

Speech: County Councils Network: Keynote Speech

Thank you, Paul. It's a real honour to join you at your annual conference this year.

I was at the Cenotaph last week – as we marked the centenary of the end of the Great War and was reminded of the extraordinary sacrifices people made clearly through that very, very moving occasion. Not just for their country..

...but under the banner of their counties. The Northumberland Fusiliers, the Bucks volunteers, the Suffolk regiments – the list goes on.

Men who went to school together, supported their county cricket teams together and died on the battlefield together.

I think it was a vivid reminder of the profound role that our counties play, not in the way perhaps we have been debating thus far today but through our shared history, sense of identity and a real sense of place.

Since taking on my role earlier this year, I've seen how the members of the County Councils Network are such an essential part of this – giving voice to the people in your counties, and providing the services that we all rely upon.

Working alongside so many of you, it's only when you're up close that you can see why local government is the most trusted part of government in this country...

Because it's at times of significant change – and I know that this is certainly one of them – that we look to that local level for our anchor and representation in the places we call home – our counties.

It's an honour to represent you all, and it's a mission that's deeply personal for me.

Local government in so many ways runs in my blood – my father built his career starting as a town clerk down in Cornwall and working his way all the way up. I think that that has left an indelible impression upon me of the value, the significance, the importance of what local government does and why I am a passionate believer in it. How it is a force for good, and as Secretary of State I want to support your work in driving that agenda further forward in the months and years ahead.

And it is perhaps this distinct knowledge that makes me so acutely aware of the challenges you face: big shifts in lifestyles, technology and demographics – and a challenging financial environment.

An environment that was a legacy of some of the previous issues that we had to confront when we came into Government back in 2010, where the state was

borrowing £1 for every £4 it spent.

Where services were costing record amounts but outcomes simply weren't improving. Where a command and control approach to politics meant decisions that should be taken at the local level were invariably taken in Whitehall. That's certainly not something I want to see return.

In response, and in partnership with Government, you've had to drive efficiencies, local government has been a trusted partner in dealing with some of those significant economic issues that we were presented with back in 2010, and you've delivered under this tremendous pressure.

We continue to see county councils', not only achieving value for money, but modernising and rethinking the way we deliver services.

Like in Nottinghamshire, where the Integrated Care Local Partnership uses YouTube to reach more users of health and adult social care.

Or Hampshire, where they've made £8 million pounds worth of efficiency savings in just four years, while maintaining a 97% rate for good services.

Saving money across the board, yes, but equally developing those efficient, targeted and responsive services for the 21st century.

And our Digital Declaration, led by my colleague Rishi Sunak, the Minister for Local Government, who will be with you tomorrow, will help county councils increase these smarter uses of technology, putting you in the driving seat to build the public services of the future.

A budget for our counties

I'm so grateful for your efforts, and how you've helped us bring the economy back from the brink.

It's only right that we build on your hard-won gains and ensure you have what you need to succeed.

Our Budget last month was an investment in Britain's future:

- ensuring we're open for business;
- cutting income tax for millions;
- increasing the national living wage; and
- backing public services, like our NHS.

But I believe it was also a Budget for our counties. The £1 billion boost in local government will support some of our most vulnerable, tackling the

mounting pressures around social care.

We've put £650 million for adult and children's social care in and this includes £240 million to ease next year's winter pressures – just as we have done so for this year.

And we're funding the expansion of our successful children's social care programmes to more councils, where we see high or rising numbers of children in care through an £84 million fund; and making a further £55 million available to the Disabled Facilities Grant in England.

But when it comes to the social care system, there are serious long-term decisions to be made. I recognise the report published earlier today and its highlighting some of the issues in this area, and the need to work together. You know as well as anyone how important it is to get this right.

Which is why I'm working with the Health and Social Care Secretary on the upcoming Green Paper on the future of social care, and I look forward to working with many of you on this as well – as well as looking towards the Spending Review next year where I will continue to be a champion for local government.

Because I know how much this matters to you and the people you serve.

Counties are at the heart of this challenge, and self-sufficient and resilient counties will be a part of the solution too.

And that's where we have to get to.

Fair funding

2019 will be a turning point in this respect, with the outcomes of the Fair Funding Review and Spending Review to come.

We need a fairer system. I want to see an approach to distributing funding that means councils can see and understand the link between the circumstances on the ground and the money that you receive – and I'll be publishing a further consultation on this in due course.

Ultimately, it will mean you have greater control over the money you raise – something we've reinforced with our proposals to increase business rate retention to 75%.

With more funding and greater control, I'm confident that our county councils can face the future with confidence.

Reorganisation and localism

And part of facing the future is thinking about new ways our communities can be better served.

Reorganisation of local government, through unitarisation and mergers can

improve services, as well as drive efficiencies.

But they shouldn't be viewed as a quick switch to deal with immediate pressures and it's never been the policy of this government to impose top down solutions. While I want to work with you and support this work, I have no intention of forcing reorganisation on local government where it isn't wanted or needed.

Our criteria for unitarisation and mergers mean that only innovative proposals that improve services, enhance accountability and deliver financial sustainability will go ahead.

And all proposals have to be based on credible geography and from next March, when the current process comes to an end, unanimous support from all councils or alternatively on a formal invitation from me for proposals. I will be setting out further details on my approach to this in due course.

Now – in places like Buckinghamshire, for example, it's a locally-led proposal that will see – subject to parliamentary approval – the county have one single unitary council.

And there, we now have an exciting chance to implement the kinds of changes residents want and deserve.

Because we've seen that, rather than absorb everything at the top, reorganisation works best when services and community assets cascade down to the local level.

It's something I saw a couple of months back in Cornwall, which has fully embraced the devolution agenda, and where the council works hand in hand with towns, parishes and communities.

For example, there's a running track in Par [near St Austell] that coincidentally I used as a child. When it faced closure, the community stepped in and took it over. It's now thriving, and the group's ambitions now stretch to a new skate park, café and children's area.

And we're seeing this kind of "onward devolution" more and more, from places like Wiltshire to Durham. Because people want a say over what happens in their communities.

It's only when we put communities in the driving seat to decide their own priorities that I think we can really find the right local solutions to suit local circumstances.

In particular, it's important for disengaged groups to have that sense of ownership over the places they call home – a true localism in action and much needed for renewal of our democracy. I think there is a debate to be had as to how we empower communities through the UK Shared Prosperity Fund and how we drive change, and drive that sense of what the devolution framework looks like.

House building

But in many parts of our country, that sense of ownership depends on having a decent, affordable and secure home to live in.

And because successive governments of all stripes, have failed to build enough homes, we've faced the challenge of a generation.

The last time Britain was building enough homes, our councils were making a huge contribution. Again today, councils want to step up and play their part. But they need to borrow more to build more.

It's why the Chancellor's confirmation at the recent budget – that we will remove the cap on how much councils can borrow to build more I think is such a game changer.

Councils will once again be on the front-line of house building and it's been great to see how warmly this has been welcomed by councils up and down the country.

It's wonderful to hear the ambitions so many have to take this chance to deliver the next generation of social housing, and why with the long-term funding that we have committed to the housing association sector too, I think there is a real opportunity to drive innovation and look at different ways in which that can be provided.

But county councils' involvement won't just end here, because a key part of ensuring we have a housing market that works for everyone is to make sure we build to last.

When it comes to initiatives such as neighbourhood planning, county councils can engage well and ensure buildings reflect local tastes and preferences.

And we've already seen how neighbourhood plans can transform communities – and help alleviate the housing crisis in the process.

Homelessness

But also one thing I did want to touch on, on this agenda of housing is the issue of homelessness. I know we're all mindful of those people who live without the security of a home – especially now, as the days get shorter and the nights get colder.

Too many people still lack the simple comfort of a warm bed at the end of the day. And too many people are still living out on the streets.

Our country councils are on the front line – something that's been reinforced by the 2017 Homelessness Reduction Act. The way homeless services are delivered are being transformed, by putting earlier intervention and prevention in focus.

But I know you need the right support if it's going to work.

As part of our commitment to halve rough sleeping in this Parliament and eliminate it entirely by 2027, we've allocated over £1 billion to reduce and prevent homelessness and rough sleeping.

Our new Rough Sleeping Initiative includes a £30 million fund, targeted at local authorities – including county councils – with high levels of rough sleeping.

And in recent months, they've been getting support from a team of specialist advisors, helping to develop targeted plans to get reductions in rough sleeping in each of those areas.

I know the winter ahead will be a testing time for many of us, but I have every confidence in our county councils and their ability to meet these major changes and challenges.

Brexit

But before I finish I think I should say something about Brexit – the topic that has clearly been at the forefront of national debate. At the outset, I want to underline my appreciation for the work that County Councils have been doing in preparation for Brexit, to ensure that we can be confident as to our departure from the EU.

The deal is a fair one.

It meets the objectives the Prime Minister set out at the beginning of the negotiations.

It includes significant concessions from the European Union.

Many of those now criticising the deal, are also the same people who said we would never get one.

This doesn't mean we don't need scrutiny and debate, of course this must happen, but let me be clear – this deal delivers on the referendum.

It takes back control of our borders, laws and money.

It protects jobs, security and the union.

The alternatives to this deal simply take us back to square one.

More division, more uncertainty and a failure to deliver on the decision of the British people.

I know you, like me, will have heard the same message on door steps across the country – get on with the job and deliver Brexit.

Conclusion

Because delivering Brexit means we're better positioned to help you tackle the big issues you face, from rough sleeping to adult social care, from

children's services to housebuilding, this country puts a lot of trust in its county councils.

A trust that's deserved. A trust that's been earned. A trust that explains why our counties have stood the test of time.

That's why we need your passion, your ideas and your ambitions. And that's why I'm here to listen, and to say: thank you. Thank you for your innovation, drive and your passion in serving communities, ensuring a strong vibrant community sector and, in doing so, working together to ensure nobody is left behind.