

October 2023 report for the Thredling Division from Cllr Matthew Hicks

Inflation, SEND school transport and care costs contribute to SCC predicted overspend

Inflation, school transport for children with SEND, and looking after children in care are the main factors for SCC forecasting to spend £22.3m over its £688.1m budget for this year. This is a similar story for many councils across the country, due to higher demand for their services, inflation remaining higher than expected for longer, and interest rates rising to levels not forecast by financial markets. Recent research by the County Councils Network suggests that England's largest councils will need to make at least £1bn in savings to balance their current 2023/24 budgets. A BBC investigation also reported that councils expect to be £5.2bn short of balancing budgets by April 2026, the average council facing a £33m predicted deficit by 2025-26. Suffolk County Council projects a 4% overspend (£29.3m), to be partially offset by an additional Section 31 grant from Government, and additional income from the pooling of business rates with the district and borough councils in Suffolk, totalling £7m. Despite being able to publish a balanced budget in February, we are already having to spend more than we anticipated this year. We set this year's budget during a period of highly uncertain economic conditions. Even although the country is now starting to see price rises slowing and energy costs beginning to drop we are still suffering the cost impacts of various global shocks - in particular COVID-19 and the war in Ukraine. We are experiencing unexpectedly high demands on certain services, meaning some are spending disproportionately more than others. For example, costs for school transport and children in care make up two-thirds of the total overspend.

Details of the main areas of overspend are:

School transport - forecast to overspend by £11.4m (39% of the overspend), with £8.3m of this being travel costs for children with special education needs and disabilities (SEND). This is largely due to more children with SEND needs, transport operators being in limited supply, and rising costs from those operators who are also feeling the impacts of inflation, especially fuel costs.

Children in care - forecast to overspend by £8.2m (28% of the overspend). The council has a responsibility to provide care for children and young people under the age of 18. Some of these have incredibly complex needs requiring 24-hour care from multiple carers. There is currently an unexpectedly higher number of children requiring this support, with this costing an average of £22,700 per week, per child.

Adult care services - forecast to overspend by £3.5m (12% of the overspend) for purchasing care, due to increases in demand, and staffing costs in the sector. The fees paid for residential and nursing placements remain high with 64% of new residential and nursing packages being above the published rate of £806 per week, with some specialist packages being over £1,500 per week.

Inflation - inflation and interest rates have been higher than experienced in a generation, with the legacy of COVID-19 continuing to have a significant impact of on various services. As an example, there is an estimated £3.0m (10% of the overspend) pressure as pay settlements continue to be above historical norms as inflation has remained stubbornly high during 2023 so far. High interest rates mean it has been more costly than anticipated to borrow money, which the council does to help fund big projects, such as upgrading highways, maintaining schools or developing household recycling centres.

Councils unite against National Grid pylon proposals

In a joint letter to National Grid, the leaders of the three councils address the extensive impact on landscapes and local communities that the scheme would bring. They also highlight that an offshore solution has not been sufficiently investigated, and the opportunities that this could bring to co-ordinate with other large-scale energy projects off the region's coast. The Norwich to Tilbury project would see 114 miles of electricity pylons weave their way through the three counties. Only a small percentage of this cabling would go underground, an issue which the councils also raise, stating that more would be needed particularly in the Dedham Vale Area of Outstanding Natural Beauty, and near Diss and the Waveney Valley.

Councillor Kevin Bentley, Leader of Essex County Council, said:

We have taken to writing at this time, as there is still the opportunity to explore all options and solutions for a development of this scale. We all support the collective effort to tackle climate change, work towards net zero and to create a secure future for the country's energy. But there are so many elements of this proposal which just do not go far enough.

Councillor Kay Mason Billig, Leader of Norfolk County Council, said:

The impact that this scheme would have should not be underestimated, particularly on the region's unique, designated landscapes and the many communities that will be affected. We all agree that studies into an offshore solution have not been appropriately explored, this is a viable option which we feel has been dismissed too readily.

Councillor Matthew Hicks, Leader of Suffolk County Council, said:

Should proposals for the project progress, and further consultations take place, we would expect National Grid to invest a lot more time and effort in working with our local communities. These large schemes can be guilty of doing the minimum necessary when they should be working with local people and businesses as much as possible, who know the area and can help find the best solutions, should the project go ahead.

National Grid held a second, non-statutory consultation, which closed on 21 August 2023. It is expected that a statutory consultation will take place in 2024.

Public views sought over improvements to A140

Suffolk County Council has identified three junctions on the A140 – the Thornham Magna junction, the A1120 Earl Stonham junction, and the A140/B1078 junction, which also connects to the A14 – as pinch-point areas that may benefit from improvement. The assessments show that these junctions are likely to suffer from increasing traffic congestion and associated road safety problems in the future. Analysis has also shown that they lack sufficient infrastructure for active travel and passenger transport. With these concerns in mind, the county council is seeking the public's feedback to inform future bids for funding from the Department of Transport to improve the junctions. The A140 is a strategically important road, providing a key connection between Ipswich and Norwich and linking into the A14 in Suffolk and the A47 in Norfolk. Therefore, it is crucial that we ensure it is fit for purpose, and safe for road users and pedestrians. The views of residents, businesses and stakeholders will be used as much as possible to develop our bids for funding and I would urge anyone who uses the A140 to let us know what they think.

A public survey has launched today and will run for six weeks, closing on Sunday 15 October. More information can be found at www.suffolk.gov.uk/a140

Take part in the survey: www.smartsurvey.co.uk/s/A140MRNsurvey

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