

Budget Priorities

Developing Budget Options

In formulating the budget proposals now being submitted to Scrutiny the following criteria have been followed:

- Minimum statutory requirements should be met
- Opportunities for efficiency & productivity savings and income generation should be maximised before service cuts are contemplated
- Services previously funded by specific grant should be cut or reduced where the Government has withdrawn or reduced funding for these activities unless the services form part of our core and/or statutory service provision.
- Safeguarding and services for the vulnerable should be protected as far as possible as long as value for money is demonstrated. Preventative activities which reduce demand for core services should also be protected where they demonstrate long term value.
- Voluntary sector funding should be protected where it reduces OCC costs

Priority Setting for Future Investment

The budget proposals have been considered by star chambers and will be coming before scrutiny committees shortly. These proposals will meet the 2011/12 planning target set by Cabinet and amended following the Spending Review announcements in October. However the grant settlement in early December could increase or reduce our actual savings requirements. If it is the former directors will bring forward further proposals for cuts. In the event that the grant settlement is more favourable that we are currently planning for the Council will need to decide which of the budget options to accept and which to reject. To help this process the following criteria will be used to rank budget proposals (1 highest priority for implementation, 3 = lowest priority for implementation)

Category 1

- Efficiency/productivity improvements which do not impact on the service to the customer
- Changes to conditions of service
- Changes to back office functions
- Increased charges for discretionary services
- Services formerly funded by specific grant unless the activities are core /statutory
- Changes to contracts with third parties which do not materially impact on service delivery

Category 2

- Service changes to non core services
- Increased charges for other services

Category 3

- Changes which impact on core services
- Maintaining core levels of provision for essential service in the 6 development/regeneration localities (Banbury, Bicester, Abingdon, Oxford, Carterton, Didcot)
- Service cuts which impact on deprivation, access, equalities and the generic needs of the whole population;

Directors will categorise each of the proposals for budget reduction in order to assist Scrutiny and Cabinet in their consideration.

In bringing together a final view the Cabinet will need to consider, *inter alia* how to balance:

- (a) the synergies of urban hubs against the limited opportunities for access to rural communities;
- (b) the needs of minority groups against the broad needs of the whole population;
- (c) the needs of different age groups, socio-economic groups etc
- (d) service provision at each of the 14 localities to ensure some proportionality in terms of service cuts, accepting that service changes through building rationalisation may provide savings which do not reduce service.

The council will have to be careful to reflect these deliberations in equality impact assessments with a sound evidence base;

22 November 2010