

BUDGET

Over the last couple of months I have been focusing on the budget following the Comprehensive Spending Review and Local Government Finance Settlement announced on December 13, 2010.

I am very disappointed that Blackburn with Darwen will see one of the highest reductions in funding in the North West. Analysis by a number of national bodies also showed that the government's cuts mean the most deprived areas will overall, suffer higher reductions in funding.

As you are aware, budget savings options were prepared and approved at the extraordinary Council meeting on January 6, 2011. Following this meeting, 1300 staff were placed 'at risk'. This is in addition to the 420 already at risk, a total of 1750 which is approximately half of the workforce. Staff who were affected by this will have now received more detailed information and a briefing with their director. Consultation has been taking place on the budget options and there is now an interactive web tool available on the website where citizens can give their views on reductions and priorities. Executive members and officers are continuing to work on and implement budget reduction options. Chief officers are also beginning the next phase of the management restructure with the review of heads of service.

I will continue to keep you all updated with progress on budget reductions and final options for the 2011-12 budget will be presented at Finance Council in March.

LOCAL ENTERPRISE PARTNERSHIP (LEP)

Members will recall that in June last year, local authorities and businesses were invited to work together and submit proposals for a LEP. These partnerships will provide the strategic leadership in their area to set out local economic priorities. LEPs will be expected to tackle issues such as planning and housing, local transport, infrastructure priorities, employment and enterprise. A Pennine Lancashire proposal was submitted which was endorsed by all the Pennine Lancashire authorities, business leaders and East Lancs Chamber of Commerce. However this proposal was rejected by government along with the two other proposals for Lancashire – Fylde Coast and a proposal from Lancashire County Council for a pan-Lancashire LEP excluding the two unitary authorities.

Following the announcement that all three proposals had been rejected Fylde Coast entered negotiations with Lancashire County Council and agreed to join the county bid for a pan-Lancashire solution. The Pennine Lancashire Business Leaders Forum and the East Lancs Chamber of Commerce along with ourselves and Burnley Council continued to support a Pennine Lancashire LEP. Hyndburn, Pendle, Ribble Valley and Rossendale considered their position. Government wrote to the upper tier local authority Leaders and asked for the issues in Lancashire to be resolved and for a position statement from each area.

A position statement was sent from Blackburn with Darwen and Burnley Councils confirming that a Pennine Lancashire LEP was our preferred option. This was followed up on the same day by letters from Pendle Council, Mayor of Hyndburn and the Chamber of Commerce. Lancashire County Council's position remains unchanged with a pan-Lancashire proposal considered as their only solution. Their economic growth priorities within their proposal promote Preston as the growth centre for Lancashire and in particular the Tithebarn development.

Government have indicated that unless there is an agreement between all the authorities on the solution for Lancashire, either one LEP or two LEP solution, no LEP proposals will be approved. Mr Prisk MP, in a recent Westminster Hall debate clearly recognised the Pennine Lancashire bid as a strong proposal on an economic footprint and that our links are closer with Manchester than with the rest of Lancashire.

Government have now endorsed 27 LEPs across the country of varying sizes, some of which are the same size or less than Pennine Lancashire's proposal which covers a population of 525,000.

We are awaiting further feedback from Government on our position statement submitted in December.

REGIONAL GROWTH FUND

The Pennine Lancashire Business Leaders Forum and Regenerate are working with the local authorities to submit a bid to the Government's £1.4bn Regional Growth Fund. The deadline for bids is January 21, 2011. Projects considered must meet a minimum £1m threshold and must be private sector led as local authorities aren't eligible to apply. The bids will be endorsed by the Pennine Lancashire Joint Committee.

LGC COUNCIL OF THE YEAR NOMINATION

I am pleased to report that despite the difficult times we are facing and the tough decisions we have had to take, the Council has been shortlisted for the LGC Council of the Year award. It is a pity one of the highest performing council's is also facing the highest cuts. As part of the bid for the award the Council had to demonstrate leading innovation across all categories within the LGC's awards framework which includes one of lowest Council tax levels in the region, outcome of Children's services inspections, health integration, and community involvement. Earlier in January, I was involved in a visit by the LGC judging panel when the Council was given the opportunity to demonstrate why we should be awarded Council of the Year. The winner will be announced at the LGC awards ceremony on March 23, 2011.

COMMUNITY BUDGETS

Members may be aware that Blackburn with Darwen was confirmed as a community budgets pilot in the Spending Review last autumn.

Community budgets represent an opportunity for us to restructure our financial relationships with Government and our partners, in a way that allows us to operate with greater flexibility to tackle some of our most complicated problems. It is essentially a programme for pooling budgets across the Council and LSP partners.

As an authority we face financial challenges over the next two years and there is no doubt our most important services will be impacted. It is in this context that we need to continue to remove silos within our own organisation and with Government and our partners, we can no longer afford duplications in services and interventions. Being part of the community budget arrangements with Government allows us to have direct discussions with Whitehall departments and change some of the things that are obstacles to better joint working.

At the moment our focus is around looking to pool or align budgets with partners to help us deliver our think family agenda and change the way we support our vulnerable families,

in a way which avoids costly duplications between agencies and secures better outcomes for the families.

This builds on the strong partnership arrangements we have had through the LSP and also our innovative approach to finding savings by merging our management team with the Care Trust, it is simply the next step for us.

We are currently finalising draft proposals, including our key "asks" of Government, for submission over the next month or so.

2011 CENSUS

I would like to draw to members' attention the forthcoming census, which will take place on the 27th March this year. The census is of major importance to the Council for a number of reasons. But crucially, sections of the Local Government Finance Settlement rely on census data to calculate the level of funding we receive. In the current context of unprecedented cuts, an accurate count of people living in the borough can help ensure we get every penny of funding from central government that we are entitled to. It is estimated that for every individual in the borough, we receive approximately £500 in government funding per year. An under count of only a few hundred people could have a significant affect on our budget.

The council is supporting the Office for National Statistics (ONS) in preparing for the census, but we have significant challenges. Analysis of the last census in 2001 found that young men, people living in privately rented accommodation, Asian heritage residents and people from deprived areas were some of the hardest to count.

The ONS has appointed a part time specialist Community Advisor to help with engaging with Pakistani communities in some areas of Pennine Lancashire, including Blackburn with Darwen. Alone this person cannot address all the challenges we face in making the census a success, so I would ask for the support of all members to promote the census in our communities and to encourage everyone to take part.

Councillor Kate Hollern