

# 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.

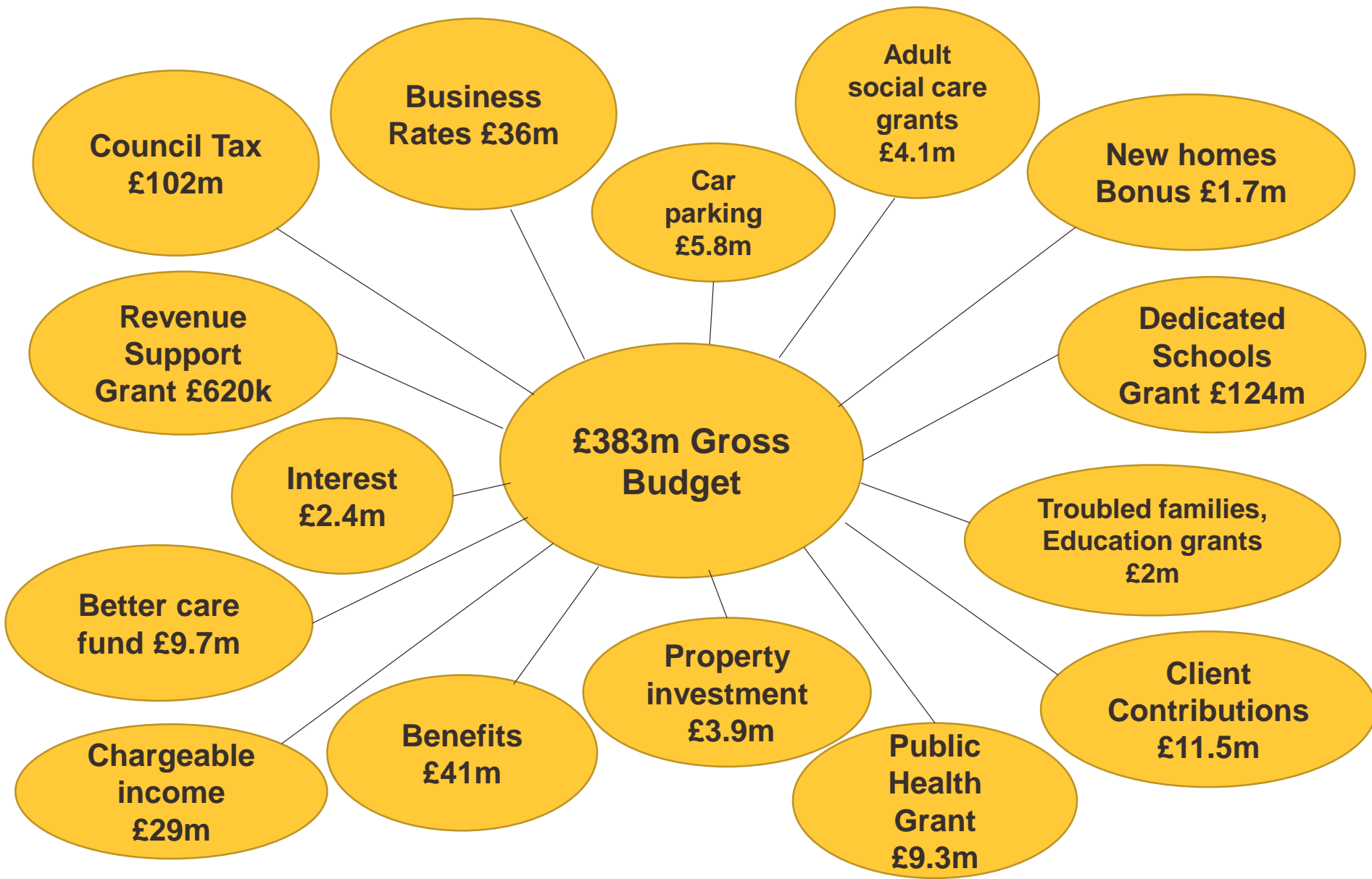
# Herefordshire Council

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

	#
<b>** Daily life **</b>	
* 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
<b>** Looking after adults **</b>	
* 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
<b>** Looking after children **</b>	
* 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
	<b>241.19</b>

\*\*\*\*\*

## \*\* 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**

\*\*\*\*\*

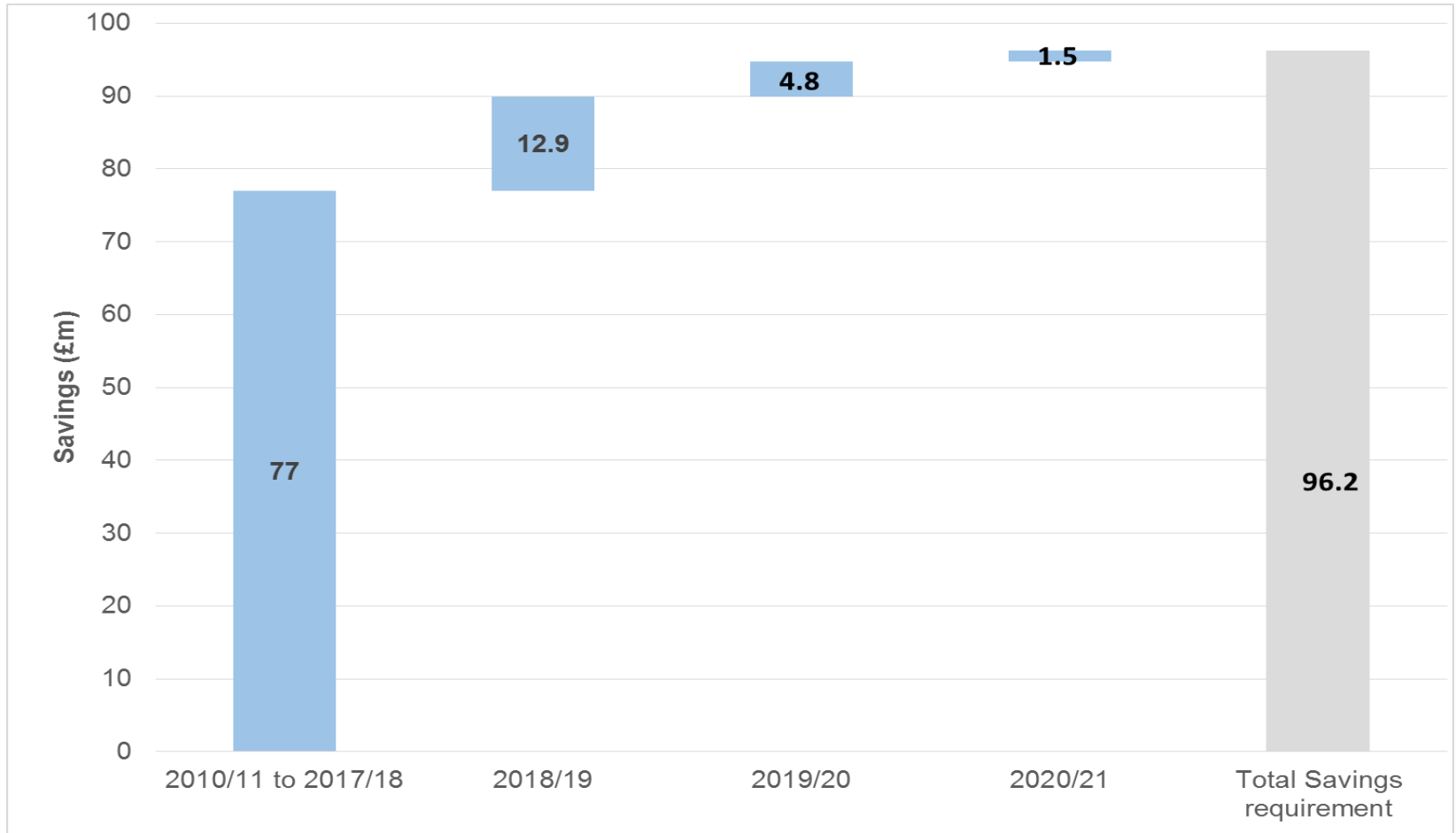
SIGN UP FOR MORE INFORMATION AT

[WWW.HEREFORDSHIRE.GOV.UK/COUNCILTAX](http://WWW.HEREFORDSHIRE.GOV.UK/COUNCILTAX)

01/04/19 09:00 1234 23 42

\*\*\*\*\*

# Scale of change

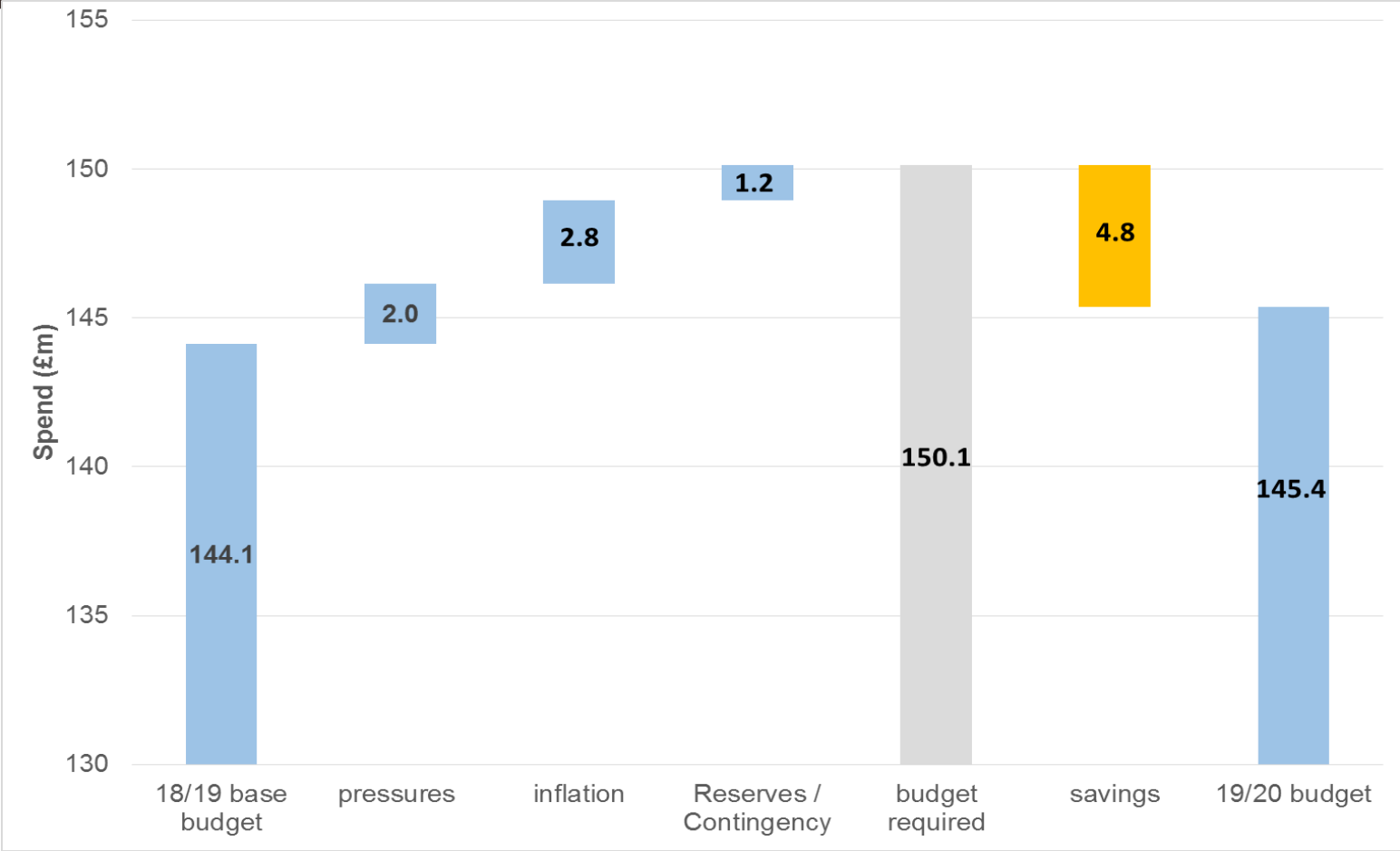




# Savings required

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
<b>Total Savings</b>	<b>4,767</b>	<b>1,500</b>	<b>5,267</b>

# 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

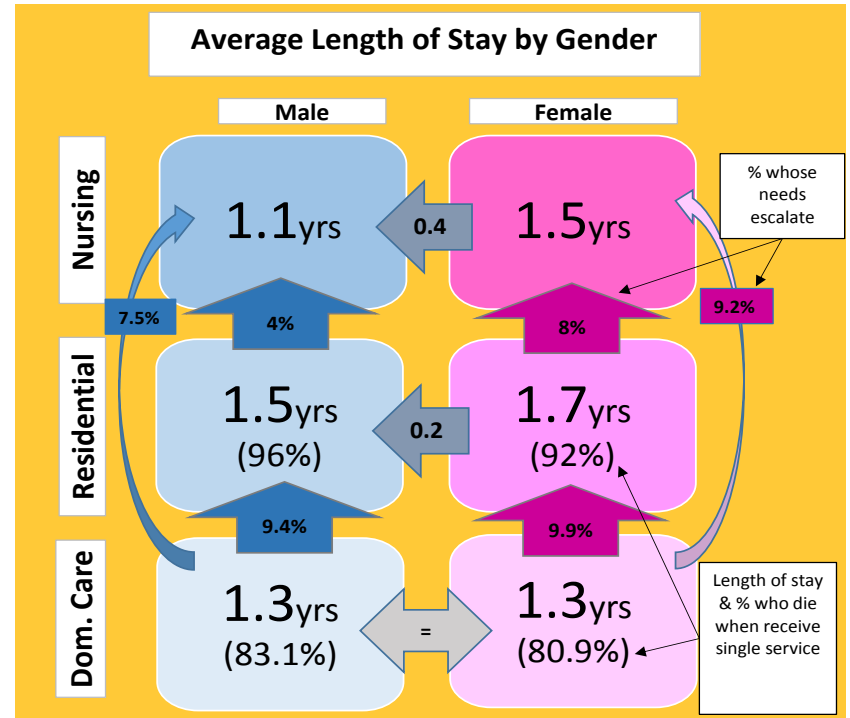
Savings Proposal	£000
Improved Better Care Fund (IBCF) – Workforce savings	600
Implementation of the Adult Social Care Pathway	800
Change in Policy on disregards	100
<b>Total adults and wellbeing</b>	<b>1,500</b>

# 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.

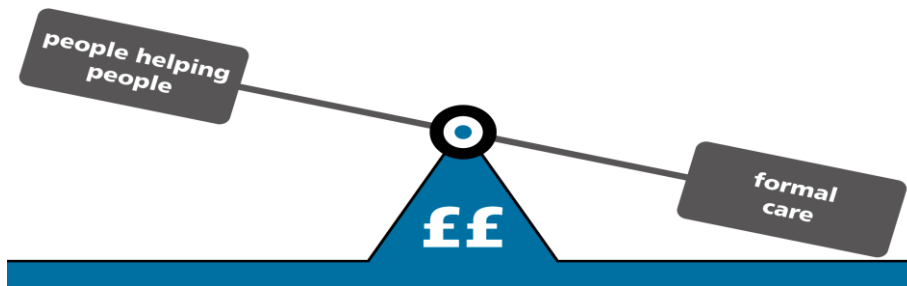


# How long do they stay?



# 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

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

# 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
<b>Total Economy, Communities and Corporate</b>	<b>2,017</b>

# 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
<b>Capital Investment Programme and Financing</b>			
<b>Total Expenditure</b>	<b>92,148</b>	<b>47,911</b>	<b>8,317</b>
Prudential Borrowing	28,156	25,547	-
Grants and contributions	51,497	22,213	8,317
Capital Receipts	12,495	150	-
<b>Total Funding</b>	<b>92,148</b>	<b>47,911</b>	<b>8,317</b>



# 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).