

Councillor Julia Potts Waverley Budget 2019-20

Thank you Madam Mayor, Members, Officers and members of the public. I propose the Annual Budget for Waverley Borough Council. I have a Secunder.

I am pleased to put before the Council this evening a sustainable balanced budget driven by a strategy of efficiency, investment and income.

A budget that has been produced under challenging financial circumstances.

I will shortly ask the portfolio holder for finance to draw out the main headlines.

This budget is proposed by a **Conservative administration** that cares about Waverley's community. The budget is based on a sound and sensible medium term financial strategy that aims to not only protect vital services into the future, but also to improve our offer to residents by being more innovative and collaborative in the way that we operate.

This time last year our financial plan forecast a £1.5m shortfall in the 2019/20 budget. This Conservative administration is now presenting to Council a balanced budget that protects services, has no reductions to grants to community organisations and does not increase any car park charges.

We were very pleased when the Government announced that it would not inflict the negative grant of £814k next year but we are very aware that this has only been put back by a year, not removed, therefore we have to plan for this in the medium term projection.

We have been able to balance the budget through hard work from officers and councillors working together over many months, including the O&S committees and Budget working group. **My thanks to all of them.** Balancing next year's budget has not happened by accident. We have put in place robust strategies covering procurement, treasury management and property investment and these have all delivered positive outcomes. To name but a few, we have had:

- an excellent result from tendering the waste and recycling contract which will save us money but not at the expense of service quality
- made sensible property investments that are bringing in the money and keeping good quality office accommodation in the Borough

- used our cash holding more efficiently to generate more interest income

It would have been easy to raid reserves to get a quick fix budget ahead of the election. **This Conservative administration does not believe in election gimmicks.** This would have been incredibly short sighted given the challenges ahead and would only have stored up problems for the future. We are proposing a council tax increase to help pay for the inflation on our costs. This 2.99% increase equates to approx. 10pence per week for a Band D property.

It would have been easy to cut back on investing in our community facilities around the Borough. But we know that these are used and valued by our residents, our car parks, play areas, parks and leisure centres. But no – we are spending more next year to ensure that these facilities meet our residents' needs. We have agreed a £3.2m investment to improve Farnham and Godalming Leisure Centre and made a commitment for a multi-million pound investment in leisure facilities in Cranleigh. We are investing more on our IT and kick starting a major customer service project. We have allocated over £1m to invest on or car parks.

The budget does not include arbitrary unidentified savings targets. It does not include major redundancy programmes.

Car park charges – we are not proposing any increases in next year's budget but we have listened to our community, including our local businesses, and we will be undertaking a full review of car park provision in the Borough later this year.

Turning to the medium term. Make no mistake, this council is faced with a massive financial challenge. The medium term financial strategy presented in the report tonight shows that without taking any action we would be faced with a £3.8m shortfall in our budget by 2023. Doing nothing is simply not an option.

We have a strategy for addressing this budget shortfall which is robust, prudent and achievable. Our strategy does not rely on uncertain sources of income.

Now we have a fellow councillor who likes to use achrinims so here's mine for our budget strategy.....EII

EII = efficiency, investment and income.

-Efficiency in the way that we deliver our services including our costs, income and staff resources – our reviews will have the customer at the core.

-Investment in new and existing assets to generate income. Acquiring commercial property in a sensible, prudent and proportionate way. We have agreed a new strategy and have made four good acquisitions recently that will bring in £0.75m each year. Importantly, we have agreed to acquire others but not been afraid to walk away when the final deal hasn't been good enough.

-Investment in our own assets. Our investment in leisure centres will bring better facilities and much needed income to the council. The Brightwells Farnham regeneration scheme will transform a major part of Farnham town centre, strengthen the local economy and bring income to Waverley when it is complete in 2-3 years time

-We need to look at all sources of income, existing and new. We have listened to the VFM O&S committee and we will be launching a full review of fees and charges in the coming year

Turning to housing and the HRA.

The Council has a £30m a year long term business plan for the operation of its 5000 council homes. The report before Council is an example of excellent joint working between officers, councillors and tenants. Waverley has responded effectively to the government pressure on the business plan which has seen forced 1% rent reductions in each of the last four years, and extensive welfare reforms. We have acted responsibly and managed our costs and revised our investment plans which has put us on a solid footing going forward.

We continue to build new affordable homes for our residents and the report includes nearly £40m of spend on new build projects over the next three years. That is on top of £20m in the last 3 years. There cannot be many other councils in the country building new affordable homes on this scale.

The report shows that in 2019/20 our housing rents will go down by 1% for the fourth year in a row. We are not proposing to increase garage rents next year.

I just want to take a moment to reflect on the successes led by, and achieved by, this Conservative administration over the past year:

CIL – After long consultation and examination stages I'm delighted that this will be in place from 1st March providing funding for much needed infrastructure.

Memorial Hall - £3m multi use community centre opened in the autumn. We could have 'made-do' with a smaller facility but we were ambitious and had a vision for something much more versatile and accessible that could be the new home for the Brightwells Gostrey Centre and Waverley Training services as well as providing an in-demand usable space for the local community.

Wey centre – taken back control of the previously under utilised and under invested in Wey centre in Haslemere and we are working with the local community to make this a community youth hub

Economic development strategy – approved last year providing a platform for supporting and building our local economy including our local businesses

Wey Hill car park – delighted at the Inspector's decision which enables us to make better use of the site in the short term and develop our plans for its long term future

Brightwells – The Bridge that this council rightly insisted on to minimise construction traffic through Farnham town centre is now complete and the development can really start to gather pace

LPP1 – approved in February 2018 – landmark achievement for Waverley after many years without up to date plan etc.

Finally Madam Mayor - my thanks to the O&S committees for their robust scrutiny of the budgets. This is an important part of setting our budget and the reports before you tonight include their comments.

I would like to thank all our Heads of Service, Mr Clark, and the finance team, for their hard work and commitment in delivering both the General Fund & HRA Budget Proposals.

In summary, I would emphasise that these budget proposals seek to deliver;

- A sustainable balanced financial strategy
- Investment in our key services
- Protection of our core frontline services
- Investment in new and existing assets

This Conservative administration firmly believes that these **Budget proposals** represent outstanding Value for our Council Tax Payers in monetary terms and the all important service delivery.

I commend this budget to council.

Thank you.