

# DRAFT

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## COUNCIL

### MINUTES OF THE MEETING HELD ON THURSDAY, 2 MARCH 2023

**Councillors Present:** Rick Jones (Chairman), Alan Law (Vice-Chairman), Adrian Abbs, Steve Ardagh-Walter, Phil Barnett, Jeff Beck, Dennis Benneyworth, Dominic Boeck, Graham Bridgman, Jeff Brooks, Jeff Cant, Hilary Cole, James Cole, Jeremy Cottam, Carolyne Culver, Lee Dillon, Lynne Doherty, Billy Drummond, Clive Hooker, Owen Jeffery, Tony Linden, Ross Mackinnon, Alan Macro, Thomas Marino, David Marsh, Steve Masters, Geoff Mayes, Andy Moore, Biyi Oloko, Erik Pattenden, Claire Rowles, Garth Simpson, Richard Somner, Joanne Stewart, Martha Vickers, Tony Vickers, Andrew Williamson, Keith Woodhams and Howard Woollaston

**Also Present:** Nigel Lynn (Chief Executive), Joseph Holmes (Executive Director - Resources), Eric Owens (Service Director - Development & Regulation), Paul Coe (Interim Executive Director – People), Sarah Clark (Monitoring Officer), Lizzie Reeves (Business Analyst (Digital Services)), Stephen Chard (Democratic Services Manager), Honorary Alderman Graham Jones, Honorary Alderman Quentin Webb, David Cook (Principle Democratic Services Officer) and Nicola Thomas (Service Lead – Legal and Democratic Services)

**Apologies for inability to attend the meeting:** Councillor Nassar Hunt, Councillor Gareth Hurley, Councillor Royce Longton, Councillor Graham Pask, Honorary Alderman Keith Chopping and Honorary Alderman Anthony Stansfeld

## PART I

### 79. Declarations of Interest

The Monitoring Officer announced that in respect of Agenda Item 6 Capital Strategy, Financial Years 2023/43 to 2032/33 and Agenda Item 7 Revenue Budget 2023/24 all Members had previously completed an application for a grant of a dispensation in relation to 'any beneficial interest' in land within the Authority's area. The Monitoring Officer had granted the dispensation to allow all Members to speak and vote on these items.

There were also a number of personal interests declared prior to the meeting in relation to agenda items, published on the Council's website.

### 80. Public Questions

A full transcription of the public question and answer sessions is available from the following link: [Transcription of Q&As](#).

1. A question standing in the name of Paula Saunderson on the subject of the drainage on the Highway between Woodspeen and Great Shefford was answered by the Portfolio Holder for Planning, Transport and Countryside.
2. A question standing in the name of Paula Saunderson on the subject of flooding history of Newbury Clay hill Ward was answered by the Portfolio Holder for Planning, Transport and Countryside.

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### 81. Investment and Borrowing Strategy 2023/24

The Council considered a report (Agenda Item 4) which sought to consolidate the Investment and Borrowing Strategy for the year ahead by detailing how and where the Council would invest and borrow in the forthcoming year, within a particular framework.

**MOTION:** Proposed by Councillor Ross Mackinnon and seconded by Councillor Howard Woollaston:

“That the Council adopt the following recommendation:

- a) To agree and adopt the proposed Investment and Borrowing Strategy for 2023/24.”

Councillor Mackinnon in introducing the report explained how the Strategy set out the approved institutions for treasury assets, the prudential limits for investments, the accrued sources of borrowing, the recommended borrowing limits for the next three years, and also provided a long term forecast for the Council’s borrowing requirements. The Strategy authorised the Council to place deposits in UK Government Bonds, UK Building Societies and Banks with sound credit ratings, other local authorities, and triple rated money markets. The Council was also authorised to lend to registered charities, public sector bodies and Council-owned companies and joint ventures. He mentioned that the amount of funds the Council could invest with any one institution was £8m.

The Strategy proposed an increase in borrowing over the medium term to support the Council’s Capital Strategy, with the borrowing primarily undertaken through the Public Works Loan Board, and he explained how other options would be explored as well, which might include building upon the launch of the UK’s First Community Bond back in July 2020. The Strategy had already generated significant financial savings in the Revenue Budget and was forecast to continue to do so.

The report also set out the Council’s commercial property portfolio and the investment returns made to the Council. Councillor Mackinnon highlighted how the portfolio had performed well with a consistent return on investment providing over £1 million per year, and he expected this to continue in the future.

Councillor Jeff Brooks said that the Liberal Democrat Group did not take issue with the report as over many years the Investment and Borrowing Strategy had been well managed by officers. There had been an upturn for the Administration with greater receipts on interest rates movements. What his party would like to see was a greater degree of ethical investment. The Council utilised banks to get interest on our funds but was there awareness of where they invested their money? Cllr Brooks made reference to his first hand experience of working with the Fire Authority on their investment strategy where they only invested in ethical countries.

Councillor David Marsh informed that he did not have too much to quarrel about with the report but he did raise concern about the commercial investments, as he had mentioned in previous years. It was mentioned that the return was £1 million but in fact it was £3.5 million with £2.5 million going towards maintenance and servicing the properties. West Berkshire’s residents would be surprised to learn that the Council had invested in a petrol station in the West Midlands, a bank in Eastbourne and a supermarket in Yorkshire. People would like to see this money invested locally in West Berkshire and bring social value to the investments. Instead of purchasing the aforementioned properties the Council could have invested in development within West Berkshire proving income as well as housing. He recommended that the properties mentioned should be sold with the proceeds invested locally.

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Councillor Woollaston disagreed with Councillor Marsh's comments as the Council was performing immaculately and had a diversified portfolio that spread the risk. There were many examples of other local authorities that had not been so prudent. These included Warrington who had £1.8 million of debt, Croydon were seeking a £500 million bailout from the Government with over £1.6 million of debt and Woking had £1.95 million of debt. This local authority acted prudently and were getting a decent return on their investments.

Councillor Mackinnon made concluding comments and said that, with regards to the comments made by Councillor Brooks, he would be happy to investigate ethical investments whilst maintaining an appropriate return for residents. With regards to the comments made by Councillor Marsh he said he agreed with the reply given by Councillor Woollaston. The £1 million return was a good investment. In order to achieve a higher return it would be necessary to take higher risks with public money. The diversification of the portfolio helped protect it from regional dips in the property market. The investments also provided benefits for West Berkshire residents by generating millions of pounds of income that would otherwise have to be raised by taxation.

The Motion was put to the vote and duly **RESOLVED**.

### 82. **Medium Term Financial Strategy**

The Council considered the report (Agenda Item 5) which set out the financial planning assumptions for future years. These were aligned with the Council Strategy to ensure that Council Strategy would be delivered. The Medium Term Financial Strategy (MTFS) highlighted the overarching key issues facing the Council's finances as well as how there were many different scenarios and uncertainty concerning the future revenue streams for the Council in the future.

**MOTION:** Proposed by Councillor Ross Mackinnon and seconded by Councillor Lynne Doherty:

"That the Council approve the Medium Term Financial Strategy."

Councillor Mackinnon, in introducing the report, stated that the MTFS was a rolling four year programme built to ensure that the Council had the necessary financial resources to deliver the Council Strategy. It included a number of assumptions and uncertainties around both income and expenditure. The Local Government Financial Settlement for 2023 was broadly similar to the previous year, but the outcome of the Local Government Fair Funding Review was still awaited for more long term certainty around business rates, Adult Social Care funding and the replacement for the New Homes Bonus.

Councillor Mackinnon highlighted that the Council had to bridge a funding gap of around £3 million over the next three years and these savings would be met by transformation, digitalisation and income generation. He believed that the Council had an excellent track record in delivering required savings in recent years without any cuts to frontline services. This year alone £9.1 million pounds of savings had been achieved and proposals had already been drafted to cut the funding gap. The nation was still emerging from the effects of the pandemic and the dreadful events in Ukraine that were impacting our economy. Good financial planning helped meet these challenges and the needs of our residents.

Councillor Jeff Brooks stated that over 20 years ago there was not an MTFS process and Councils' seemed to manage their budgets. He did not take issue with having an MTFS but he did with its accuracy. He said that when you compared last year's MTFS with today's revenue budget they would be dramatically different. So when we set four years ahead with all the imponderables, the macro economy, government grants and all sorts

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of moving parts accuracy was questionable. He had undertaken three year forecasting in the private sector but they did not have as many imponderables. If past MTFS were scrutinised we would see the inaccuracies but we would also be able to improve our forecasting. He repeated that he was not against the MTFS but rather wanted an accurate one.

Councillor David Marsh mentioned that last year he questioned why Council Tax had only been increased by 1% and wanted to know if the Portfolio Holder regretted this. Councillor March advised that he was accused a year ago of wanting to increase our resident's tax burden but the proposal was for reserves to be used to support the Revenue Budget.

Councillor Lynne Doherty stated that sound financial stewardship of the Council's budget was something that the current Administration had demonstrated since 2005. She said it was lovely to see Honorary Alderman Jones in attendance as he had been instrumental in getting balanced budgets started. She disagreed with Councillor Brooks' comments of looking back 20 years and undertaking ad hoc year on year budgets. The global pandemic and the war in Ukraine could not have been predicted and it was not possible to forecast all that would happen in the future. However, the Council had undertaken successful financial planning and even though there might be fluctuations, our financial resources were used in the most effective way. She said that if there was a look back she had confidence that the Council Strategy had been delivered based on sound financial planning since 2019. This was a Council that looked ahead and managed their finances to make West Berkshire an even greater place in which to live, work and learn. She was therefore happy to second the paper.

Councillor Mackinnon mentioned that as he had highlighted last year the revenue and capital performance was considered quarterly by the Executive and he continued to look at the issue of reviewing delivery against forecasts as raised by Councillor Brooks. Where there was movement this did not mean that the forecast was flawed, over a 12 month period there would be internal and external pressures. With regards to the question from Councillor Marsh he said that he had no regrets in keeping residents money in their pockets, especially during a cost of living crisis. Councillor Marsh was correct that reserves had been used but this was possible because the Council had built up its reserves partly due to having an MTFS.

The Motion was put to the vote and duly **RESOLVED**.

### 83. **Capital Strategy, Financial Years 2023/24 to 2032/33**

The Council considered a report (Agenda Item 6) to outline the Capital Strategy covering financial years 2023/24 - 2032/33 and the supporting funding framework, providing a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

**MOTION:** Proposed by Councillor Ross Mackinnon and seconded by Councillor Dominic Boeck.

"That the Council adopts the following recommendations:

- a) That the Capital Strategy and supporting Capital Programme for the period 2023/24 – 2032/33 is approved (Appendix A).
- b) That the supporting Minimum Revenue Provision Policy (Appendix C) is approved, inclusive of retrospective change to the 2022/23 MRP policy.

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- c) That the Flexible Use of Capital Receipts Policy (Appendix D) is approved.
- d) That the proposed CIL (Community Infrastructure Levy) Bids for inclusion in the Capital Programme (Appendix E) is approved.”

Councillor Mackinnon in introducing the report said he was delighted to propose a new ten year Capital Strategy and associated policies. The Administration proposed an investment in infrastructure over the next ten years of £393 million pounds to make sure West Berkshire remained a great place to live, work and learn. £207 million pounds of the strategy would be funded externally.

Councillor Mackinnon explained that the Capital Programme was split across the six priorities of the Council Strategy. He highlighted a number of budget allocations such as £24 million to ensure vulnerable children and adults achieved better outcomes, £172 million to support residents in reaching their full potential and £616k to support our businesses to continue to develop and thrive in West Berkshire. There was also £145 million to develop infrastructure and housing, £27 million to maintain a green district and £22 million invested in business as usual. There was also investment in extending and refurbishing schools and towards disabled facility grants to help residents to continue to live independently at home. Investment was also being made in infrastructure, active travel and enhanced disabled access to the countryside.

Councillor Mackinnon said that the Programme did not just maintain essential services but also invested in new schemes across all the priorities but it must be sustainable and affordable. There was an increase in borrowing over the medium term but some of the enhancements would reduce service costs and create income for the Council. The Council could choose not to invest and this remained an option. However, the Administration had opted for a positive approach, paying close attention to the need for affordability but also to enable the capital schemes proposed to be funded properly and have a positive impact for residents. He felt that overall the Capital Programme struck the right balance between new investment to support the Council's priorities, continuing to fund core infrastructure and affordability.

**AMENDMENT:** Proposed by Councillor David Marsh and seconded by Councillor Steve Masters.

Original text:

Planning and consultancy to help deliver LRIE projects (£172,500 in 2023-24)

**Proposed amendment:**

£50k delivery vehicle for West Berks Food Bank

£25k extra for wildflower verges

£25k for urban trees

£30k extra for Newbury Town Centre Vision

£42,500 for Watermill Theatre (for refurbishment of restaurant, bar and event space as part of a strategy to grow income, helping to offset loss of Arts Council funding)

Total £172,500 to be fully funded by scrapping LRIE consultancy fees for 2023/24

*(Cllr Dillon declared a pecuniary interest in this item as the JV is an investment vehicle for the organisation he worked for. Cllr Dillon left the room for the duration of this item and did not vote).*

Councillor Marsh talked to the proposed amendment and said there were a lot of things to like with the Capital Programme and a lot not to like. The proposed amendments were fully funded and the difference between those in the papers and displayed on screen was

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thanks to the S151 officer who found some alternative funding. The proposal for the food bank was suggested after Councillors spoke to them and were informed that a vehicle would help them make their deliveries as it was not sustainable to rely on volunteers. It was proposed to have an electric vehicle. Members were informed that wildlife verges had been very popular. That is why they were proposing additional verges and planting of more urban trees. It was felt that the consultation for the Newbury Town Centre Vision had been a good piece of work and they recommended additional funds to help the projects progress. They also proposed funding to the Watermill so they could make upgrades to their restaurant and bars to help generate income that was needed since the Arts Council had stopped its funding. The proposals would be funded by scrapping the LRIE consultancy fees for 2023/24.

Councillor Tony Vickers reported that he was not against the LRIE but he was uncomfortable about scrapping the consultancy fees as work was needed for progress to be made. It had been 15 years with little progress and he felt that the consultancy fees should be retained in order to make progress.

Councillor Lynne Doherty said that a lot of the proposed amendments were commendable but she did not want to see the loss of the consultancy fees because progress was being made with a lot of work to come. She wanted to see job creation so people could stay local, there had been a lot of talk about Newbury Town Centre becoming dormant but this would be a risk if local job opportunities were not provided. The LRIE was dedicated employment land and she could not support any amendments that would delay its development.

Councillor Masters said that he seconded the amendment and that over the years there had been plenty to debate between the parties but today there was the opportunity to come to an agreement on the amendments. As Councillor Marsh had said tree planting and wildflower verges were very popular with residents and were very modest in financial terms. With regards to food bank, last year the Green Party lobbied to give a one off payment to help support the predicted difficulties facing some residents. This did not happen but they kept the conversation going with the charity and they wanted to provide support for at least the next couple of years whilst the pandemic and cost of living crisis continued to impact residents. With regards to the Watermill Theatre there had been a motion to Council that had full support and there had been lots of campaigning against the loss of funding. If the lobbying was successful then the amount in the amendment would help underwrite some of the lost funding.

Councillor Marsh suggested that the vote on the amendments be split into two parts; one covering the wildflower and urban tree proposals and the other for the remaining schemes to be funded by the reduction in the LRIE consultation fees. Councillor Rick Jones agreed to a split vote.

The Amendment for £25k extra funding for wildflower verges and £25k for urban trees was put to the vote and duly **RESOLVED**.

### **FOR the Amendments:**

Councillors Rick Jones, Adrian Abbs, Steve Ardagh-Walter, Phil Barnett, Jeff Beck, Dennis Benneyworth, Dominic Boeck, Graham Bridgman, Jeff Brooks, Jeff Cant, Hilary Cole, James Cole, Jeremy Cottam, Carlyne Culver, Lynne Doherty, Billy Drummond, Clive Hooker, Owen Jeffery, Tony Linden, Ross Mackinnon, Alan Macro, Thomas Marino, David Marsh, Steve Masters, Geoff Mayes, Andy Moore, Biyi Oloko, Erik Pattenden, Claire Rowles, Garth Simpson, Richard Somner, Joanne Stewart, Martha Vickers, Tony Vickers, Andrew Williamson, Keith Woodhams and Howard Woollaston

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**AGAINST the Amendments:** None

**ABSTAIN:** Councillor Alan Law

The Amendment for £50k delivery vehicle for West Berks Food Bank, £30k extra for Newbury Town Centre Vision and £42,500 for Watermill Theatre was put to the vote and declared **LOST**.

**FOR the Amendments:**

Councillors Carlyne Culver, David Marsh and Steve Masters

**AGAINST the Amendments:**

Rick Jones, Dennis Benneyworth, Dominic Boeck, Graham Bridgman, Jeff Cant, Hilary Cole, James Cole, Lynne Doherty, Clive Hooker, Tony Linden, Ross Mackinnon, Thomas Marino, Geoff Mayes, Biyi Oloko, Claire Rowles, Garth Simpson, Richard Somner and Howard Woollaston

**ABSTAIN:**

Alan Law, Adrian Abbs, Steve Ardagh-Walter, Phil Barnett, Jeff Brooks, Jeremy Cottam, Billy Drummond, Owen Jeffery, Alan Macro, Geoff Mayes, Andy Moore, Erik Pattenden, Claire Rowles, Martha Vickers, Tony Vickers, Andrew Williamson and Keith Woodhams

Councillor Jeff Brooks informed that apart from the project at Monks Lane the Liberal Democrat Group were going to support capital investment. The Administration stated that they were spending £393.7 million over the next ten years but £207 million was coming through CIL and S106 contributions, and the rest via borrowing. It was vital to invest in infrastructure and schools.

Councillor Tony Linden reported that he was pleased to see the proposed Capital Programme and informed that he had been involved in two of the projects for Calcot School. With regards to the Multi Use Games Area, this used to be in his ward and it was an excellent project. He also welcomed the work being undertaken on the Lido.

Councillor Adrian Abbs said that he was concerned about the public's understanding of the Capital Strategy as it lacked detail on the projects and there was little detail on tackling the Climate Emergency. He gave examples of how he felt the report lacked clarity such as the two lines for storage at the West Berkshire Museum costing over £800k with no explanation, how there was no detail for meeting the Playing Pitch Strategy or what was being delivered for active travel. Councillor Abbs said it was good to see invest to save projects such as solar panels but questioned why were they spread over a number of years instead of being up front and thus making more revenue income. He mentioned that more focus should be given to parking outside schools and a better understanding on how the Council was achieving its aims for the Climate Emergency Strategy.

Councillor Carlyne Culver said that she welcomed the ongoing funding of Member community bids as it was an example of how the Council was being responsive to community priorities. She also welcomed the funding of village speed limits as she received more complaints about speeding than anything else apart from potholes, she recommended that there be more Speed Limit Review Panels during the year.

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Councillor Doherty stated that Members were about to agree a Strategy that would spend a lot of money on exciting projects. Councillor Abbs said residents would not understand whilst Councillor Brooks talked about the money, but Councillor Doherty said she wanted to talk about the projects, not as the Leader but as a Ward Councillor. She said that there were some exciting projects planned for Newbury, they were investing in young people and this programme would make a difference to their lives. Two new primary schools had been opened during the current Administration and a third one was planned. She made reference to how she had worked with young people to provide facilities in Victoria Park and how as a young person growing up in the area she had enjoyed the Lido. She was proud to see the Council future proofing the Lido for future generations.

Councillor Jeff Beck mentioned the modelling work for the Robin Hood roundabout and along the A4 that would give benefits to thousands of people who used the area every day and would improve safety for pedestrians. He also made reference to the improvements proposed for care homes.

Councillor Marsh thanked Councillors who had voted for the amendments and said it was good to see Councillors coming together. He mentioned that there were many good projects proposed including the funds for a new classroom at Falklands School. He agreed that it was good that the Member community bids scheme had been retained but asked for more transparency around decisions and how money was to be spent.

Councillor Tony Vickers said he was concerned about the presentation of the Capital Programme. Previously the programme was over three years but now it was a ten year programme. Although it was presented well, so you could tell one year from another, there was a lot of zeros in the columns. To a member of the public reading the document it looked as if the money was running out. He said that future reports should revert back to a three year plan with more detail added and simpler explanations.

Councillor Masters said that it was nice to hear about all the great projects being proposed across many wards and the Leader had spoken about the Lido. However his party wished to see a greater focus on the environment and would continue to pursue this moving forward. He also asked if the Portfolio Holder could reassure residents that the work at Theale Railway Station would be completed as it was long overdue.

Councillor Richard Somner said he was pleased to once again see proposals to invest heavily in the district's roads and keeping people moving safely on the highway. There was £7 million investment over the next three years on carriageway resurfacing. There were also extensive structures and street light replacement and investment in drainage. He highlighted the extensive public rights of way program, the school streets project and public transport. Councillor Somner also said that there was over £6 million planned for upgrading Theale and Newbury stations. With regards to Theale he said that there had been a lot of external issues but discussions would continue to find a resolution. With regards to the Environmental Strategy, he mentioned the completion over the next two years of the Thatcham surface water management plan and investment in other flood risk areas such as Hampstead Norreys and Clay Hill. He said that Councillor Beck had already mentioned the upgrade to the Robin Hood roundabout but there was also further progress being planned on the new Local Transport Plan.

With regards to flood alleviation work, Councillor Jeremy Cottam mentioned that the Town Councils also had a big role to play in the projects.

Councillor Alan Macro said that with regards to Theale station he had been campaigning to get better access for years. He explained how getting access to the station for anyone with mobility issues was very difficult. He asked for the works to finally begin. Councillor Macro also mentioned that he continued to get complaints from residents regarding the



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Theale bypass with every increasing traffic volumes and HGV movements at night. He said that there was insufficient funding to alleviate the problem and asked that this be progressed.

Councillor Alan Law said that he wanted to comment to some of the statements made. He said that Councillor Vickers could only find the layout of the report to criticise yet he found it very clear, Councillor Brooks could only criticise were the funds were coming from when this was a strategy of capital works and the funds had been very well managed and Councillor Marsh had said it was not very transparent yet he felt the report was very transparent.

Councillor Steve Ardagh-Walter said that Councillor Abbs had said that there was little in the strategy regarding the environment. In response to that he referred to the long list of expenditure around active travel and flood protection to mention just a couple. There were many things this Council was doing to alleviate its impact on the environment. With regards to electric vehicles there were funds in place to add additional on street charging for residents who did not have off street parking. The number of electric vehicles on the road was still small but the Council wanted to be ahead of the curve.

Councillor Howard Woollaston provided an update on the works being carried out on the Lido and said that it would be open in July as planned. It would be a much better offer with a water slide and an Olympic sized swimming pool.

Councillor Dominic Boeck reported that he was pleased to hear the positive comments from Members on his side and from the Green Party but was disappointed by the negative comments from the Liberal Democrats about presentation and content. As a lot of the positives had already been discussed he wanted to mention the education aspects of the report including maintenance of our schools, facilities for young people, early years settings and primary schools, and especially support for the special needs setting. There was a new primary school to the north of Newbury and extensions in schools to increase spaces. This would allow more parents to send their children to schools of their choice. He was delighted to recommend the paper.

Councillor Mackinnon thanked everyone for their kind words and for contributing to the debate. He was pleased to hear how the Capital Strategy was benefitting wards across the district. With regards to Theale station he hoped the work would soon be completed, work had started on the bridge but the Council was reliant on Network Rail to get the project finished. With regards to traffic noise in Theale, the survey had been delayed but it was expected that the work would be completed this year. He agreed that speeding was an issue in rural wards and this would be looked at. He also agreed that the Members' bids scheme should continue to help with local issues. He referred to the Liberal Democrats' comments and said that with regards to funding, grants did not just appear, a lot of hard work had to be put into getting them awarded. External funding helped to reduce the tax burden on residents. He did not want to go back to a three year programme as it would be too short term. With regards to a lack of detail he said that there was a line by line spreadsheet informing of every project.

The Motion was put to the vote and duly **RESOLVED**.

### **FOR the Motion:**

Councillors Rick Jones, Alan Law, Steve Ardagh-Walter, Dennis Benneyworth, Dominic Boeck, Jeff Beck, Graham Bridgman, Jeff Cant, Hilary Cole, James Cole, Carlyne Culver, Lynne Doherty, Clive Hooker, Tony Linden, Ross Mackinnon, Thomas Marino, David Marsh, Steve Masters, Biyi Oloko, Claire Rowles, Garth Simpson, Richard Somner, Joanne Stewart, Andrew Williamson and Howard Woollaston

**AGAINST the Motion:** None

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### ABSTAIN:

Councillors Adrian Abbs, Phil Barnett, Jeff Brooks, Jeremy Cottam, Billy Drummond, Owen Jeffery, Alan Macro, Geoff Mayes, Andy Moore, Erik Pattenden, Martha Vickers, Tony Vickers and Keith Woodhams

### 84. Revenue Budget 2023 - 24

*(Cllr Dillon declared a pecuniary interest in this item as the JV is an investment vehicle for the organisation he worked for. Cllr Dillon left the room for the duration of this item and did not vote).*

The Council considered a report (Agenda Item 7) which recommended to Council the 2023-24 Revenue Budget which proposed a Council Tax requirement of £117.5m, requiring a Council Tax increase of 2.99% and an Adult Social Care precept of 2%. The Council Tax would raise £3.3m, the precept would raise a further £2.2m, and an increased taxbase would raise a further £1.8m. At a 4.99% Council Tax increase, the budget was balanced, after using £1.8m of reserves that have been specifically set aside. The overall Council Tax increase was intended to balance the financial impact of the pandemic on residents, mitigating the financial pressures they faced, as well as the cost pressures that the Council faced.

The Council was focussed on delivering services to residents and businesses that supported the overall Health and Wellbeing of the district, and assisted in the increased cost of living and continued recovery from the Covid-19 pandemic, building on the recovery strategy and improving the quality of services provided. The Revenue Budget supported this through the allocation of funds to core investment in the Council's strategies and through making revenue funding available to deliver the Capital Strategy.

The budget was supported this year through a financial settlement announced at the Autumn Statement that provided additional funding to the Council for social care at a time of historically high inflation as well as increased demand on services. At the same time, the Council faced significant pressures from the wider economy; as mentioned, inflation was at very high levels with interest rates also rising recently and forecasts from the Bank of England of a sustained recession for the UK economy.

The Council recognised the need to support the most vulnerable. The Council had set up a cost of living hub in 2022 to support residents, and the focus of the 2023-24 budget was supporting the most vulnerable by minimising any impact on front line services that were so crucial for the people and businesses of the district. This had been funded by utilising almost all earmarked reserves outside of the minimum level of general fund reserves, reshaping Council services, managing vacancies, increasing some fees and charges in line with inflation and delivering efficiencies. There was a Government funded £25 reduction on Council Tax for all Council Tax Reduction scheme claimants. The Revenue Budget sought to manage all of these demands whilst achieving financial balance.

The budget detailed the investment for the year ahead to deliver the Council Strategy, the ambitions in the Capital Strategy and to support core Council Services. This included investment in approved strategies for example Adult Social Care, the Environment Strategy, the Digital and Customer Engagement strategies and prevention work. The paper also included savings proposals, other income sources and the use of specific reserves to ensure the Council had a sustainable financial footing. The budget also allocated revenue funding to deliver the Capital Strategy that had a substantial amount of investment in infrastructure for the year ahead. The Council was proposing to support the budget with a £1.8m contribution from reserves; these were largely from specific

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reserves, for example the residual Covid-19 non-ring-fenced grant, Council Strategy reserve and Collection Fund reserves.

The report also proposed the Fees and Charges for 2023-24 as set out in Appendix F, the Parish Expenses as set out in Appendix G and recommends the level of General Reserves as set out in Appendix E.

**MOTION:** Proposed by Councillor Ross Mackinnon and seconded by Councillor Lynne Doherty:

“That the Council resolves as follows:

- 1) That Council approves the 2023-24 Council Tax requirement of £117.5 million, requiring a Council Tax increase of 2.99% with a 2% Council Tax Precept ring-fenced for adult social care.
- 2) That the Fees and Charges are approved as set out in Appendix F and the appropriate statutory notices be placed where required.
- 3) That the Parish Expenses of £17,880 are approved as set out in Appendix G.
- 4) To provide a £25 reduction to Council Tax for all Council Tax Reduction claimants, funded from the Exceptional Hardship Fund (EHF). The EHF has been set up by West Berkshire Council to cover the shortfall between the Council Tax Liability and the award of Council Tax Reduction. We recognise the importance of protecting our most vulnerable customers. An EHF was created to ensure that we protect and support those most in need. It is therefore intended to help in cases of extreme financial hardship and not support a lifestyle.
- 5) That it be noted that the following amounts for the year 2023-24 in accordance with regulations made under Section 31B of the Local Government Finance Act 1992, as amended (by the Localism Act 2011):-
  - a) 67,392.41 being the amount calculated by the Council, (Item T) in accordance with regulation 31B of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended by the Localism Act 2011), as its council tax base for the year (the number of properties paying council tax).
  - b) Part of the Council's area as per Appendix J being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which a Parish precept relates.
- 6) Calculate that the Council Tax requirement for the Council's own purposes for 2023-24 (excluding Parish precepts) is £117,472,381.
- 7) That the following amounts be now calculated by the Council for the year 2023-24 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992, amended by the Localism Act:-
  - a) £393,450,213 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2), (a) to (f) of the Act taking into account all precepts issued to it by Parish councils.
  - b) £270,969,869 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3), (a) to (d) of the Act.
  - c) £122,480,344 being the amount by which the aggregate at 7(a) above, exceeds the aggregate at 7(b) above, calculated by the Council, in

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accordance with the Section 31A(4) of the Act, as its Council Tax requirement for the year (Item R).

- d) £1,817.42 being the amount at 7(c) above (Item R), all divided by 5(a) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the 'basic amount of its Council Tax for the year (including Parish precepts)'
  - e) £5,007,963 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per Appendix J).
  - f) £1,743.11 being the amount at 7(d) above less the result given by dividing the amount at 7(e) above by the amount at 5(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relates.
- 8) That it be noted that for the year 2023-24, Police and Crime Commissioner for Thames Valley & the Royal Berkshire Fire and Rescue Service have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Councils area as indicated in Appendix J.
- 9) That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables in Appendix J as the amounts of Council Tax for 2023-24 for each part of its area and for each of the categories of dwellings."

Councillor Mackinnon said he was pleased to present the Revenue Budget for 2023/2024. This was his fourth budget as Finance Portfolio Holder and it had been the most challenging especially as inflation was at its highest level for over 40 years. He paid tribute to officers for their work on preparing the budget. His instincts were to leave as much money as possible in residents' pockets and when possible to freeze or cut taxation. The last few years had been very challenging and it was costing more each year just to provide the same level of services.

Councillor Mackinnon referred to 71% of the Council's income coming from Council Tax and the Adult Social Care precept. To meet the growing demands and increased cost a Council Tax increase of 2.99% and an Adult Social Care precept of 2% was proposed. The majority of residents who took part in the budget consultation supported this increase. Cost for both adults and children's services continued to increase and required an extra £10m in the budget compared to last year. This was the first time in three years that this Administration had recommended an increase in Council Tax to the maximum allowed. The proposed budget had been supported by utilising a specific earmarked amount of reserves whilst maintaining the level of reserves above the recommended minimum amount.

Thanks to Government funding the Council was able to provide a £25 reduction in Council Tax to all Council Tax Reduction Scheme claimants. Councillor Mackinnon informed that the budget provided for extensive investment to achieving the aims in the Council Strategy. He confirmed that there was support for areas still being affected by the pandemic. He explained how the budget also contained savings and income generation proposals totalling £9.1m to help fulfil the Council's responsibilities to residents to be as efficient as possible and provide value for money. Just as in previous years none of the proposed savings would result in cuts to frontline services.

Councillor Mackinnon noted that the Section 151 Officer was required to make a recommendation of the minimum level of the general reserve for non-specific items and

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risks, and this year that recommendation had been £7m. The recommended level of reserves for this year had been proposed at £7.2m. The budget proposed the right balance between investing in services and infrastructure whilst keeping finances on a stable footing.

**AMENDMENT:** Proposed by Councillor David Marsh and seconded by Councillor Steve Masters.

Original text:

“Newbury Sports hub running costs budget required from September 2023 (£30k)”

*Proposed amendment:*

*£25,000 for additional road safety officer to implement School Streets programme (part year from September 2023)*

*£5,000 contingency for watering trees on council land in the event of another drought*

*Total £30k to be fully funded by saving £30k on “Newbury Sports Hub running costs” (part year from September 2023)”*

Councillor Marsh said that the original motion asked to increase the numbers of civic enforcement officers to help with enforcement outside schools, but as the parking review was taking place that included staffing levels it was felt that that was the best place to look at this rather than an amendment. They would be making the appropriate suggestion to the review. He said that the other proposals were funded by using money proposed for the Newbury Sports Hub as he did not think that would be required given the level of opposition, this might be wrong and thus could be funded elsewhere from revenue. He said that with regards to the proposed watering contingency for trees, there was no point agreeing to plant new urban trees if they were left to die in a hot summer like the one we had just had. He mentioned how the fire brigade had been asked to undertake training in Goldwell Park using their hoses to water trees and how volunteers had come out to water trees.

With regards to the proposed additional road safety officer to implement the School Streets programme, Councillor Marsh said that as a Member of the Transport Advisory Group he had received an excellent report on how successful the trial had been in Calcot and he wanted to see it extended across the district.

Councillor Masters said that he hoped the willingness of Members to look at individual amendments would continue. As previously mentioned the school streets programme trial had been a success and there was an ambition to roll it out across the district. It would help with the health and wellbeing of children, improve air quality outside schools and help reduce asthma.

Councillor Mackinnon said that most people would struggle to disagree with the two proposals. With regards to road safety outside schools, he recanted a story about how he had an unfortunate conversation with a parent who had parked dangerously outside a school. Although he supported the proposal he said that regulations needed to be brought forward to give the Council powers to fully implement it. With regards to the watering of trees he said that he had been informed that when the Council awarded a contract to plant trees it should include watering in the event of extreme weather.

The Amendment was put to the vote and duly **RESOLVED**.

**FOR the Amendment:**

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Councillors Rick Jones, Alan Law, Adrian Abbs, Steve Ardagh-Walter, Phil Barnett, Jeff Beck, Dennis Benneyworth, Dominic Boeck, Graham Bridgman, Jeff Brooks, Jeff Cant, Hilary Cole, James Cole, Jeremy Cottam, Carlyne Culver, Lynne Doherty, Billy Drummond, Clive Hooker, Owen Jeffery, Tony Linden, Ross Mackinnon, Alan Macro, Thomas Marino, David Marsh, Steve Masters, Andy Moore, Biyi Oloko, Erik Pattenden, Claire Rowles, Garth Simpson, Richard Somner, Joanne Stewart, Martha Vickers, Tony Vickers, Andrew Williamson, Keith Woodhams and Howard Woollaston

**AGAINST the Amendment:** None

**ABSTAINED from voting on the Amendment:**

Councillor Geoff Mayes

Councillor Jeff Brooks said that with regards to his comments on the budget, if you looked at his speeches over the years there were several parts of the same speech that would be recognised by those in the room. He referred to his previous calls on the Administration to undertake a zero based budgeting exercise which challenged spend on every item, role and expense in each department. He stated that a key benefit of building the budget from the bottom upwards was that it focused attention on the actual resources required to produce an outcome rather than a percentage increase or decrease in the budget compared to the previous year and hoping for last minute grants. His recommendation was an approach to budgeting that started from the premise that no cost or activity should be factored in to a budget just because it was present in a previous period, and that everything to be included must be considered and justified.

Councillor Brooks also felt that the report did not contain enough detail on the proposals and gave some examples where not enough narrative had been provided to justify the savings. He also highlighted the risks posed by the assumptions over inflation, interest rates, the affect of the war in Ukraine and increased energy prices. The Council might be able to borrow on fixed term rates but there were still impacts on the budget as was case in the first quarter with the energy crisis. This budget was forecasting an overspend of over £5m making it necessary to raid the reserves taking them down to a dangerous level.

Councillor Marsh said that he was concerned about the savings proposed by managing vacancies. He felt that not recruiting to vacancies would have an adverse effect on service delivery. For example he mentioned that yellow lines in his ward were on the list to be painted but after years waiting officers say they were short staffed. He said that there were too many departments struggling within the Council.

Councillor Abbs said that the Liberal Democrats had many concerns about the budget but they had not put down any amendments as experience had shown over the last 18 years that the Administration would not listen to any amendments. He did mention that the Liberal Democrats planned to talk to partners such as Readibus, that they would remove the green bin tax, they would protect the vulnerable with an additional council tax exemption and they would listen to members from all sides of the chamber so they could deliver a budget that respected good ideas.

Councillor Masters mentioned that there had been cross party working as evidenced at this meeting with a number of tabled amendments being adopted. He said that since 2020 amendments had been voted down on block but a number of Members had said that if some items had been voted on individually then they would have supported them. He thanked the S151 officer for his help in finding funding options for the amendments and the Chairman for allowing a vote on separate items.

Councillor Alan Macro said that with regards to the saving and the review of care packages there was a similar saving last year and asked if this had been achieved and if

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it was achievable again in this budget. With regards to health funding for clients with mental health needs he believed the project was going slowly and wondered if it would be completed in the financial year.

Councillor Jo Stewart replied that the review of care packages was undertaken every year as clients circumstances changed. With regards to the proposed budget she said that work was ongoing with service providers in Adult Social Care to get a fair outcome in light of inflationary pressures. With regards to recruitment there continued to be challenges and agency costs continued to be high. Work was underway to explore how the Council could do more to attract people to permanent positions. Pressures on Adult Social Care would continue and the Health and Wellbeing Board were considering how best to support an ageing population.

Councillor Tom Marino referred to comments that the Administration never listened to proposed amendments but amendments had been accepted at this meeting. It was hard to listen to proposed amendments when they do not come to you for due consideration.

Councillor Owen Jeffery said that he was glad that Council had approved the school streets officer and that there was some cooperation across the Chamber as it did not happen very often.

Councillor Pattenden said that the opposition were part of scrutiny and it was their role to question the Administration. He referred to the list of proposed savings and asked if the Administration were making the same mistakes that they had made in the past such as cutting the Readibus service without consulting service users.

Councillor Graham Bridgman said that he recalled the opposition proposals to remove the green bin charge but when asked what would be cut to make up the shortfall there was no answer. With regards to scrutiny he said the Administration did listen but were also entitled to respond and question how alternative budget proposals were to be funded. He said that with regards to the Adult Social Care budget this would benefit from increased spending in health care by the NHS and discussions with them were ongoing.

Councillor Dominic Boeck said that he was pleased to see the investment being made in children's social care and family hubs as well as the additional funding to special needs and school transport. Since the pandemic it was concerning to see the demand for mental health services for young people increase the way it had across the country and in West Berkshire. He was pleased to see that that they had been able to propose funding for additional staffing. He mentioned that it was a shame that the Liberal Democrats had not brought forward any proposed amendments.

Councillor Biyi Oloko said he supported this forward thinking Revenue Budget. In response to suggestions to concentrate on zero based budgeting he was of the view that this was a thing of the past and not being considered by world economies. The administration had managed the budget effectively .

Councillor Doherty, as seconder to the report, said that she also wished to thank officers for their work on the budget as it had been the most difficult one to balance that she had seen in her eight years on the Council.

Councillor Doherty said that she was proud of all the work West Berkshire Council had done over the last four years. The Council Strategy focused on residents' priorities such as investing over £2m ensuring vulnerable children and adults achieve better outcomes or investment in maintaining the green district. . It had always been the aim to maintain a low Council Tax but due to external circumstances they had to propose the increase.

Councillor Mackinnon thanked Members for participating in the debate this evening. He mentioned that over the years he had disagreed with Councillor Brooks' views on zero

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based budgeting and said that the Council had many statutory functions that needed to be funded. With regards to last year's budget and the impact of inflation he said that not even the Bank of England had foreseen the sharp increase in energy prices and had been predicting a fall in inflation. In year mitigations had been undertaken and overspends brought under control. With regards to reserves he reiterated that they were proposed to be at a level above the minimum advised by the S151 Officer.

The Motion was put to the vote and duly **RESOLVED**.

**FOR the Motion:**

Councillors Rick Jones, Alan Law, Steve Ardagh-Walter, Jeff Beck, Dennis Benneyworth, Dominic Boeck, Graham Bridgman, Jeff Cant, Hilary Cole, James Cole, Carlyne Culver, Lynne Doherty, Clive Hooker, Tony Linden, Ross Mackinnon, Thomas Marino, David Marsh, Steve Masters, Biyi Oloko, Claire Rowles, Garth Simpson, Richard Somner, Joanne Stewart, Andrew Williamson and Howard Woollaston

**AGAINST the Motion:**

Councillors Adrian Abbs, Jeff Brooks, Owen Jeffery, Alan Macro, Andy Moore, Erik Pattenden, Martha Vickers, Tony Vickers and Keith Woodhams

**ABSTAIN:**

Councillors Phil Barnett, Jeremy Cottam, Billy Drummond and Steve Masters

*(The meeting commenced at 5.10 pm and closed at 8.22 pm)*

**CHAIRMAN** .....  
**Date of Signature** .....