

London Borough of Bexley

News Release

For Immediate Release

20 January 2016 / PR 7275

COUNCIL FACES MORE TOUGH DECISIONS

Work to finalise this year's Council budget will enter its final phase next week, when Bexley's Cabinet considers the latest update on the borough's financial plans.

The government's financial settlement for local councils was announced just before Christmas. It proved much more challenging than expected for Bexley and several other outer London councils.

When taken with previous announcements, it means that the Council must make savings of at least £56m by 2019/20 – on top of the £63m saved since 2011/12.

“We have realistic plans in place and are making good progress against our savings targets, but we will have to make more very tough choices,” said Council Leader Cllr Teresa O'Neill OBE. “We are working with local people, businesses and other organisations to ensure we are as effective as we can be and to focus on what matters most.”

The Council expressed its disappointment at the further unexpected reduction in its funding in its response to the Department for Communities and Local Government.

The Government announced that councils will again be allowed to increase their Council Tax by up to 2% this year without a referendum. It will also permit a further 2% rise to help meet extra spending on social care. For Bexley, such an increase would nearly cover the cost of implementing the government's new National Living Wage, but not other costs. These include increased demand for services for people who are older or disabled, extra Care Act responsibilities and the cost of the Independent Living Fund, which the government has transferred to local authorities.

More detail on the Council's financial situation and budget planning is set out in the report to the Cabinet meeting on 26 January. The report is available online at

<http://democracy.bexley.gov.uk/ieListDocuments.aspx?CIId=149&MIId=27893>.

The meeting can be viewed live or after the event on the Council's webcasting site at <http://www.bexley.gov.uk/article/17766/Webcast-meetings>.

The Council's Budget will be decided and the Council Tax set at the beginning of March.

'ENDS'

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