

I received the following letter from the Interim Chief Executive of Devon County Council it echoes a letter received a few minutes later from the Leader of the County Council – it is important you hear this . . .

In the next couple of weeks, the Chancellor of the Exchequer is expected to set out the Government's economic plan which we anticipate will include a further squeeze on public sector spending from April 2023.

Even before this announcement, Devon County Council is projecting that savings of £75 million will be needed next financial year (April 2023 to March 2024) unless the Government intervenes.

Councils are required by law to balance their books, but with few available reserves left in the bank, this leaves Devon, like many other councils, at a very real risk of bankruptcy unless action is taken by the Government.

Of course, all this comes on top of the huge savings we are already having to make in this financial year, and I would like to thank everyone for their tremendous efforts so far in helping to find and make these savings.

But today we have taken the decision to issue a stark public warning that if the situation does not change, then radical cuts that have a significant impact on the quality of life for everyone in Devon will be unavoidable.

I know this message is hard to hear and will raise many questions and concerns.

The important services that you help to provide are the lifeblood of our county and directly impact on tens of thousands of local people. Many of you will also be Devon residents who, alongside family and friends, use the County Council's wide range of services day in, day out.

I would like to stress that absolutely no decisions have been made about where any cuts might happen, and some very difficult conversations will be taking place over the coming weeks with our Strategic Leadership Team and elected Members to find savings whilst limiting the impact on everyone as best we can.

Throughout my long career in the public sector, I have never witnessed a financial crisis in local government of this magnitude. We have always been rightly proud of the authority's sound fiscal management, our ability to manage the resources we have, and adapt how we work together with our partners in order to protect vital local services and support the most vulnerable.

But these are unprecedented times. Rising demand for services after the pandemic, rising costs and the impact of inflation are all taking their toll.

As a reminder, through our Financial Sustainability work we are already making £36 million of savings this financial year (April 2022 to March 2023). This has been achieved across all services and includes holding vacancies in non-frontline areas and stopping some routine road maintenance. We are squeezing all our contracts with external service providers and reviewing things like school transport for children with disabilities, as well as delaying planned investments in IT and infrastructure projects, and cutting office heating and lighting bills.

We are reviewing all high-cost activity in both Children's and Adult Services with the focus on transforming and improving the support we give while saving resources. We are also reviewing our properties and will be looking to dispose of assets where they are no longer needed.

Even then we must find a further £37 million this financial year, largely because of rising demand in adult and children's social care, higher prices for care packages and a higher national pay award to reflect the cost of living increases we all face.

Jan Spicer, Interim Chief Executive

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