

## Speech as given

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I would like to thank officers, especially Rob Stubbs for their hard work and their forbearance with the onslaught of my questions in the last four weeks. Producing a balanced budget for next year will have been challenging.

Well.... What can I say that I haven't said before.....

In Feb 2015 I stood here and warned against cutting council tax. I brought your attention to a graph produced by the Independent Commission on Local Government Finance that stated that as far as to 2019/2020 central funding would continue to reduce and the costs relating to Children's Social Care, Adult Social Care and Waste management would continue to rise..... but you didn't listen then.... And I doubt that you will listen now..... and actually it's too late for you to listen.... to me... OR to residents.

The budget consists of two parts, the revenue budget and the capital budget

Let's take the revenue budget (sometimes called the services budget) first. It's the budget that pays for all the operational services of the council. Waste collection, social care, school admissions, planning etc.

The revenue budget must balance each year. You cannot 'borrow' money to prop up the revenue budget

Last year we heard from the Lead Member that:

“The councils innovative and prudent management enabled it to propose only a 1.95% increase in base council tax alongside the 3% social care levy”

“The council had shouldered a rising demand to support more young and older vulnerable residents”

“The council entered these challenging few years with finances fit for purpose.... The projected budget for 19/20 was currently balanced with a 1.95% increase in council tax.”

But here we are 12 months down the line... and...

We are forecasted by the end of March to be 7.7m overspent, before mitigations, necessitating 4m of 'savings' ... this overspend is mainly made up of 'fatuous' savings targets and unrecognised demand .....

## RBWM Budget Response - February 2019

### Lynne Jones Councillor (Old Windsor Residents Association)

Remember that balanced budget in 19/20..... to achieve that now we will have to mitigate against another 10.6m of extra service expenditure. Lets just let that sink in .... 10.6m... on a net 81m service budget.... That is 13% of our total net services budget.... And 3.6m of that was the rising demand in children social care that I had warned against but the Lead Member had reassured us was 'shouldered'.

..... and that's with a 2.99% council tax rise not the 1.95% stated by Cllr Saunders last year.

This is the result of what this administration calls 'innovative & prudent' management

So we have another round of forced and completely unexpected 'mitigations' .....and what does mitigation mean..... it's a word that is up there with 'efficiencies' and 'savings'

In this context it means redundancies, reductions in services & capacity within the council

This council has outsourced over half its officers since 2011 and lost approximately 200 employees completely. The council now operates with 1/3<sup>rd</sup> of the directly employed officers than it did in 2011.

This could be seen as a good thing... a lean machine.... But in some departments this has meant a loss of skill set and a loss of the capacity to cope with the non routine. This council does provide some very good 'process' driven services i.e. Waste collection, but when it comes to the more challenging aspects of council for instance the BLP, the Waterway, Stafferton Way, solutions for Homeless reduction, addressing the need for social housing, it is severely lacking in the capacity of officers to ensure a strong outcome.

Unexpected and 'unplanned-for' redundancies and tasking officers to 'find' savings (when we have already gone through substantial 'transformation' to a 'Lean and Agile' council) are indicative of a loss of control and cannot be dismissed as due to the National pressures.

In Children's the millions of savings needed will obviously mean reductions in the non-statutory areas such as Children's centres, Youth Services and school improvement and the increase in Parking charges for those without an Advantage card may not yield the increased income that is anticipated – We have already seen a change in parking habits following last year's rises when users voted with their feet.

There is a great deal of emphasis on the Capital Budget in this report (not surprising given the state of the revenue budget). The Capital budget is to provide the infrastructure ( the buildings, the new roads, the parks and open spaces)

Next year the council will spend (excluding external grants etc) 19.5m on capital compared to 65.6m this year. This then reduces to 8m in 20/21 and 3.9m in 21/22

## RBWM Budget Response - February 2019

### Lynne Jones Councillor (Old Windsor Residents Association)

There is no other capital funding indicated..... no funding for the Oaks leisure centre..... no funding for schools physical expansion beyond the existing program..... That is because we haven't got the money to spend.... We will have to borrow to fund these projects or realise receipts from selling assets.

In fact there is no extensive capital programme detailed in the Capital summary (up to 2022) but in Appendix L we see that the capital financing requirement increases up to a possible 228m by 2021 resulting in interest payment of 8.1m by 2022

We are also seeing an estimated rise in the council tax increase 1.95% to 2.99% a year FOR THE NEXT 3 YEARS.

With the increase indicated in the budget... council tax on a band D property will rise to £1036.07 .. close to the highest council tax rate in the last 10 years.... and it is expected to continue to rise by another £88.83 by 2022 to a RBWM council tax record busting £1124.90

But we believe the 'savings' go too far. We would like to ensure the non statutory services such as Youth Services, Schools support and Early Years are not impacted by these savings as we believe they are such an important prevention service. We would also like to ensure that there is a more sustainable plan put in place to deal with the underlying causes of homelessness and to offer more support to those who find themselves anticipating homelessness.

We believe that there should be an in-house highways planning resource and an in-house highways engineer resource to filter queries and provide first-line viability decisions. We would like to reverse the decision to allocate the Apprenticeship Levy to schools that have no opportunity to take advantage of the Levy for the year 2019/2020 and look to review it in the next budget..

These are not all re-occurring costs. Some are one off impact/outcome based investments, some are preventative measures ensuring early intervention and therefore reduce costs further down the line, some are just the right thing to do to not add to the financial pressures our schools are under.

To this end we would like to table an amendment to the budget and an additional recommendation to transfer up to 1,039,000 from reserves to the revenue budget. The exact figure will need to be confirmed following a more detailed costing by finance officers.

This will leave a minimum of 10.66m in reserves, which is 4.86m above recommended levels.

This is a budget that has had to put right the decisions made by the administration in past years..... council tax reductions to 'look good'.... Decisions that have led to non-achievable savings targets, a reduction in capacity within the council, overspending on projects and

**Lynne Jones Councillor (Old Windsor Residents Association)**

projects not being delivered within a timescale due to a lack of control and capacity, and an administration that now needs to borrow for any major new capital spending decisions it makes... and pay it back from the receipts from Maidenhead Golf Club. Given the status of the BLP and the call for sites made only yesterday I don't think that's going happen any time soon) Innovative and prudent certainly are not the words I would use for the last 8 years of political budgeting strategy.

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## **Additional Recommendation**

### **Agenda Item 8 – Additional recommendation**

x) Deputy Director and Head of Finance in consultation with the Lead Member for Finance and the Leader of the Opposition to transfer up to 1,039,000 from reserves (dependent on detailed costings by officers) to the revenue budget to ensure the non statutory services such as Youth Services, Schools support and Early Years are not impacted by these savings, to put in place a more sustainable plan to deal with the underlying causes of homelessness and to offer more support to those who find themselves anticipating homelessness, to put in place an in-house highways planning resource and an in-house highways engineer resource to filter queries and provide first-line viability decisions, reverse the decision to allocate the Apprenticeship Levy to schools that have no opportunity to take advantage of the Levy for the year 2019/2020.