

BUDGET SPEECH BY COUNCILLOR SIR BARRY NORTON LEADER OF THE COUNCIL - 24 FEBRUARY 2016 MEETING OF WEST OXFORDSHIRE DISTRICT COUNCIL

Mr Chairman, as Leader of the Council, I have the pleasure, of presenting to Council the recommendations of the Cabinet in relation to the Budget for the forthcoming financial year 2016/17.

I extend my thanks and appreciation, as ever, to the members and officers of the Council for their valuable contributions to the budget process.

I particularly extend my thanks to Cllr Richard Langridge (in what is his first budget presentation to Council) and my other Cabinet colleagues for their efforts over the last few months.

This budget process has been the most difficult in recent years and is I regret to say likely to be the first of a number of extremely difficult budgets over the next three or four years. We have had significant cost pressures imposed upon us by other bodies which together with a difficult financial settlement from government has meant that we will be using an underlying £131,000 or thereabouts of General Fund Reserves to balance the budget. It is as well, therefore, that we put money into reserves in last year's budget when we foresaw that things would not likely be as rosy in the years ahead. The strength of our long term financial planning comes to the fore in difficult times like this.

The latest Local Government Finance Settlement made difficult reading for many shire districts with the four year spending review signalling a reduction in core funding of some £1.3m (or 15%) for this Council. On top of this changes to New Homes Bonus have been signalled of a potentially greater magnitude which will give the Council a major challenge over the next few years as the government seeks to protect certain services such as adult social care which has come under significant demand pressure.

Over the last five years in West Oxfordshire we have frozen Council Tax for residents making a real difference to household budgets as wage rates were slow to grow after the recession. Happily this trend seems to have been reversed and with the unemployment claimant count in West Oxfordshire back at a level not seen since 2007 and fuel bills falling real income has increased over the last year or so for many households. With these increased budget pressures facing the Council I believe that the public recognise that now is the right time to end the freeze in Council Tax rates and hopefully a small increase is now affordable for most residents.

In terms of efficiency savings our shared services approach with Cotswold District Council (and others) has now reached savings of almost £9m between the two Councils since we started with a further £3m to come in

2016/17. This £1.5m a year saving to each Council is generating an annual and recurring tax saving of in excess of £35 per Band D property. This remains a central plank of our efficiency approach which has enabled us to support front line service provision to residents whilst some of our funding streams have been under pressure.

The savings set out above together with other significant savings made throughout the Council means that we can once again protect our services despite the significant cost pressures imposed on the Council by both central government and our own County Council. We believe we can do this even though our Revenue Support Grant is falling by half a million pounds in 2016/17 alone.

Two weeks ago Cabinet was able to confirm yet again proposals to protect key voluntary sector organisations from significant grant reductions next year. This is the fifth year we have deferred this reduction as we seek to protect those voluntary services that have struggled with fundraising in the tough but now improving economic climate. I can't guarantee that we will be able to do it again in 17/18 for a sixth year but we will certainly try.

To finance the Council's revenue expenditure and capital programme, Cabinet is proposing an annual Council Tax of £86.63 at Band D in 2016/17. This is the first increase since April 2010 and we are utilising the flexibility offered to all District Councils by the Secretary of State of a £5 a year increase. I am certainly thankful to the Secretary of State for giving us this flexibility and I am also thankful to him for bringing forward the additional funding for rural Councils who have consistently been underfunded by the formula grant system by comparison to urban areas.

This increase will generate a little more than £200,000 in additional income for the Council – not enough to cover the cost pressures we have faced from the County Council of circa £300,000; not enough to cover the cuts in Revenue Support Grant of £500,000; but enough, together with our shared service efficiency savings, to enable us to continue to protect key services with the addition of £131,000 from our General Fund Reserves.

I am confident that the proposed increase of our Council Tax will still leave our Council levying the second lowest charge out of the all the shire District Council's in England and still the lowest in Oxfordshire by some margin – meeting one of our key Council objectives. Indeed some eight Towns and Parishes in our district now levy a higher tax than the District Council.

As mentioned earlier, this year we will be drawing on our revenue balances to balance our budget over the next year which will enable the Council to protect service provision. Future years will likely see an increase in the challenges we face and the £1.5m of efficiency savings in the refreshed

Medium Term Financial Strategy will not be enough to resolve all our funding issues. I am confident however that we will meet these challenges, but, this will be tough and will require us to continue to deliver on the actions set out in the Strategy such as the 2020 Vision.

Of course, not only are we meeting the budgetary challenges but we also continue to provide first class services to our residents. The Council is proud to maintain its policy of free car parking throughout the District which contributes to the vibrancy of our town centres and helps underpin our buoyant economy. Despite ongoing difficult times, unemployment and crime rates within the District remain some of the lowest in the country and continue to fall, tourism spend continues to rise, and our leisure facilities attract more users.

As a Council we provide local choice – we are the only Council in Oxfordshire to provide free parking 24/7 – let's keep it that way with local decision making for West Oxfordshire. West Oxfordshire is different - West Oxfordshire is special and we wish it keep it that way..

Late last year we put the final touches to the deal to roll out High Speed Broadband to those parts of our District which would not otherwise get it from the commercial sector or via the County Council BT contract. This scheme is now in final design stage with the network build starting in the next month or so. This is good news and will lead to the vast majority of our district being wired for High Speed Broadband.

In light of all this Mr Chairman, I think the Council Tax proposals set out by Cabinet represent continuing excellent Value for Money for West Oxfordshire residents. An £86.63p annual charge equates to an average of a little over £1.50p per week per Band D household for all services provided by our District Council and our charge remains less than half the national average charge and less than a third of that charged by nearby Oxford City. We will continue to ensure that local residents benefit from our determination to use as little of taxpayers money as possible whilst providing the services which help to ensure our district continues to be recognised as one of the best places to live, work and visit but also, importantly with local decisions being taken by local people.

I move and commend this budget to Council.

Thank You

Sir Barry Norton.
24 February 2016.