

BUDGET SPEECH BY COUNCILLOR JAMES MILLS LEADER OF THE COUNCIL - 22 FEBRUARY 2017 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 my first budget as Leader for the forthcoming financial year.

The last year has been somewhat of a whirlwind affair for not only myself, as the new leader, but also a largely new Cabinet team. It goes without saying that we miss greatly the wise words of our former leader Sir Barry and, of course, we sadly miss the contribution of Warwick Robinson. Whilst Warwick was portfolio holder for planning he always had a soft spot for the finances and always liked the establishment of earmarked reserves (or different jam jars on the mantelpiece as he liked to call them).

In light of these notable absences more than ever I extend my thanks and appreciation, as ever, to the members and officers of the Council for their valuable contributions to this budget process.

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

During the past few months the Council has been putting in place a number of building blocks for this budget. Some of these have been based upon difficult decisions; decisions we would rather have not had to make but which we have been pushed into by funding reductions from other parties such as Central Government and our County Council colleagues in County Hall.

Of these decisions the introduction of charging for garden waste has been the most difficult bearing in mind the level of charge in comparison to our overall level of Council Tax. I have to say the public have, in the most part, taken this decision in their stride as they clearly value the garden waste service and we are well on the way to the target set in the budget process with over 12,500 licences applied for in the short time since letters went out.

The latest Local Government Finance Settlement made difficult reading for many shire districts with the second year of the four year spending review delivering the anticipated reduction in core funding of some £0.4m (or 6%) for this Council. This includes the signalled changes to New Homes Bonus and whilst we are grateful for the phasing in of these changes over two years the reductions are nonetheless steep. The next two years will see Revenue Support Grant almost totally removed with further reductions in core funding of 4.8% and 0.1% over the remaining period of the settlement.

It is heartening to know however that the New Homes Bonus that we are losing will find its way into the County Council resources to fund the adult social care bill – maybe this will stop them from continuing their crusade to take everything that our residents think is special from West Oxfordshire to spend in the City. I won't hold my breath waiting for that decision from the County Leader....

Last year we made the difficult decision to end the five year freeze in Council Tax because of the budget and funding pressures facing us. We did this with the backing from the public who told us that a modest tax rise of £5 per band D equivalent property was appropriate to protect valuable local services. This year they have backed this move again with an increased response to our public consultation saying much the same thing.

Of course the tax increases are only a small part of our approach to resolving the budget conundrum. In terms of efficiency savings our shared services approach with Cotswold District Council (and others) has now reached savings of more than £12m between the two Councils since we started with a further £4m to come in 2017/18. This £2m a year saving to each Council is generating an annual and recurring tax saving of around £50 per Band D property. This remains a central strand of our efficiency and service transformation approach which has enabled us to support front line service provision to residents.

The savings set out above together with other significant savings made throughout the Council and increased revenue streams from garden waste and commercial property 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 almost half a million pounds in 2017/18 alone.

A month ago Cabinet indicated it felt confident enough to confirm yet again proposals to protect key voluntary sector organisations from significant grant reductions next year. This is the sixth 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.

To finance the Council's revenue expenditure and capital programme, Cabinet is proposing an annual Council Tax of £91.63 at Band D in 2017/18.

As mentioned earlier, changes to New Homes Bonus that are scheduled to hit further in 2018/19 mean that we need to be cautious in terms of this funding. As a consequence we are proposing to only utilise part of this

funding to support the revenue budget – what we believe to be the underlying amount. The excess amount received in 17/18 and subsequent years (if any should occur) will be set aside into one of Warwick's fabled 'jam jars' to meet investment priorities set out in the Council Plan. What this means for next year will no doubt keep our colleagues in Carterton happy as we will set aside a further £272,000 towards the promised Phase 2 scheme at the Leisure Centre.

I am confident that the proposed increase to 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.

This does however mean that we will not be setting a truly balanced budget insofar as we will need to draw on our revenue balances to balance our budget over the next year. I will point out that it is only the modest amount of £2,611 and in doing this we will have still set aside funds to finance Carterton Phase 2.

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. This is evidenced to us loud and clear from the response we have had to my recent letter to residents with regard to the One Oxfordshire proposals. 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.

With a new leisure contract due to be let later this year we are hoping to secure yet another step change in leisure centre utilisation and you can be assured that we won't rest on our laurels then but look for the next challenge and area of need.

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, and quite clearly our residents, wish to keep it that way.

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. A £91.63 annual charge equates to an average of around £1.75 per week per Band D household. 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

James Mills
22 February 2017.