

Leader's Statement to Full Council – 16 December 2015

Comprehensive Spending Review

The Chancellor's Comprehensive Spending Review (CSR) announcements on 25 November reinforced that the UK economy is in increasingly good shape, with Office of Budget Responsibility forecasts showing a £27bn improvement in the level of public finances.

It is this strength based on reducing the size of the overall deficit that allowed the Chancellor to commit to keeping Defence spending at 2% of Gross Domestic Product, provide an extra £10bn per year for the NHS, and sustaining the overall level of Police spending. Protecting us as individuals in these increasingly dangerous times has to take a priority.

As far as Local Government is concerned the headline numbers look to be very challenging, with DCLG seeing a 56% reduction in funding over the period to 2019/20. However, that does not mean a corresponding level of reduction for local authorities because of the increasing proportion of local government spending financed from council tax and business rates. Nonetheless, as an unprotected service, local government will see further significant reductions in funding levels.

The CSR though does set out a number of longer term issues which I think are more important for the Council.

The first is the commitment to fully localise business rates by the end of this Parliament. This is welcomed because it will remove local authorities from their dependence on Central Government handouts. How it works in practice will be a major focus for us over the next couple of years, but as a Council committed to regeneration and growing the local economy it has to be a welcome change.

The second area is that the announcement was littered with references to changes in funding and responsibilities between the different tiers of local government. I referred in my last statement to the lobbying by the County Councils Network for a greater share of New Homes Bonus income and, whilst that was not done directly, the announcement that councils with social care responsibilities could raise an additional 2% through council tax to fund adult social care was a clever way of allowing these councils to raise funding via the local council tax payer. I suspect this is also a reflection of recent articles in the local government press about the possible financial collapse of a number of small county or unitary councils. I have no doubt that the resourcing priorities between different tiers of councils will sharpen the debate about what is the most appropriate form of local government for the future.

And finally, and most painfully, the Government will consult on significant changes to the New Homes Bonus regime, with a reduction in the length of payments from six to four years, and a significant reduction in the overall quantum of funding available. As you will have seen in the budget report to Cabinet, we were already capping the level of NHB we take into the base budget in anticipation of this, and have a longer term plan to rely more on business rate income to fund core services, whilst treating NHB as the "Bonus" that it is termed. We and district councils more generally will nonetheless lobby hard to maximize the income we retain, and any changes will include floors to smooth the impact of loss of funding.

Since the days of Gordon Brown as Chancellor, CSR announcements have become more about major policy initiatives than the nuts and bolts of funding, and so for us the real detail will be in the Settlement and its associated documents which we expect to be announced on 16 or 17 December as Parliament rises

Syrian Refugee update

Following the Chancellor's announcement of the funding streams and mechanisms as part of the Comprehensive Spending Review last month, and building on our work with Kent CC and the Home Office through the South East Strategic Partnership for Migration, I am now able to announce that Swale Borough Council will be supporting some of the vulnerable Syrian families who are coming to the UK as part of the relocation scheme. At this point in time my view is that we are able to bring in and support two households per year, for each of the five years of the current scheme.

These families are currently in designated camps around Syria, and our involvement will be part of the national scheme working with the United Nations High Commissioner for Refugees (UNHCR). I can assure members that the Home Office carry out extensive medical and security checks, to ensure that any families who do come to the UK meet the strict eligibility criteria that have been set.

The UK Government has undertaken to fully reimburse the financial costs to local authorities and other public sector agencies participating in this scheme. Kent County Council will lead and co-ordinate a multi-agency approach to assist with individuals' access to education, healthcare, and other specific support that they may need, so that they settle well and become integrated within their new communities.

These refugees are from a war-torn area and we strongly believe that supporting them is the right thing to do, but importantly we are pleased that the design of the scheme provides additional funding and ensures that our humanitarian assistance is not at the expense of supporting families in need within our own Borough. As an example, these families will not be housed social housing stock within the Borough, as a number of private landlords have indicated a willingness to provide accommodation in the private sector. Therefore, there will be no impact on those families already on our waiting list.

As well as support from the public services, since the crisis was highlighted by the worldwide media we have received a number of approaches from residents and local groups offering support, so we will ensure that the relevant agencies have this information to enable them to take up these offers.

MKIP Annual Report

I am pleased to be able to report that The Annual Report 2014/15 for the Mid-Kent Improvement Partnership (MKIP) has now been completed.

This report not only explains what MKIP is, how it is structured, governance arrangements, and the distinction with Mid-Kent Services; but also details the performance data and key achievements for the shared services for 2014/15. It also contains contact details for key personnel within the Partnership.

There has been some delay in getting to a finalised version which has been due, in part, to the transition between the MKIP Programme Manager leaving and the new MKIP Support Officer starting.

The report will be distributed electronically to all members, and some hard copies will be printed and placed in the Members' Room. Please note that there are hyperlinks in the document which can be accessed via the electronic version.

There is also an updated version of the MKIP Who's Who now available, containing more detailed contact information about staff in MKIP and Mid-Kent Services. This has already been distributed to members electronically via the Despatch Letter, with a hard copy available in the Members' Room.

For any questions about MKIP – please contact the Support Officer, whose details are contained within the report.

Armed Forces Covenant Annual Report

The fourth annual report of the national Armed Forces Covenant was published in December. This report sets out in detail the MoD's achievements in working with service providers from a range of sectors up and down the country to ensure that the veterans' needs are adequately considered when providing services. The work under the auspices of the Covenant ensures that a person's status as a serving or former member of the armed forces does not create barriers to accessing services which would not be experienced by non-veterans.

I am proud that we in Swale signed the Covenant in 2014, and we have been working with our colleagues across Kent to ensure equitable access to services since then. I am glad to see that we have now been joined as signatories by some 770 organisations representing the public, private and voluntary sectors.

The full national annual report is available online at <https://www.gov.uk/government/publications/armed-forces-covenant-annual-report-2015>].

Tesco Community Funding

Members will be aware that supermarkets and larger retailers have been charging 5p for plastic carrier bags since October. Unlike general taxation this levy is left with the supermarkets for them to donate as they see fit, although there is an expectation that this will be for environmental projects.

Tesco has announced that it is working with the environmental charity Groundwork to distribute its fund, known as the Tesco Local Community Scheme. Six grants of up to £12,000 will be awarded each year in each of Tesco's 428 areas, to community schemes which are improving green spaces. The application will be shortlisted by Groundwork, and then customers in stores will vote for the winners. I would encourage members to support local groups in making applications. Applications need to be made via the website

<http://www.groundwork.org.uk/sites/tescocommunityscheme>

Paris agreement

As you will be aware, last Saturday evening 196 governments from across the globe adopted the Paris Agreement on Climate Change. The deal is more substantial and, with a maximum 1.5°C temperature goal, more ambitious than many expected. Action at the international, national level and local will be mutually reinforcing as the deal establishes a process for review and continual improvement. We welcome this historic climate deal, but much work is now needed to turn an international agreement into national and local action.

On average countries will need to more than double the rate of reduction in the carbon intensity of their economies in order to achieve their targets and reach net zero emissions by 2100. The global average three per cent reduction rate they imply is roughly what the UK has achieved since 2000 – whilst hardly revolutionary, this would be pretty significant if achieved by all countries. Our own Kent Environment Strategy has similar targets.

The Kyoto Protocol was once described as a mitigation agreement. This time in Paris, countries included as much detail on adaptation, and loss and damage, as in the mitigation articles.

In Swale we will need to do more on the energy efficiency and insulation of homes, on the adaptation of homes and businesses to help manage the impacts of climate change such as flooding and overheating, and further encouraging businesses to invest in the low carbon transition.

Cllr Andrew Bowles
Council Leader