

**BUDGET SPEECH BY COUNCILLOR JAMES MILLS
LEADER OF THE COUNCIL - 27 FEBRUARY 2019 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 Council budget.

It has been another busy year with this Council playing a leading role in the Oxfordshire Housing and Growth Deal both in terms of the Joint Spatial Strategy Plan and delivery of affordable homes. We are leading the way in the delivery of the additional affordable housing under the Growth Deal with the approval of the Rockhill Extra Care Scheme in Chipping Norton and our partnership with Cottsway Housing Association. Whilst I am discussing housing, I am also proud of our revised Homelessness Prevention Strategy and the investment we have made in the provision of emergency homeless accommodation in the District.

Away from the Oxfordshire Growth Deal, the Council has also achieved the following:

- Adopted the Local Plan for the District;
- Commenced work on investment in Carterton Leisure Centre;
- Approved investment in Chipping Norton Leisure Centre;
- Worked with Ubico to continue to make improvements to the Council's waste and recycling services, following a challenging transition to the revised service in October 2017;
- Embedded service delivery through Publica, our service delivery company which is delivering savings of £400,000 per annum, including savings of £360,000 which form part of the budget proposals for 2019/20.

Members will also be aware that Cabinet received the positive LGA Peer Review Report earlier this month and have requested Officers to develop an action plan following the review which will be considered by Council in due course.

Moving now to the budget for 2019/20, firstly 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 (and my other Cabinet colleagues) for their efforts over the last few months.

The latest Local Government Finance Settlement was the last year of the four year spending review delivering the anticipated reduction in Revenue Support Grant funding of £295,000 for this Council.

On a positive note the Council has benefited from additional Rural Services Delivery Grant funding of £25,000 reflecting the additional costs incurred in delivering services to sparsely populated areas such as ours.

The biggest challenge through the budget setting process has been the recognition of the additional costs being faced by Ubico and therefore this Council in delivering the Council's waste and recycling services. I would like to thank the Environment Overview and Scrutiny Committee for their recent work in holding Ubico to account over the cost increases.

For some considerable time, the Council has put in place building blocks which are delivering sustainable financial benefits. Our shared services approach with Cotswold District Council has now reached savings of more than £20m between the two Councils since we started, with a further £4.7m to come in 2019/20. Since 2017 our partnership has expanded to include Forest of Dean District Council and Cheltenham Borough Council through Publica. This Council's £2.4 m annual saving from partnership working is generating an annual and recurring tax saving of around £55 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 including the funding required for maintaining the revised waste and recycling service. The Publica transformation change programme, will deliver savings of £360,000 in 2019/20.

Over investment in Carterton Leisure Centre and the associated leisure contract with GLL will deliver savings of over £600,000 in 2019/20 whilst increasing the opportunities for the community to take part in a wide range of sports and leisure facilities. This in turn will bring benefits for the health and wellbeing of residents.

The savings set out above, together with other significant savings made throughout the Council, and increased revenue streams from garden waste, retained income from business rates, commercial property and treasury investments means that we can once again protect our services despite the significant cost pressures imposed on the Council by central government. We believe we can do this even though our Revenue Support Grant is falling by £295,000 in 2019/20.

The amount of central government funding available from 2020/21 is uncertain due to the impact of:

- Spending Review 2019;
- Fairer Funding Review
- A revised Business Rate Retention Scheme; and
- A full reset of the Business Rate Baseline which will see growth since 2013 redistributed across local government.

In considering the level of council tax for 2019/20 the Cabinet and I are mindful of the potential for further reductions to our level of government funding from 2020 onwards. We are always very interested in the views of our residents regarding the level of Council Tax. From the consultation on budget 2019/20, there were mixed views regarding council tax increases: 22% strongly agreed, 25% agreed and 17% were neutral regarding a £5 increase for 2019/20.

To finance the Council's revenue expenditure and capital programme, Cabinet is proposing an annual Council Tax of £99.38 at Band D in 2019/20.

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.

We will be setting a truly balanced budget insofar as we will **not** need to draw on our revenue balances to balance our budget over the next year. Indeed we plan to a small contribution to reserves of by £3,789.

The Council's Medium Term financial position is more challenging as it incorporates anticipated further reductions to core government funding as I have discussed earlier. During this next year we will need to consider how we may need to respond to further reduction to government funding. Through sound financial management we will not be forced into taking drastic action to address reduced funding, we will be able to consider carefully our future savings plans.

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. I am also pleased that Cabinet are proposing, yet again, to protect key voluntary sector organisations from grant reductions next year.

You can be assured that we won't rest on our laurels but will continue to look for the next challenge and area of need. Indeed Cabinet are recommending that we include a sum of £270,000 in our budget for 2019/20 to enable us to support economic growth in the District.

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 £99.38 annual charge equates to an average of around £1.91 per week per Band D household.

Our charge is likely to remain 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
27 February 2019.