

## **BUDGET SPEECH 24/02/16 – Cllr Barbara Jones**

Members have before them this evening a set of budget proposals which clearly demonstrate that this authority is successfully navigating its way through these times of austerity in a planned and measured approach.

You will note straight away that the headline news in this year's report is that we are proposing to set the lowest council tax increase in Wales. I'm sure all members across the chamber will join me in welcoming this announcement, which will also be a relief to all residents across our county borough.

We are proposing a **1% increase** in council tax, which equates to just **19p per week** for an average band D property. We are, no doubt, the envy of local authorities across Wales because we are in such an advantageous position to be able to deliver such a low increase.

We have pledged that this authority will work hard to protect services, protect staff and protect the vulnerable in the community. This is a fair, well thought out budget that puts local people first and protects frontline services.

The provisional Local Government settlement, announced at the end of last year, was much better than we had expected with Caerphilly receiving a 0.9% reduction in funding for 2016/17. In light of this announcement, the Medium Term Financial Plan has now been reviewed and updated based on a range of revised assumptions.

We are certainly not out of the woods, but the pressure has reduced slightly and we now have more time to deliver our planned savings.

Our revised savings requirement for the next 3 years is now £24.3m, instead of the £35.2m we anticipated back in October last year. The overall amount required for the next 5 years is in the region of £36m. It is clear that we still need to deliver all of the savings currently under consideration and more, but we now have extra time to do it.

We have honoured the School Pledge and have set aside funding for anticipated cost pressures in Social Care. The School Pledge amounts to £1.9million per annum and a sum of £2.5million per annum has been committed to Social Services. This additional money will be in place for the next 4 years and I'm sure all members will join me in welcoming this significant amount of funding for these two key areas.

In terms of the key savings that need to be made in 2016/17, the updated list totalling £11.1million is summarised in Table 8 within the report. Of the £11.1million, £8.7million will have no impact at all on front line services and £1.9million is the full year impact of savings made in 2015/16. This leaves just £476k of savings that may affect the public in 2016/17. This is just over 5% of the total savings requirement

These impressive savings reflect the principles previously agreed by Council and have been achieved through vacancy management, structural reviews, budget realignment and minor changes to service delivery. This is further evidence of the success of our planned and well thought-out approach to budget management over the past few years.

These budget proposals have also been subject to a robust and widespread public consultation to make sure that local people had the chance to have their say about this important issue.

The 12 week consultation process was carried out at the end of last year when the council asked all stakeholders for their views about the savings proposals.

Ten public 'drop in sessions' took place allowing local people to discuss the impact of the savings and a questionnaire was also widely circulated to capture feedback from a range of groups. This feedback has been instrumental in informing the budget-setting process resulting in the report before you this evening.

I would like to thank everyone who took the time to take part in the consultation as we firmly believe in the value of effective engagement. It was positive to see the widespread consultation that took place across the county borough which has helped shape our budget plans. All the feedback captured through this process has been included in the appendices to this report for members to consider.

Looking further into the future, we now need to identify additional savings over the next 4 to 5 years and our Heads of Service will be heavily involved in this process. Areas for consideration will include: further 'back office' efficiencies, potential collaborations, further channel shift, asset rationalisation, a review of Treasury Management activities and reviews of Leisure Services, Youth Services and our Library Service.

This list is not exhaustive and officers will be asked to review all budgets to identify potential future savings. Regular updates will be provided to Members as this work progresses.

So, in closing, I would like to summarise the key components within our revised 2016/17 budget proposals, which are:

- We are proposing a 1% increase in Council Tax.
- There will be no generic increase in fees and charges.
- The Schools pledge will be honoured.
- We will provide £2.5million extra per annum for Social Care costs.
- One-off funding of £1.6m will be set-aside in an earmarked Waste Management reserve.
- There will be £215k one-off funding for Carbon Management initiatives which form part of our Improvement Objectives.
- All 2016/17 ‘Nil Impact’ savings proposals totalling £8.7million will be delivered.

I would like to move the recommendations outlined in section 9 in the report and conclude by thanking all the officers and members who have worked so hard over recent months to deliver this budget.

We have before us a set of proposals which reflect our strong financial position and our effective and robust approach to budget management.

Thank you