

NEWS

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COUNCIL SAVES £250,000 MORE THAN 'GERSHON' TARGETS AND IMPROVES SERVICES AT THE SAME TIME

More than £250,000 has been saved above and beyond general government targets by North Dorset District Council.

Further evidence, if any were needed, that the Council has significantly tightened its fiscal belt was shown in the Budget Outturn presented to Cabinet on Monday 2 June 2008.

All councils were required to show considerable savings over the period 2005-08 (Gershon Savings) and the North Dorset target was £710,000 or 2.5% of its annual revenue and capital expenditure over these three years. Figures just released indicate that over the same period the Council actually saved £961,000 or £251,000 more than its target.

The reported cost savings have been largely achieved through progressive productivity improvements allied to rigorous financial planning. The Council has reduced expenditure by £2.2m since 2004. Most of these savings have been achieved whilst improving services, and indeed over the same period as the Audit Commission improved its assessment of the Council from 'weak' to 'good', jumping over the intermediate 'fair' level.

Cllr Peter Webb, Leader of the Council at North Dorset District Council, said: "There are two main financial forces at work on our Council: one is the generic 'Gershon Savings' that apply to all Councils more or less equally; the other is the Government's capping regime which has also been in operation here since 2005.

"Capping affects our Council more fundamentally and more unfairly than the 'Gershon' requirement to show 2.5% savings a year. "Capping" has frozen our Council Tax levels at unsustainably very low levels (*about £8 a month compared to a district average of £14 a month*). Consequences of the capping regime are far greater here than for 95% of District Councils."

Cllr Webb added: "This Council has been generating very significant productivity improvements year on year for some time but they have not been enough to meet the 25% budget cut that the ongoing capping regime entails. This Council has, therefore, been forced to progressively stop funding non-statutory activities to a far greater extent than almost all other District Councils.

"I do not believe it is fair to the public to withdraw services that are locally valued and that most parts of England continue to enjoy. We shall be continuing to seek ways of

Council saves £250,000 more than 'Gershon' targets continued ...

maintaining important local services that this Council is no longer being allowed to fund itself. I must add that the support given by our Town/Parish Councils and our local Community Partnerships in protecting the local public interest has been invaluable in recent years and will be progressively critical in the future.”

The Council's financial constraints are reflected in its Medium Term Financial Strategy which on current assumptions identifies a further £2m to be saved over the next four years, by which point only statutory services would be directly funded.

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For more information contact: Cllr Peter Webb, Leader of North Dorset District Council, on 01258 473631 or the Communications Manager on 01258 484100.