

Statement of Financial Situation from the Leader, Councillor Brendan Toomey
Full Council – Wednesday 28th January 2015

I'm sure everyone here today understands the very difficult financial situation that this Council along with all other Councils' across Wales finds itself in.

Over the next three years we are going have to find £15m of savings in order to meet the projected shortfalls in our budgets.

We are continually working to identify savings from every avenue but unfortunately we are faced with a situation where we still have a massive budget deficit.

Over the past few months the focus has been on trying to balance the books before the end of the current financial year. At this stage, with the savings found from service cuts, additional savings and other actions taken, I am pleased to announce we are now on track to meet this objective.

I would like to put on record my thanks to my Cabinet colleagues along with their Officers' for their efforts in helping to meet this objective.

As Cabinet Member for Transformational Change Cllr Linda Matthews has identified around £2.75m of savings with over £2m of this already banked.

Trying to find £15m worth of savings is an enormous task; calculations show us that the savings already identified through the efficiencies agenda will still not be enough.

We now need to look at other ways of finding these savings.

I would like to take members back to May 2012 when this Labour Administration came into office. At that time the previous administration had taken a decision to change staff terms and conditions in a bid to save money. This administration overturned that decision and found other ways to make these savings.

To demonstrate Leadership and good faith with our staff during our first year in office, as Leader I took a 29% pay cut, my Deputy Leader Cllr Phil Williams took a 22% pay cut and the remainder of the Cabinet, Cllrs' David Jones, Chris Barry, Brent Carter and Harvey Jones all took a 14% pay cut.

As the Leader of this Council, I have always stressed that our staff are our biggest asset and that changing employees' terms and conditions would always be a last resort.

Unfortunately, this now has to be an option. The only alternative would be to see a greater number of staff leaving through compulsory redundancy.

To demonstrate solidarity with our staff every Elected Member of this Council has confirmed that they will all take an equivalent reduction in pay in line with any changes to staff pay and conditions. For the avoidance of any possible doubt, this includes the Labour Group and all Opposition Councillors' without exception.

We continue to work closely with the Trades Unions to find solutions that will minimise the number of compulsory redundancies.

We must now re-consider looking at changing employee terms and conditions as an option to find further savings, thereby safeguarding some jobs. It is with a very heavy heart that we have to go down this route. The choice is stark.

To clear up any misunderstanding, any changes to terms and conditions will also affect the Chief Executive and Senior Management Team.

Two proposals have been put forward and I have asked the Chief Executive to now engage with all his 'Green Book' staff, on what would be their preferred option, and also--to come forward with any other efficiency ideas they may have.

I cannot stress enough how much we need to continue to work together and achieve the best outcome for all concerned.

I would like to take this opportunity to thank staff for their continued support and co-operation through these challenging times. Whilst we are still uncertain about the future in terms of Local Council re-organisation, we must continue to work towards creating a more sustainable future for the Council.

Whatever the situation, I will always give my full commitment to do everything I can to get the best outcome for all the staff who work extremely hard, delivering vital services to the residents of this County Borough.

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