

Council 11 February 2021

Budget Speech 2021/22 by the Leader of the Council,

Councillor Ayesha Azad

Madam Mayor,

It is my pleasure to present my first Business Plan, Budget and Council Tax proposal as Leader of the Council.

Each year previous Leaders have stood before Council and spoken about the challenges of the previous year or those of the coming year.

This year has been like no other. Shortly after our last Budget meeting, the world changed as the COVID-19 pandemic spread across the world. We as a nation have faced its full force. Every aspect of our lives has changed and every aspect of the Council's business and function has needed to adapt.

The impact on our finances has been severe but due to prudent Conservative leadership over recent years, we had built reserves to cope with economic downturns.

I thank previous Leaders for that foresight and the Director of Finance and her team for their diligence and prudence.

The Council's teams across all service areas have undertaken extensive work in supporting the community during the Covid Pandemic; and they continue to do so.

The events of last week where our staff, working with the Surrey Local Resilience Forum, did such a positive job in undertaking the "Surge Testing" in part of the Borough only serves to further demonstrate their commitment to residents.

I am grateful to all our staff for the valiant work they have done this year.

Despite the overwhelming challenges of COVID-19, this Council has moved forward with its initiatives.

With your permission Madam Mayor, I would like to mention a few examples.

My predecessor Cllr Bittleston long campaigned for the Regeneration of Sheerwater. The first two phases, 92 residential apartments in the Purple Phase and the Leisure Centre at my former school Bishop David Brown, started in 2020 and both will be completed in summer 2021.

This represents significant progress and dispels the idea that infrastructure cannot be implemented alongside residential development.

The Local Development Framework Site Allocations seems to have been a feature of Leader's speeches over the last few years. I hope, at last, following extensive public consultation, we will shortly submit the final representations on our proposals to the Planning Inspector.

As Conservatives, we have sought to protect the Green Belt by concentrating our development in the town centre.

I have given a public commitment to discuss this more fully with residents and to listen to their feedback on how we can balance the need for housing whilst enhancing the character of our town and villages.

When we promoted the Victoria Square Development one of the objectives was to attract other developers to come forward with proposals to deliver at least half of our housing growth in the town centre.

We'll have a wider conversation with residents on the Town Centre, however the Council has committed to delivering the housing numbers agreed in 2012 as part of its Core Strategy.

Investment in the town centre by businesses like Gordon Ramsay is driven by the expectation of thousands of new customers living there. And the consequence of not providing for more housing in the town centre will not only be fewer houses but fewer services.

Town centres will become places where people don't just go to shop, but a place where communities live, work, eat, and be entertained. It's this vitality that will help create employment opportunities and ensure commercial rents are paid.

These commercial rents are not the rationale behind our strategic investments – but the income they do provide inevitably allows the Council to continue activities it would otherwise not be able to do so.

We cannot succeed in delivering services to our communities and those most in need, if we dismantle the principle of future housing provision in the town centre.

Our town centre is the economic hub that provides power to the whole Borough and its other commercial centres; its success is the whole of our Borough's success.

I am grateful to Councillors Kevin Davis and Ken Howard championing the Climate Change Agenda on a cross party basis. We launched Planet Woking that has been very positively received.

Working with Thamesway under the Action Surrey initiative, we secured over £3m "Green Homes" grant that will help households across Surrey improve the energy efficiency of their homes.

The Victoria Square Development has progressed positively but the Covid pandemic has affected it in respect of delivery timeframe and costs.

We will consider this matter later in the agenda and I hope the Council maintains its positive approach to this project that is producing such a positive transformation in the town centre.

The Council has a record of accomplishment in working with Your Sanctuary which has been supporting our community during these increasingly difficult times.

In 2020, we completed a new Women's Refuge for Your Sanctuary, ensuring that women under the threat of violence have a safe place to live whilst long-term solutions are secured.

The Government's "everyone in" initiative during COVID-19 presented both a major challenge and a major opportunity to address homelessness and rough sleeping in our Borough.

Housing colleagues have worked with the York Road Project and with the support of American Amusements in making available Woking Hotel in addition to our use of the HG Wells centre.

This has meant we housed more than 150 people who were rough sleepers or other people who would have become homeless during 2020.

In the future, the way that we as a Council can integrate with the health and wellbeing services provided by our partners will have a significant impact on residents.

From streamlining and enhancing support for people leaving hospital with a joint discharge team at St Peters Hospital to the relocation of physiotherapy services from Ashford St Peter's Hospital to Woking Leisure Centre, more work is underway to embed these services within our own.

In the four months since I became Leader, I believe the Council has made progress towards a new, more inclusive and transparent approach.

This administration remains committed to having a constant conversation with the people of Woking.

To that effect we have launched the Resident's Panel, which will form part of the wider Woking Forum hosted by Peter Gordon, formerly of Eagle Radio, and will promote engagement with and between Woking Borough Council and the people it serves.

I'm delighted that many residents have already registered an interest in taking part. Later this month, they and some 10,000 homes will receive application forms to join the 1,000-person Resident's Panel.

From housing development to the Council's governance arrangements, this will be an embedded democratic forum for the Council to engage with residents and focus groups.

There will be opportunity for residents themselves to set the agenda – an arena for opinion, ideas and feedback that I hope will become an exemplar for others to follow.

I have also made a public commitment to openness and transparency. It remains my belief that there are certain instances where the Council has a legal duty to hear information in private.

But in all other instances, residents have the right to know what we as Members know. Only that way can they properly judge our performance and whether we are representing them.

Similarly, I made it a priority to learn the lessons and implement the Independent Report into the Woking Football Club development.

Together these illustrate my commitment to what I set out, upon becoming Leader, which was to be a Council focussed on residents and how they can help shape the future of their Borough.

Turning to the financial challenges that remain with us, later this year we will be conducting a Business Review to ensure that this council remains fighting fit and delivering best value for taxpayers in all that it does.

That is an opportunity, not a threat; the emphasis will be on better, more efficient ways of doing things rather than trying to do the same things with fewer people. As technology and the way people receive services changes, I believe we need to keep pace with that change.

So what is in front of members is a budget of responsible restraint and of resilient optimism.

For 2021/22, we are able yet again to propose a modest Council Tax increase and yet maintain services for local people despite the challenges we have faced due to the pandemic.

But above all, it is a Services-Protecting Budget that helps our most vulnerable residents by asking taxpayers for a Band D increase of just 10p a week.

I know that any increase is unwelcome. I understand that many residents will have been hoping otherwise.

However, I hope that residents will understand my motivation in wanting to ensure that while the pandemic remains active, the council retains its ability to keep services going and deploy them where needed.

My administration will do everything it can to avoid cuts to the services our residents rely upon on a daily basis.

We know how damaging these would be in a year that has seen us do such great work housing the homeless, expand the community meals service and where our community centres have become hubs of hope during the dark days of the pandemic.

This budget has only been possible through the skill and hard work of our officers.

They all deserve our thanks. It is a tremendous achievement.

Madam Mayor, we go into the next municipal year with a clear plan for recovery and knowing what needs to be done. With your permission, I will now ask the Portfolio Holder for Finance Cllr Simon Ashall to present to Council the details of this plan.

Madam Mayor, I am grateful to you and The Leader of the Council for this opportunity to address the Council.

As the Leader of the Council has said this evening, the impact of COVID-19 on this Council, as with everything else, has been immense. An amount of more than £7m is forecasted to be used from our reserves in 2020/21, with another nearly £10m forecasted the year ahead.

The Council has seen considerable reductions in income from parking, the commercial rents received as an implication of strategic investments and through the need to support leisure services, which it would have needed to have done in any event.

The total cost is immense – nearly £14m – and it is only the funding from the government of £6.5m that has kept the situation from being even worse.

Government support or not, the Council is simply not able to continue this provision for 2022/23, as it could not set a budget that would effectively drain its reserves in their entirety.

Against this backdrop, the finance team have responded by doing everything they can. They have worked tirelessly to administer the various grants for businesses to ensure that money reaches its intended targets swiftly.

In the rush of the pandemic, local authorities have needed to be creative and display great initiative in order to get this done and I know everyone would join me in commending the work that has taken place.

The Finance Director is in the process of engaging with the government to seek assistance through flexibility to use capital resources to protect reserves.

I'm delighted that our Member of Parliament Jonathan Lord is helping to put Woking's case to the government and I thank him for that.

Unlike some other authorities, this Council has been able to identify its potential financial problems well ahead of time. It has a considerable buffer of reserves and time that some others have not.

But let us be clear, Madam Mayor; this is about the most serious financial situation in which this council has ever found itself. And certainly the most serious since its incorporation as a Borough in 1974.

Yes, this administration is protecting services – but it is doing so with transfers from reserves. That cannot go on indefinitely.

We need the government to recognise the work this Council does in strategic place-shaping, economic development and driving better social outcomes through a holistic approach to investment, service and public management.

I hope the Council's request is met with the serious consideration it deserves. It would be impossible right now to know for sure the consequences of the alternative.

In the meantime, our investment ambitions have been adversely affected so we have suspended 20 projects in respect of which we do not have a contractual commitment to progress.

Like all members, I hope that the suspension is temporary but I cannot say how long that will be at this time. We may need to wait until the road to recovery is well-established.

As I made clear at the Executive Committee last week, this administration has done and will continue to do everything it can to avoid service reductions.

It is particularly good news that the grants to voluntary organisations that were agreed by the Executive in December are able to progress for 2021/22.

However, there is no guarantee that they will do so again. Everything depends on the financial outlook for 2022/23 and as I have previously said, the Council cannot set a budget for the following year that leaves no reserves.

COVID-19 has put so much of local authority finance out of the control of local authorities. What is clear is that we must be proactive about the things we can control and resilient about the things we cannot.

So the Council's plan for recovery centres around the things it can do to help the local economy, residents and businesses survive, revive and thrive.

Whatever town centre development looks like in the future, the economic development of Woking is key to our recovery. For that reason, this administration will seek to ensure completion and delivery of the Victoria Place project in 2021.

That project is an exemplar that will attract investment to our borough, creating jobs, generating commercial rent and promoting Woking as a hub for retail, entertainment and hospitality.

To further help retain jobs and economic vitality, this council will distribute almost £3m of discretionary funding to businesses in Woking this year and next.

We want to help those who may have fallen through the cracks of other schemes or who are businesses in need with a clear plan to recover.

The Leader of the Council already talked about the need to review our business in 2021. That process also includes seeking efficiency through joint working.

This administration will also look to open discussions on working jointly with other councils with whom we have commonality in west Surrey. In the context of the unitary discussions last summer, the future of our joint working arrangements will have significance for our finances.

We will continue to action the vast majority of the investment programme, which is already committed to and proceeding as planned. In the context of COVID-19 recovery, these projects are positive ventures that fuel better neighbourhoods, better connectivity and where we can continue to invest, we should.

Outside the Investment Programme, I encourage Members to reconsider the use of the Local Community Infrastructure Funds that are available to them to help bring facilities and opportunities into local areas.

The infrastructure around these projects has been recently improved and decisions are now made by a working group meeting regularly. This money is likely to disappear if it not used, which would be unfortunate on residents, for whose benefit this money is intended.

At the next meeting of council, we will be discussing an updated Medium Term Financial Strategy with more details on the future financial planning.

This will include limiting acquisitions for the foreseeable future – we cannot afford to take on any further borrowing implications while we are asking staff to withstand a pay freeze and the government to help us out.

Instead, any investment we make may need to be directed at COVID-19 recovery. That may include the repurposing of town centre spaces for a world where high street and shopping centre retail does not fit with people’s habits, nor with new concepts of social distancing and crowded spaces.

There are new opportunities here in the fields of entertainment and experience-creation – opportunities that may need to be considered to make Woking a destination and to fuel the local economy.

They may take some initiative, imagination and investment on the part of the Council. But they may also be the only way we can ensure everyone in the Borough is part of the COVID-19 recovery.

That is for the future – uncertain though it may be at this point.

For now, Madam Mayor, and with a clear plan about how we can push forward with the things we do control, I will hand back to the Leader of the Council.

Thank you Cllr Ashall.

Madam Mayor, we go forward as an administration facing up to and learning the lessons of the past, while looking to a future where we make decisions alongside residents according to an agenda that they will help shape.

My offer to all Members of the Council, of whatever party, to join me and my Conservative colleagues on that journey stands today as it did last October.

It is rarely a smooth road to travel but it is a privilege to travel it nonetheless.

I commend to members the budget set out. In an unprecedented and historic year for all the worst reasons, it is the very best of service-protecting budgets.

Cllr Ayesha Azad

Leader of the Council

11 February 2021.