

Given the individuals are also likely to be electors this will lead to a greater investment in the area and democratic decision making.

Partners across the area who are running public services through mutual's, social enterprises, companies, charities etc will be focussed upon accessibility of these services for customers in the most appropriate ways. We will all be serving the communities with face to face and single points of public service contact. Our organisation will be optimising the use of flexible smarter working and using other public buildings in the most joined up and efficient ways e.g. libraries, post offices, museums, town halls, community centres, schools.

The commercial/customer focussed approach to running the organisation will be supported by modern technology. Local access to services will be supported by online access making it easier for clients to do their business with local public services according to their preferences of both time and type of contact i.e. internet, payments online, face to face visits, e-mail, Skype, Facetime, Facebook, Twitter, conference calls, online chat forums etc. There will be new ways of purchasing services beyond the core offer through smart cards or upfront discounts tailored to the needs of customers. Residents and businesses will be able to choose a package of public services to suit their needs.

For the customer the different 'tiers' of local government will not be visible. Democratic accountability will have been reviewed and there

will be less Councillors overall running public services in the area. Decision making powers will be business-like with much quicker actions and solutions for our customers. There will be less Councillors representing an area but with more opportunity for those Ward Councillors to engage communities in the decision making processes. This environment will encourage younger people to vote and stand to be Councillors.

2020 is only seven years away and what I have just described may seem to be futuristic. BUT, just reflect on the journey we have travelled over the last four years, The Public Service Village, joint working with County and East Hampshire, A vision in 2008, a reality today.