

Update to Scrutiny Committee on 16 March 2015 from the Cabinet Member for Finance

At the start of 2014/15 the Council managed to set a balance GFund, Housing Revenue Account and Capital Programme – whilst freezing Ctax for the 4th successive year – after cumulative Govt grant cuts totalling circa £2m and still managed to freeze car parking charges, invest in improving our leisure centres, only agree a minimal increase in housing rents and continue to maintain existing levels of service provision.

During another successful year our services have been maintained and in some instances improved their previous performance levels. Here is an update on just some of the main achievements we have delivered during the current financial year:

- We have acquired 2 commercial premises in Fore St and have been undertaking a lot of preparatory work before we acquire Market Walk
- Nearly finalised the Local Plan
- Secured significant saving on the provision of public conveniences and working on a similar project for parks/playgrounds
- Increased our Council Housing Stock – Fir Close and St Andrews Street (with further plans for Palmerston Park, Burlescombe, EUE, etc.)
- Made further reductions to our staffing costs – circa £250k
- Modernised our current recycling fleet and completed an operational depot move from Silverton to Tiverton. We have also undertaken a lot of planning for the new waste scheme that will be fully delivered in Oct 2015 and will hopefully reduce running costs by around £500k
- We continue to explore partnership opportunities (working with North Devon on ICT and BControl – this is providing budget savings and producing increased operational capacity)
- In the initial stages of a regeneration plan for Tiverton Town centre.
- Planning for a step change in our use of digital technology
- Increased income at all 3 leisure centres based on the new post investment targets that were given. Income budget for 14/15 was £2.4m – this budget stood at £1.8m back in 2010/11.

- Consideration of increasing developments housing/commercial based on changes to funding on both NHB and business rates
- The Finance team produced a clean set of accounts and our Auditor Grant Thornton commented positively on our work to achieve value for money in the services we provide and in the way the Council is run.
- We have re-located the Ctax dept in with Customer First and collection rates for 2014/15 are well up on the previous financial year.

Key note - Most of the above mentioned work has been completed within existing budgets and some will help deliver future savings and therefore help us deliver balanced budgets in the future (in the knowledge that the Govt's austerity programme will mean further grant reductions for the next 3 years – at least).

The future

As I am sure you are all aware Full Council only a few weeks ago approved yet another balanced budget – coupled to a 5th successive freeze in CTax. This was a very positive outcome for our residents – but was only delivered after a significant amount of planning by officers and members alike. It should be remembered that we received another Govt grant funding cut of £580k for 2015/16 – coming on top of the circa £2m we have already rec'd.

It remains clear that 2016/17 will be a real financial “tipping point” for us and many other Councils as all the relative easier budget reductions have been made. Therefore, it will be imperative for the new Council after its election in May 15 to decide (when putting together its new Corporate Plan) what are its key priorities are and what services can/can't be afforded to be delivered at the current level (or at least will need to be delivered differently. Clearly all members will need to be engaged in this key decision making process.

Cllr P Hare-Scott