

LEADER'S SPEECH TO ANNUAL COUNCIL – 20TH May 2015

Councillor Roger Ramsey

Mr Mayor, colleagues, ladies and gentlemen.

I would like to start this evening with congratulations.

Congratulations to Havering's three Members of Parliament, who were all returned to represent their constituencies in Westminster – Andrew Rosindell here in Romford, Dame Angela Watkinson in Hornchurch & Upminster and Jon Cruddas in Dagenham & Rainham.

And of course, I would like to congratulate you Mr Mayor on your elevation to First Citizen of this Borough. I hope you enjoy your year of office and I'm sure you will carry out your duties with aplomb over the forthcoming twelve months.

With the congratulations over, there are now some people to thank.

I would like to thank colleagues on all sides of the chamber for their support through the budget process. It's been a challenging time for all concerned, but the process has been made slightly easier thanks to the mature way in which all groups have responded to the budget deliberations.

I think we have all recognised that none of us want to be in the position of making cuts in services or of making large numbers of our staff redundant. Unfortunately, such measures are sometimes unavoidable and so need to be handled sensibly and sensitively.

My thanks are of course extended to our staff. Council staff continue to work tirelessly on behalf of our residents, even with the insecurity that funding cuts bring to their workplace. Their commitment continues to improve lives and make the Borough a place to be proud of and we should recognise that.

And it's worth reflecting on the fact that, while we may have made our decisions in February, the impact of those decisions is only now starting to reverberate through the organisation - and the wider Borough.

The changes to services that we agreed three months ago will be implemented in the main, this year and next. Further consultations will be needed, for instance on the youth service - starting in the next week, and changes to staff structures will be an ongoing reality in this place for many months to come.

We in this chamber should not allow ourselves to think that making the tough decisions was the hard part. We must continue to explain to local people why tough

decisions were needed, how we reached those decisions and what we are doing to protect the services that are most important to our Borough and its residents.

Over the years, we have become accustomed to Leader's speeches at Annual Council summarising achievements and making promises. I am aware that this speech is somewhat different in tone. I certainly don't wish to appear downcast on a civic occasion such as this, but I do want to be realistic – and I do want to be honest.

Because we're not out of the woods yet.

In February, when we considered the budget, the bulk of the savings plans we set in place covered the first two years of the four year cycle.

We were satisfied that those savings plans would go a long way to closing the overall funding gap that we were projecting for the entire four year period.

We started with a £60 million pound gap. That was the combined effect of Government funding cuts, the rising costs of caring for an ageing population – together with new responsibilities such as the Care Act and further inflationary pressures on our budget.

We challenged the assumptions that lay behind that figure. We looked at the pressures of demographic change in particular and it looked like demand would not be as challenging as first thought.

So we reduced the projected gap from £60 million to £45 million – making it clear that there were significant risks that the projection could change again – and we set to work on our proposals.

The decisions we took – including both savings and an unfortunate but necessary increase in the Council Tax, reduced the gap considerably.

But we knew that there would be further gap to close in the second half of the four year term - which we hoped would not be too challenging, based on what we knew then.

Our belief now is that the final gap for us to close will be larger than anticipated.

That's due to a number of factors.

The first is demographic change here in Havering. We already had London's largest proportion of older people - and the growing pressure of our ageing population certainly isn't going away. But we now also have one of London's fastest growing populations of children – which wasn't expected.

With more families moving to Havering, we have rapidly increasing pressure on schools and children's services – in effect meaning we're now being squeezed at both ends of the age spectrum in a way we haven't seen before. That means we

need to look again at how much provision there is in the budget to cover this growing and changing population.

The other issue – and one which is yet to become fully clear – is how the new Government will deal with local authority funding in the forthcoming special budget this July.

As the Government tries to restore balance to Britain's public finances it seems clear that reductions in funding will not be any easier. In fact they could well be worse than previously expected. That will make our challenge in the short term somewhat more pressing.

But we're well used to challenges in Havering – and we generally meet those challenges head on, and effectively.

Unlike many councils, we have agreed, and are now implementing, a robust plan. We have been bold and truly transformative. We have adopted new technology and embraced new partnerships that are now the model for other councils to follow. We have not shied away from difficult decisions, or ploughed ahead with only dwindling reserves keeping services afloat.

Those councils that have done that, hoping the winds of change would blow through Parliament, are now left in the doldrums – facing the reality of tens of millions of pounds of cuts to make, in a painfully short period of time.

But our fast start does not mean we can rest on our laurels here. We must now begin the work of finding new ways to further reduce our costs. Once again, we need to look for efficiencies and for the truly transformational changes that can make a huge difference. And here I give an assurance and make a plea:

As we did last year, we in the Administration will once again share what we know with all Members of this Council. We will consult and where we can, collaborate with other groups to find solutions. That is my assurance.

So here is my plea:

If you have questions, raise them; if you have ideas, share them; and if you have proposals, make them.

Whatever our political differences, we can all agree that the people of this borough would be best served by a collegiate council, pooling its expertise to reduce costs without savaging services.

We as an Administration will take all suggestions seriously, because these are serious times.

The Chief Executive has just launched a summer-long ideas drive for her staff, to encourage members of staff at all levels within the organisation to come up with

ideas and work together with colleagues to develop them, ready to present to Members in the Autumn.

As the elected representatives of our residents, we should do the same. Let's set aside the politics of division and work inclusively in the interests of those residents who put us here.

And, as we do so, let's not forget that there is quite a bit of sunlight amongst the shadows.

Even facing significant financial constraints, there is still much we can do to improve the quality of life for our residents.

When we set the budget, I alluded to our new vision and said we would set out to deliver our residents' most keenly-felt priorities - a clean borough, where local people are safe and where residents are proud to live.

Both now and in the future, we strive to maintain the resources to ensure that Havering remains clean, safe and proud.

We'll continue to develop new leisure facilities, better parks and cleaner streets.

We'll continue to protect the most vulnerable people who live here – working in close partnership with the health service and the police.

With Crossrail around the corner, we will continue to encourage enterprise and investment in the Borough, making Havering not just a great place to raise a family, but also an ideal place to do business.

And we will continue to capitalise on our enviable position, looking in to the energy of the city and out to the appeal of the countryside.

Mr Mayor, I have no doubt that Havering can and will continue to be a place to live, grow and prosper.

And it is our role and our privilege to cultivate and sustain this community's success through the years to come.