

Verwood County Division Report December 2017 **County Councillor Report –Cllr. Spencer Flower**

Financial Overview and Challenges - Initial estimate of the budget gap for 2018-19 was £12.4m but has now increased due to unmet Forward Together savings in 2017-18 and additional emerging budget pressures. The budget for 2018/19 will require the council to meet a £18.4m savings programme for during this year.

Pay Award offer made on 5 December of 2% for 2018-19 plus bottom loading. The impact is being assessed but probably additional pressure of £1.5m.

The overall outlook for the County Council without radical restructuring of Local Government in Dorset is dire. Balanced budget have to be achieved which will require further loss of services without Local Government Re-organisation.

Local Government can expect no additional help from the government and indeed there is every prospect that further reductions in Grant Settlement beyond what 2020/21 are very likely.

There are a number of factors which will impact on Local Government over the next two/three years:

- Movement away from the 1% public sector pay cap to a position of decisions by individual Secretaries of State supported by independent pay review bodies
- Plans for changes to legislation for council tax relief on empty properties
- Changes to the business rates uplift from RPI to CPI have been brought forward
- Additional funding for potholes (County Council share as yet unconfirmed).

Local Government Re-organisation – Work continues at pace to enable the formation of two Unitary Councils in May 2019. The recruitment of a Programme Director is the first key post. Interviews will be taking place on Thursday. Recruitment of two Work Stream Co-ordinators will take place early in the New Year. They will with assist with some of the early work streams.

Task and Finish Groups of Councillors will be formed to deal with Council Tax Harmonisation, Electoral Ward Boundary Review, Relations with Town and Parish Councils.

The Secretary of State is forecast to make his final decision in the early Spring 2018, followed by Structural Change Orders being laid before Parliament for approval.

Pressure to meet timescales is huge, as the two Joint Committees deal with the key issues required to establish the two legal entities by the enactment date of April 2019.