

Public Document Pack

COUNCIL - 10.10.23

AT A MEETING OF THE BOROUGH COUNCIL held in the Council Chamber - Town Hall - Maidenhead on Tuesday 10 October 2023

PRESENT: The Mayor (Councillor Neil Knowles), The Deputy Mayor (Councillor Simon Bond)

Councillors Clive Baskerville, Adam Bermange, David Buckley, Mandy Brar, Catherine Del Campo, Alison Carpenter, Richard Coe, Carole Da Costa, Wisdom Da Costa, Devon Davies, Karen Davies, Jack Douglas, Jodie Grove, Geoff Hill, Mark Howard, Maureen Hunt, Lynne Jones, Ewan Larcombe, Sayonara Luxton, Siân Martin, Chris Moriarty, Helen Price, Gary Reeves, Joshua Reynolds, Julian Sharpe, George Shaw, Gurch Singh, Kashmir Singh, John Story, Helen Taylor, Amy Tisi, Julian Tisi, Leo Walters, Simon Werner and Mark Wilson

Officers: Stephen Evans, Elaine Browne, Elizabeth Griffiths, Andrew Vallance and Kirsty Hunt

Minutes reflection

Before the meeting started the Mayor led a minute's reflection on the terrible events that had happened in Israel over the weekend and to spare a thought of all those still affected by the awful situation that was continuing there.

31. Apologies for Absence

Apologies for absence were recorded for Councillors Gosling and Majeed.

It was noted that Councillors Blundell and Cross were in attendance remotely and took no part in the vote on any item.

32. Declarations of Interest

There were none declared.

33. Public Questions

a) This question was withdrawn.

The Mayor confirmed that Mr Baldwin's question and supplementary had been withdrawn in advance of the meeting.

b) Fiona Tattersall of Riverside ward asked the following question of Councillor Jones, Deputy Leader of the Council and Cabinet Member for Finance

The residents of RBWM have been told there is a debt of £203 million. Over how many years has this been accumulated and why?

Written response: *The debt has been accumulated since 1998 when the new RBWM Unitary Council inherited a share of Berkshire County Council Debt and Outstanding loans relating to this particular debt amount to £3.2m.*

Councils regularly use, and indeed are advised to use, available internal cash to fund capital projects in order to avoid incurring interest charges which means that borrowing dates do not neatly align with the purchase of assets making it more difficult to directly relate individual

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drawdowns to spend. Looking at cost lines over 4m there has been some high value items such as:

<i>Braywick Leisure Centre</i>	<i>38.5m</i>
<i>Vicus Way Car Park</i>	<i>13.35m</i>
<i>Windsor Office Accommodation (York House)</i>	<i>10.2m</i>
<i>Broadway Car Park & Central House Scheme</i>	<i>8m</i>
<i>Waste Vehicles</i>	<i>5m</i>
<i>St Clouds Way Ten Pin Bowl- Purchase Leasehold Int</i>	<i>4.6m</i>
<i>School Expansions and maintenance</i>	<i>53m</i>
<i>Roads Resurfacing-Transport Asset & Safety</i>	<i>15.3m</i>

Although there would be government funding for a proportion of school expansion projects. There are just under 900 lines of capital spend over the last 10 years.

In 2019 we were told the debt would be repaid by 2024. By 2020 published papers indicated that this debt would be paid back from £425m of capital receipts and grants by 2035. The rising value of debt over the last decade is shown in the table below:

<i>2013-14</i>	<i>2014-15</i>	<i>2015-16</i>	<i>2016-17</i>	<i>2017-18</i>	<i>2018-19</i>	<i>2019-20</i>	<i>2020-21</i>	<i>2021-22</i>	<i>2022-23</i>	<i>2023-24 forecast</i>
<i>£59m</i>	<i>£59m</i>	<i>£60m</i>	<i>£68m</i>	<i>£93m</i>	<i>£148m</i>	<i>£222m</i>	<i>£192m</i>	<i>£206m</i>	<i>£233m</i>	<i>£204m</i>

Fiona Tattersall asked, through the Mayor, for clarification that there was only £3.2 million of the loans taken out to pay the original old County Council debt left on the council books.

Councillor Jones confirmed that the residue of the original loans amounted to £3.2m.

c) Andrew Hill of Boyn Hill ward asked the following question of Councillor Jones, Deputy Leader of the Council and Cabinet Member for Finance

Currently the council's debts stand at £203m. The impression I got from recent meetings was that Cabinet were unsure how all these debts were incurred. Does RBWM have best value reports underpinning all of these expenditures, and why are income generating assets like community centres left empty or demolished?

Written response: *The increase in debt can be seen from 2016 to 2020. Councils regularly use, and indeed are advised to use, available internal cash to fund capital projects in order to avoid incurring interest charges which means that borrowing dates do not neatly align with the purchase of assets making it more difficult to directly relate individual drawdowns to spend.*

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However, CIPFA, in their 2020 Report stated that their overall concern was ‘that the lack of financial transparency and Medium Term Financial Planning over a number of years has masked the financial problems that RBWM were facing and that, potentially, could have been avoided.’

They also stated ‘Overall we have concerns that:

- *Members were able to circumvent RBWM’s approved policy framework to include additional schemes in the capital programme without appropriate challenge from officers;’ and*
- *Schemes appeared in the Capital Programme with no business case;*

My understanding of the process is that where capital expenditure does not relate to service delivery and is proposed to fund an investment with financial return, the business case relating to that proposal would be published at the time as part of the Cabinet consideration of the investment.

The asset portfolio is under review, especially in light of the current financial situation and all options for income generation are being considered.

Andrew Hill noted that Councillor Werner had previously used the phrase “fake budget”. He observed that although councillors were warned in the code of conduct not to criticise officers, he considered that there was a risk that the meeting would be a “fake meeting” without discussing how previous administrations were enabled and cited examples which he said should not happen in a best-value authority.

Andrew Hill asked whether it represented best-value to keep community centres empty, when there were community groups offering to pay rent, which would surely reduce the council’s debts and save services.

Councillor Jones responded that the Council was reviewing all of their assets and if there was a viable business case for rental to groups when compared with other options then it would be considered.

Councillor Werner, Leader of the Council replied to the points made and stated that it was councillors who make the decisions and not officers. Officers advise but councillors decide. He added that as seen within the budget Conservative councillors decided to build up large levels of debt with no real plan to pay them; decided to build a massive car park for commuters in the middle of lockdown, not knowing how work patterns would change; decided to use out of date inflation figures in their February budget and fixed the budget two months before they needed to in December giving them the wrong inflation rate and decided to include a whole list of savings targets that they knew would be impossible to achieve. He stated that Conservative councillors knew all these things as they were raised repeatedly at budget meetings but these decisions were made. He stated that it was therefore their job to fix the mess.

d) Andrew Hill of Boyn Hill ward asked the following question of Councillor Jones, Deputy Leader of the Council and Cabinet Member for Finance

According to the South West Maidenhead SPD, the funding gap for the golf club site theoretically underpinning the medium term plan capital receipts is £47.4m. Given developers report problems with inflation, raw materials, and housing market, does RBWM now expect a much smaller return if developed, and has this loss been quantified for the MTFP?

Written response: *The £47.4m you reference is the estimated required infrastructure investment above the CIL receipts expected and is expected to be funded by S106 contributions from the developments. There isn’t a direct relationship between the*

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infrastructure funding and the council's potential financial return as a landowner which forms part of the MTFP.

Discussions around all asset income are ongoing and while revisions of the MTFP will be updated with the latest estimates given to Finance, they will only be considered final as and when decisions are made.

Andrew Hill reported that Councillor Werner said that the golf club value projections were "inaccurate finger in the air predictions" and in February, Councillor Julian Tisi had suggested that the golf club receipts were as low as £120m. He stated that developers at Harvest Hill South had rejected the Council's simple preferred model of s106 funding which the council says would lead to "greater uncertainty" on the funding of essential infrastructure. He continued that councillors had allowed the Property Company to transfer massive unknown cost risks from developers onto tax payers citing the Magnet deal and HS2 as examples. He concluded that The Transparency Code 2015 stated that "commercial confidentiality" was not breached by the routine publication of public contracts, and advised councils transparently to publish them all. He asked whether this would be done.

Councillor Jones responded that she had asked officers to consider the transparency code 2015 guidance and would seek to publish contracts as long as they do not break commercial confidentiality. She asked that it be noted that some contracts were negotiated over a period of time so would not be published until all negotiations were complete.

34. Update on Council's current financial position

The Council discussed the update on the Council's current financial position. The Mayor referred the councillors present to the series of slides which had been circulated with the agenda and noted that all councillors had received an in depth briefing from the Chief Executive and the Section 151 Officer before the meeting.

Councillor Jones, Deputy Leader of the Council and Cabinet Member for Finance explained that she was proposing the slightly altered motion because the background report was written in her name, as discussed at Cabinet. Councillor Jones proposed the following motion:

This Council supports the actions being taken by the Cabinet and senior leadership team to reduce the financial deficit facing the Council and agrees all councillors need to take responsibility for ensuring this Council does all it can to achieve financial sustainability.

Councillor Jones spoke to the motion explaining that the report detailed the current forecast for the years outturn was an overspend of £7.3m that reduces to £3.6m when all contingency funding had been allocated. This would reduce reserves to £6.6m which was below the minimum requirement of £7.9m as set in February 2023. The budget gap for 2024/25 currently sat at £6.2m. Officers and lead members were working hard to bring that down and much of this work would be seen in the draft budget due to be considered at Cabinet in November. She stated that the scale of the budget gaps put the Council at risk of a Section 114 notice unless urgent action was taken.

She stated that the causes were self-evident: higher than budgeted inflation had added a £1m pressure to contracts; the high level of debt compared to revenue budget had increased borrowing costs which meant this was now forecast to be £8m this year and £14m next; as well as the increasing demand and cost for social care. She continued that when also factoring in recruitment difficulties, made worse by this council's salaries being lower than neighbouring councils resulting to the use of more expensive agency staff and the indication that a number of 'high risk' savings were unlikely to be achieved this added another £2m pressure. She referred to this as a perfect storm which the low level of reserves, at £10.2m,

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could not absorb. She stated that the Administration and officers had put together a plan to get the council out of the inherited mess but it must be implemented and must succeed.

She had reflected on the budget approved in February 2020, when the officers made an 'at risk' statement and reread the comments around closing the budget gap. She noted that at paragraph 9.5 the report stated that there was considerable uncertainty around the size and scale of future budget gaps and that RBWM was already a low spending council that restrained it from reducing costs. Councillor Jones set out the seven principles proposed in 2020 noting that it was difficult to measure any success as financial resilience had not improved. She stated that given those principles the Council's Reserves should currently be standing at £18.8m but they were not. She continued that the budget papers in February 2023 stated that Council Reserves were under considerable pressure. Whilst Reserves were strengthened in 2021/22 for 2022/23 they remained low. She observed that Reserves should only be used to smooth and mitigate short term impacts as they were one-off sources of funding so should never be relied upon in lieu of a financially sustainable budget, but they can be used to manage short-term risks whilst longer-term, often transformative, solutions were put in place. She concluded that those longer-term solutions had not materialised and one-off funding appeared to have 'filled in' the budget gaps.

Councillor Jones reported that the Council could have absorbed the demand and inflationary pressures as although it would have been challenging and prevented investment in some services it was, in her view, achievable. However, she observed that the borrowing costs on the council's debt (carried over from 2019) had pushed the council to a tipping point. The debt seemed to have escalated without control over the four years 2015-2019.

Councillor Jones highlighted the following points of the plan:

- establishment of a spending review panel,
- challenge sessions to go through forecasts, pressures and opportunities
- transformation of services by putting in processes and systems that allowed a more efficient use of resources
- maximisation of income.

Councillor Jones stated that with the International Monetary Fund (IMF) warning that interest rates would need to stay high into 2024, it was essential that the Council reduced its debt.

Councillor Jones summarised what she considered her councillor colleagues could do. She asked councillors to support the officers in strengthening the council's governance, challenge constructively through the scrutiny system, be aware of opportunities to generate income and let officers know their thoughts. The budget process was being finalised and she asked that they feed-in to that process. There would be engagement sessions for the Corporate Plan and noted that opinions gained through those processes could influence change. She concluded that she was confident they had a senior leadership team who, with members support could bring about the change needed.

Councillor Werner, Leader of the Council and Cabinet Member for Community Partnerships, Public Protection and Maidenhead seconded the motion.

Councillor Larcombe advised he had some proposed changes and explained each proposed alteration to the motion as written:

- 'This' should be replaced by 'RBWM' to make it precisely clear
- Insert 'inherited' because it was an issue created by somebody else
- Remove 'the' and add 'this'
- Remove the quantitative word 'increase' in the original wording and replace with 'improve'
- Extend reference to sustainability to include social and environmental sustainability because they all cost money as this would affect other areas.

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Councillor Larcombe advised he was not asking for more money even though the River Thames scheme needed £53m and he had found the true reason why this had not happened. He also requested a recorded vote.

Councillor Jones did not accept the proposed alterations to the substantive motion.

Councillor Larcombe therefore proposed the following alterations which were seconded by Councillor Wisdom Da Costa:

*This **RBWM** Council supports the actions being taken by the Cabinet and senior leadership team to reduce the **inherited** financial deficit facing the **this** Council and agrees all councillors need to take responsibility for ensuring this Council does all it can to **achieve improve** its financial, **social and environmental** sustainability.*

Upon considering the proposal the Mayor concluded that the wording changes edited the substantive motion rather than acting as an amendment and therefore did not accept the changes. Subsequently the meeting returned to the substantive motion.

Councillor Walters opened the debate by stating he was surprised that within five months of the election the new Administration was already blaming the Conservatives for financial troubles. He stated that in February the council had set the lowest council tax in the country, had a reserve of £10,000 and now the Liberal Democratic Administration were beginning to panic. He continued that everyone had debt, it had to be managed and kept in perspective.

Councillor Reynolds considered that this was one of the most important motions the Council had considered in his time as a councillor as these financial problems had long running consequences being a mixture of both long-term problems and more recent issues around debt interest, refinancing and Capital spending projects. He stated the current Liberal Democratic partnership was committed to fixing the mess. He observed that residents had chosen to remove the majority of Conservative counsellors instead had elected hardworking Liberal Democrat and independent councillors who were champions for the community to make decisions. Reflecting on comments in the Maidenhead Advertiser he stated that anything less than knowing the problems that you face was an abdication of responsibility, that one of the first things the new Administration had done was found out the problems and develop a plan. He noted that they acknowledged that there were going to be difficult decisions and the 12-point plan had been laid out to get the problems sorted so he was fully behind it.

Councillor Wilson reflected that when he looked at the Borough's debt he asked what they had to show for it and how was it allowed to build up. He noted that the Council had some assets such as the Braywick Leisure Centre, and the Vicus Way car park. He noted that they also had some slightly less bad roads, and some slightly less bad school buildings, but not £203m worth of assets that were covering their financing costs. He questioned whether there were robust processes and assessments of the capital projects and their financing during 2016 and 2020 when the debts were incurred. He referred colleagues to the report by the Chartered Institute of Public Finance and Accountancy (CIPFA) as presented to Cabinet on 26 June 2020. In a previous review, CIPFA had looked into a ward issue where they found a lack of transparency around the financial implementation of capital schemes. As a consequence of those findings, CIPFA extended their scope to a wider review of financial processes, management and governance in the Borough. Councillor Wilson explained that CIPFA's report found many weaknesses and highlighted two points as typical of the conclusions:

1.5 RBWM needs to address a large range of issues in relation to governance and financial management in order to demonstrate that it is managing its finances in a legal, transparent, professional and competent way.

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2.60 RBWM's capital investment plans are not linked to affordability. The budget report does not set out the ongoing costs of the capital programme, how it is intended to be financed and the risks to RBWM's future financial sustainability.

Summarising other comments, CIPFA had concluded that there was no robust or transparent medium term financial plan, no effective Capital Strategy, and no risk assessment of the Capital Plans. Councillor Wilson stated that in his 30 years as a qualified chartered accountant he had never seen such a damning audit or review report. Focussing on the future he applauded the new Administration for bringing the dire financial situation into the light and would take the opportunities to support improvements in processes and reviews through his work on the Audit Committee and on the Corporate Overview and Scrutiny Panel.

Councillor Reeves reiterated comments on the borrowing approach taken by the previous Administration. He thanked the current senior leadership for the strength of responding to their fiscal responsibilities and not shrinking away from such a difficult message and decisions ahead. He stated that RBWM needed an improved contract management functionality and approach to reduce pressures being leveraged on the stretched budget. Asking how to reduce costs within existing contracts and upcoming contractual renewals and negotiations to ensure a value of money proposition and services from the council's large contractual commitments. He was pleased to see a spending control panel being set up to oversee any requested non-essential spending. He stated that within his ward residents' response had been a sense of understanding and support for what needed to be done, in the right way, to give a sustainable future for the borough. He concluded that the motion was about ensuring the council was given the tools to fix its financial problems and construct a strong stable and robust foundation for financial health. These were not only words but actions that needed to be followed through.

Councillor Julian Tisi stated that the financial situation that RBWM currently found itself in should not come as a shock, given that the reasons were outlined by CIPFA three years before. CIPFA made it clear that the Council were on the brink of Section 114 but COVID funding briefly masked the situation. He quoted from the CIPFA report relating to the approval process for the £350K neighbourhood improvement scheme being questionable, that the lack of financial transparency at RBWM had masked the financial problems and that there was no recognition that challenge was a good thing. He stated that the current situation should have been foreseen and challenged earlier e.g. servicing a £203m debt. Borrowing costs were reaching £14m in 2024/25 which was well over 10% of the council's annual budget. He noted that the significant increase in costs was due to interest rates but queried with debt financing coming up for renewal why had lower rates not been locked earlier. He concluded this was due to a lack of challenge, financial management or long-term planning. He stated this was a toxic combination of high spending, low reserves, unrealistic budgets, dodgy assumptions to balance the books and indeed reckless financial management. He confirmed his commitment as Chair of the Audit and Governance Committee to do what had to be done to bring the council finances back in order and to fix the mess.

Councillor Gurch Singh reiterated comments on the financial management, borrowing approach and mismanagement of public assets taken by the previous Administration for the past 16 years. He focused on the previous disregard for warnings regarding speculative development and that the borough local plan containing sites that may meet housing quotas but failed to meet actual housing needs which exacerbated the housing crisis in the borough increasing housing list and pressure on residents and Council services. He concluded that the community deserved better and supported the motion in order to invest in a brighter and more sustainable future.

Councillor Devon Davies focused his comments supporting the motion on using the financial challenge as an opportunity not only to deliver a more cost-effective service to residents but also a superior one. He strongly encouraged cabinet members,

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scrutiny panels and officers to seriously consider the possibility of bringing more third-party service providers in house. Citing dealing with environmental crime, grounds maintenance, parking enforcement, waste management, highways and street lighting as examples where an internal service provider could more transparent and responsive.

Councillor Martin stated that it was reported in the LGA Corporate Peer Challenge Report in January 2022 that scrutiny was improving and becoming less party political but there was still work to be done in encouraging the Executive to recognise the value of good scrutiny. She questioned whether the problems would have occurred had the value of scrutiny been understood. She stated that the new approach to scrutiny was to co-ordinate the work programme and include on forward plans issues that mattered to residents. She concluded that she supported the motion and as the Chair of Place Overview and Scrutiny Panel was looking forward to helping to bringing heightened transparency and more awareness into the public domain.

Councillor Hill used a seafaring fable to reflect on the financial journey and challenges facing the council. He concluded that the council was now in realistic and capable hands with a definite plan to move forwards addressing the debts and flawed budget.

Councillor Del Campo advised the meeting that when savings proposals were made as part of the budget setting process, they were rated red, amber or green (RAG rated) depending on the level of risk associated with achieving them. She considered that it was reasonable for budgets to have some level of red risk in order to stretch the council to deliver better value for residents when the risks were known, and it was understood how to mitigate for the impact of not achieving them. She reflected that the previous budget carried £5.76m of red rated savings within Adult Services. She observed that officers had correctly predicted the number of people requiring residential care but before preventative initiatives could be implemented those numbers had been slashed by the previous Administration. She continued that this year's budget setting process would require difficult decisions to be made but the new Administration's aim was to do things better. She stated that 'transformation' would only be used to describe projects where genuine transformation was taking place and not as a code word for cuts. She committed to ensure that red rated savings were well defined, limited in scope and achievable under the right conditions rather than used to 'balance the books'.

Councillor Brar stated that when completing her end of year accounts for family or business she could not just make up the figures but did her forecast and accounts by understanding and planning how cost savings were to be made. She was distressed to learn that residents of Windsor and Maidenhead had been misled by the previous Administration who had avoided making hard decisions. She confirmed that she was supporting the motion.

Councillor Kashmir Singh reiterated comments on the size of debt left by the previous Conservative Administration and observed that was why they had not been re-elected. He referred to Vicus Way car park as a 'white elephant' whose usage had reduced so that operating costs were not covered by charges income. He supported the motion and was keen to work with fellow councillors to resolve the underlying issues of spending money without robust challenge to improve things.

Councillor Hunt stated that the motion being debated was a mask to give the go ahead on spending cuts, for the sale of any of the council's (residents') assets and unknown actions. She continued that if passed then it was giving 'carte blanche' to anything that was proposed in future and prevent objections. She asked colleagues to think carefully about what they were agreeing to. She continued that only six months into the new Administration and bankruptcy was already being threatened. She noted that delivering a balanced budget was challenging but stated that the previous Conservative Administration had managed to deliver a balanced budget in equally challenging times, had responded to crisis after crisis such as rising inflation costs and increasing needs from residents.

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The Mayor reminded the members present to give the other councillors the respect they deserved whilst they were speaking.

Councillor Hunt continued that at the June Cabinet meeting the Administration were working within the budget to mitigate pressures throughout the year; then at July's Cabinet when the medium-term financial plan for 24/25 to 28/29 was discussed the Deputy Finance Director stated there would not have been a budget gap if it was not for rising inflation and interest rates; in July's Audit and Governance Committee the rising interest rates and inflation were not even discussed and in September's Corporate Overview and Scrutiny Panel mention was made that the Panel had seen no enthusiasm for receiving reports on the 24/25 budget and a more expansive financial revenue report was asked to be scheduled. She stated that it had only been six months to show how this Administration had failed to grasp how to balance a budget.

Councillor Hunt continued that the previous Administration had delivered a budget that was balanced, with a modest underspend and in the last four years had doubled unallocated reserves. She stated that RBWM now sat comparably with the Berkshire unitary peers with increased levels of efficiency within the council and a clear plan to continue over the next four years.

Councillor Hunt noted the CIPFA report and that actions were taken. The 22/23 and 23/24 Capital programs were the smallest for years. This had reflected the Council's need to deliver value for money and reduce borrowing. The Council also had a clear plan to eliminate the bulk of the council's debt. The budget for 2023/24 was balanced and put up £1m back into reserves, gave staff a much needed pay rise and invested in the areas residents had told them they wanted money spent. It was deliverable but only if growth pressures were strictly controlled. Councillor Hunt concluded that the motion was a mask to hide wholesale agreement to spending cuts, the sale of assets and service cuts. She could not support the motion and did not agree with it.

Councillor Luxton stated that the Royal Borough of Windsor and Maidenhead's finances were not as the inexperienced Liberal Democratic Administration had described. The call for bankruptcy was a damning attempt to raise council tax beyond the threshold for already struggling residents. She stated that the last Conservative Administration was well managed through challenging times for the whole nation with finances notably strengthened. She reiterated the previous budget plan details as available in the public domain. She stated it was concerning to see alarming press headlines shared and printed even before any written financial statement was available. She considered it disappointing that, only after five months, the new Administration were projecting a £7.3m loss with no mention of the £3.3m contingency. There was no breakdown of the loss and no plans on how they intended to recover. She stated that they made no apologies for keeping council tax as low as possible for the borough's residents during a cost of living and energy crisis. She concluded that she did not support the motion.

Councillor Wisdom Da Costa reflected on what was required to deliver a balanced budget and stated that the Liberal Democrats had inherited an invidious position because the costs were wrong and unachievable in last year's figures. Therefore, consequently the actual situation seemed to be that the Conservative budget for 23/24 was a fallacy and had resulted in a £7m projected overspend. He asked it to be reflected that the new Administration were discovering information and if the Council had not followed the Conservatives' policies for the last 16 years then the Council would have had £30m more each year to spend on bin collections; supporting Adult Social Care; better provisions for schools so schools did not need to ask Parent Teacher Associations to bring in toilet rolls or books or pencils; would have had bus services that would have improved mobility rather than isolating the elderly in their houses and reducing carbon emissions; would have had better services for children in care; better parks and youth services.

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He continued that those 16 years of keeping council tax low had affected the vulnerable the most, children and the environment. He reflected that the assessment of affordability of debt had been wrong, decisions made were imprudent and if cuts to services were proposed it was because of those decisions over the past 16 years. He advised the meeting that he would have preferred Councillor Larcombe's motion for a number of reasons, considered the extraordinary meeting had been called too early, had received a 1 hour briefing yesterday with a short set of slides and not a 20-50 page report setting out options for both cuts and increasing income. He queried whether raising council tax was viable. He had not seen any cost options for improving environment, for improving enforcement, for improving Windsor Town Forum and accountability for Windsor residents.

The Mayor reminded those due to speak in the debate to stay on topic or else they would end up just repeating the same things over and over. He encouraged participants to listen to the debate and move the debate forward rather than going backwards and forwards.

Councillor Taylor commented that as elected representatives, regardless of political party, everyone had been elected to the Council to do the best for borough residents; to make difficult decisions and navigate difficult situations. She stated that everyone was in this situation right now whether they liked it or not. She fully supported the motion which detailed a plan to improve the situation and as elected members they had a duty of care to their residents. She concluded that she could not see a reason why any councillor would not support this motion and considered not doing so would be failing in their duty to those who elected them.

Councillor Price said that she fully supported the motion and would do her utmost to work collaboratively with officers, councillors and residents to get the Council out of the financial mess. She commented that listening to the debate it appeared that some speakers were unaware of what has been revealed at Cabinet. This had not been just by Cabinet Members but by senior officers, thorough briefings at Cabinet together with various documents laying out the plan. She observed that in the five months since the election she assumed it had taken so long to come to light was because it had been difficult to uncover the true situation. This indicated that the processes in place had not been as robust as they should have been, and she therefore hoped that fresh processes were being put in place.

She requested that, as responsible councillors, work needed to start on a longer-term plan for their residents. She had concerns about the validity of the capital data and wanted to be assured that it was going to be analysed and reviewed scrupulously. She commented that the budget process that had been previously followed had proven to be flawed and assumed there would be a new robust and transparent budget process for 24/25 and beyond. She stated that she agreed that generation of income was vital but observed that good ideas were not limited to officers and councillors and suggested tapping into ideas from residents. She was pleased to note that residents were being asked their views in the corporate plan engagement sessions. She concluded that she supported the motion.

Councillor Amy Tisi stated that the financial challenges facing the council was something they had always been willing to take on and were not afraid to get stuck into actions such as spending review panels to interrogate any request for spending over £500 and the budget challenge sessions. She committed that they would challenge officers to identify savings from already cut budgets whilst keeping in mind the risk to the most vulnerable residents. She commended the way that everyone working in RBWM and its partner organisations Optalis and Achieving for Children had embraced the challenge. She had observed officers and elected members working together towards a shared goal rather than burying their heads in the sand. She commented that the level of minimisation and deflection from Conservative councillors and their supporters was worrying. Adding that the claim that a forecast

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overspend was completely normal, nothing to worry about and the suggestion that council tax would be increased by more than 5%, when that was not within the council's power, summed up the irresponsible attitude of the Conservatives of the past 16 years. She stated that they had they relied on windfalls of one-off grants and shuffling the numbers around to conceal the true extent of the problem. Councillor Amy Tisi concluded by urging the remaining few Conservative councillors to work with them for the sake of all their residents.

Councillor Coe listed examples of the high levels of debt in a number of Conservative-run councils, described this as reckless behaviour where the common factor was an overestimation of business acumen and underestimated risk whilst drunk on low interest rates. He reiterated what had been left for the new Administration to deal with and stated that they knew it was going to be arduous, painful and involve unpopular decisions, but they were committed to sorting this out. He stated that the 2023-24 budget had a deficit built in with fairy tale savings, interest rates and inflation but they would work together to close that gap.

The Mayor reminded everyone present to respect the opinions of others and the opportunity to speak went both ways. He asked everyone to listen to what other people had to say.

Councillor Sharpe commented that the motion represented a total failure of the Administration's management after less than six months. He stated that residents had seen that the Council had no real plan and no real idea how to solve the real issues which every council in the country was having to deal with. He was looking forward to the plan to be announced in November. He stated that the Council had failed to support Maidenhead United Football Club and the second major decision was warning of impending bankruptcy which would bring fear and doubt to the residents.

He considered that if the motion was passed it would represent a total travesty of transparency passing full control of this crucial issue to Cabinet. He stated that the Administration needed to get a grip on the situation right now which was very similar to many other councils across the country. He said that the CIFPA report had been undertaken voluntarily and all the recommendations that they made were taken on board and appropriate action was taken. He considered it worse that this shocking warning was coming before the council received notification of government grants and transfers that would be made to the council. He stated that the Administration knows they will have additional funding coming through but the previous administration had steered the council through those difficult times such as Covid. He finished by stating that he would not be supporting the motion.

The Mayor advised the meeting, and anyone who was not aware, but the only person who made decisions about Section 114 notices or warnings was the Section 151 Officer.

Councillor Grove reflected that although the Council had been left with a difficult financial legacy the debate on this motion was democracy and transparency in action. This gave her confidence about the future and moving forwards in a positive and transparent way. She was very happy to support the motion and was grateful for the hard work officers and Cabinet members, especially Councillor Jones, had put into getting them to this point of clarity, focus and understanding. She continued that the Council could benefit from having a panel which explicitly looked at commercial opportunities for the Council. Councillor Buckley was the business champion and there was a wealth of commercial expertise within the council and wider community which presented them with an opportunity to look at progressive commercial solutions to help further boost finances and stabilise them for the future.

Councillor Story commented that there had been a lot of discussion on how historic decisions were making life more difficult for the Administration and that these included cuts in council tax which had taken place 12 years ago. He stated that this had been very real cash benefits to residents every year since then with between £300 and £700 more to spend than households in neighbouring councils. He reflected that would be very welcome in every household at a

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time when household budgets were tighter than ever and was the right thing to do. He stated that no councillor from any party voted had against the proposals. He continued that residents had been shocked to be told that due to historic decisions Council services were going to be cut as they had been told this was an Administration brimming with new ideas but with all the developments there have been in digital technology he considered residents had every right to expect the Administration to come up with at least some innovative ways of providing better services generating more income or reducing expenditure. He gave two examples: one using the latest developments in digital technology to operate on demand bus services and another selling a premium bin collection service.

Councillor Howard stated that he believed many site allocations in the Borough Local Plan had more to do with raising revenue than sensible resident focused planning policy. He queried the decisions to adopt the Strand Park site, sell the Golf Course, mismanagement of the selling of the Magnet Centre and the green belt erosion of Low Mount Farm. He agreed that he supported the motion as the council needed to come together to work towards a long-term transformation of the borough to support residents and develop the economy.

Councillor Buckley commented that the financial position had been 'kicked down the road' for some time and considered it important to note that no one party or one person could fix the huge problems being faced. He would be supporting the motion to make a better future for residents and approach the challenge one step at a time. He stated that only by pulling together, with residents alongside them and putting people before politics could they get through this together.

Councillor Larcombe observed that he was a single-issue candidate for the elections, had got elected for the second time surprisingly with an increased majority and unsurprisingly his ward colleagues had lost their seats. He commented that the budget for the Council was repeatedly challenged over the last four years and that was how they had got the CIFPA report. He reflected on the impact of the Jubilee River project and how it protected Maidenhead, Eton and Windsor but water was dumped on Old Windsor, Datchet, Horton and Wraybury and everywhere else downstream when the Environment Agency opened the gates. He stated that he was very annoyed that he was not told about the £53m required and he did not think it was ever discussed at Council. He had started asking questions and he was still asking questions. He advised that Conservative literature in May 2023 referred to £10m pledged to flood alleviation. He had since asked how much money was in the kitty for flood alleviation and the answer was less than a million.

He continued that he still had a problem with the river scheme Channel One being removed in July 2020. The Environment Agency had already spent £70m of residents' money and had not made any improvements whatsoever. He advised that if Channel One was not built concurrently with Channels Two and Three then he would go to the Planning Inspectorate because the scheme had been designated a nationally significant infrastructure project. He explained that in January, at the Thames Regional Flooding Committee, he would be asked to support the budget and he would be telling those present that they did not know what was going on.

Councillor Moriarty added to the discussion that everyone was experienced enough to know that the financial problems came when debt levels started to impact on daily budgets and exposed to socioeconomic shifts that it put the borough and the that residents that rely on its services at risk. He considered it was important to reflect on the previous mistakes made because the impact of those mistakes were compounded if they were ignored. He acknowledged the good work already done by the Chief Executive and his team alongside Cabinet and the new partnership Administration to manage the situation. He noted that in the short term the focus was to meet statutory obligations as well as supporting the many important services that residents rely on outside of those that are legally required but in the median term the focus had to be on rebuilding financial strength. No longer just lurching year to year to manage yearly overspends but being able to see the full potential of the borough

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and with residents at the heart of every single decision. He confirmed he supported the motion and was looking forward to working with his fellow Overview and Scrutiny Chairs to make the process of scrutiny more efficient, more effective and supporting decision-making rather than slowing down momentum whilst ensuring that decisions were being made in the best interest of residents.

Councillor Bermange contributed that his analogy for the previous administration's balanced budget was of the circus and a tight rope walker. He stated that a truly balanced budget could withstand the high winds that were obvious to everyone at the time. During the last Cabinet meeting a plan for the way forward was set out to deal with the issues to bring things back on course. He advised the meeting that the big cuts that had previously been made to council tax did not give money to everyone in the same way.

He explained that council tax was a property tax which was highly capitalising meaning that, in simple terms, if you have differentially lower Council taxes or property taxes you end up with higher property prices. This was great news if you happen to be an owner of property but not if you're struggling to get on the property ladder or if you are a rent payer rather than a homeowner.

Councillor Bermange continued that there should be no illusion that a council tax reduction benefited everyone equally because it simply does not. He explained core spending power and in particular how much money the council had to spend per household. If the RBWM had what Wokingham Borough Council had to spend per household then it would have £32m higher than they actually had to spend. Residents wanted value for money for their council tax. He concluded that it was not the optimum way of taxing locally but it was what was available to them. Due to lack of resources Council Tax Reduction Schemes had become less generous over the years.

Councillor Carole Da Costa reflected that she had been a councillor since 2019 to serve the community that she lived and to be a voice to the most vulnerable. She noted the services that come before statutory services e.g. early intervention mean the most to vulnerable residents and without them the state of a person or family would be much worse when they were picked up in the Statutory Services. She was not sure if those services were at risk. She observed that from previous tax cuts whilst it was true that many families had extra money in their pockets the many families that live off benefits were actually paying 10% more now for their council tax than they were five years ago. She asked Cabinet to be very sensitive when looking at how to make savings and try to preserve those most vulnerable early interventions. Having listened to everybody here whilst she did not think this was a perfect scenario, she would be supporting this motion.

Councillor Werner contributed that the reasons for the financial crisis that the council was facing were plain for everyone to see. A combination of bad long-term decisions made by the previous Administration coupled with the short-term fake budget. He stated the long-term issues included: high levels of debt with no idea how to pay it off; low levels of reserves; uncontrolled borrowing and using one off funding to get through from year to year. He said that the most recent budget had used inaccurate inflation figures in the February budget and included a whole list of savings targets that they knew would be impossible to achieve. He reflected that he had stated budget after budget over the previous eight years they had a plan for fixing the mess.

He continued that they needed to transform how the council operated and needed to transform systems so this did not happen. He stated they needed to rapidly improve contract management which currently was practically non-existent. He cited verge cutting as an example of the Council not monitoring its contractors. He explained that they were looking at their assets and working out how to use them better to generate income and improve services rather than selling them.

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He declared that the previous Administration had a £60m increase in debt with budgets depending on borrowing which was just unaffordable. He considered the motion being discussed was about transparency and explaining to residents exactly what problems the council faced and also outlining how they will get out of it.

He stated he wanted to work with councillors of all parties, residents, partners, businesses – as an Administration they had lots of solutions, but he thought that everyone had great ideas and he wanted to hear them all. He concluded that they needed to put the Council back at the heart of the community and champion their residents.

Councillor Jones made her closing statements to address the points made during the debate. She reminded everyone present that the statement on the Section 114 was made by officers and not members of the Cabinet. The actions needed to reduce the deficit as presented by the officers were appended to the agenda. She responded that the Conservatives did manage the finances, but they had done so by recklessly borrowing and leaving a huge debt that would cost £22m over the next two years. She stated that without that debt the Council could produce a balanced budget. She commented that it was very easy to manage a debt when interest rates were at 0.2% but, as interest rates were between 4 to 5%, building up a debt without a viable repayment scheme was not really prudent.

She acknowledged the risk of red RAG rated savings and would expect any coming through on future budgets would have a viable implementation plan. She considered it was good to hear the responsibility being taken to not ask for non-essential spending and a willingness to work in all areas. She welcomed improvements in the scrutiny process and considered it was absolutely imperative that officers and Cabinet were challenged. She agreed that services had suffered due to the historically low council tax and that having to spend £206 less per household than a statistical Council neighbours was £24m a year less than other councils.

Councillor Jones agreed that processes needed to be improved both within services and within the budget. She confirmed that cash flows would be updated and they would be bringing monthly finance updates to Cabinet in order to be as transparent as possible. She stated it would be impossible to raise council tax above what was already planned by the Conservative budget. In the medium term plan they had detailed the plan to raise council tax by the maximum possible for the next four years therefore there was no more that could be done.

She continued that the draft budget should be published in November and the financial settlement was not usually available until just before the Christmas break so unfortunately they would have to undertake a forecast for the budget. She would certainly discuss an income panel with the officers as she thought that was a very good suggestion and would see if it could be taken forward. She responded that not all councillors voted for the cuts to council tax when that was part of the budget papers. She agreed with Councillor Carole Da Costa that early intervention could be seen as invest to save. She believed those services were extremely important and should be a last possible cut.

She concluded by welcoming the commitment of most councillors to support the leadership team and hoped that all councillors would take part in improving the council's financial resilience to take them into a future of improving life and services for their residents.

A recorded vote was requested.

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Motion as proposed (Motion)	
Councillor Neil Knowles	For
Councillor Simon Bond	For
Councillor Clive Baskerville	For
Councillor Adam Bermange	For
Councillor David Buckley	For
Councillor Mandy Brar	For
Councillor Catherine del Campo	For
Councillor Alison Carpenter	For
Councillor Richard Coe	For
Councillor Carole Da Costa	For
Councillor Wisdom Da Costa	Abstain
Councillor Devon Davies	For
Councillor Karen Davies	For
Councillor Jack Douglas	For
Councillor Jodie Grove	For
Councillor Geoff Hill	For
Councillor Mark Howard	For
Councillor Maureen Hunt	Against
Councillor Lynne Jones	For
Councillor Ewan Larcombe	Abstain
Councillor Sayonara Luxton	Against
Councillor Siân Martin	For
Councillor Chris Moriarty	For
Councillor Helen Price	For
Councillor Gary Reeves	For
Councillor Joshua Reynolds	For
Councillor Julian Sharpe	Against
Councillor George Shaw	For
Councillor Gurch Singh	For
Councillor Kashmir Singh	For
Councillor John Story	Against
Councillor Helen Taylor	For
Councillor Amy Tisi	For
Councillor Julian Tisi	For
Councillor Leo Walters	Against
Councillor Simon Werner	For
Councillor Mark Wilson	For
Carried	

The motion was therefore carried.

Proposed by Councillor Jones, Deputy Leader of the Council and Cabinet Member for Finance and seconded by Councillor Werner it was

RESOLVED that

this Council supports the actions being taken by the Cabinet and senior leadership team to reduce the financial deficit facing the Council and agrees all councillors need to take responsibility for ensuring this Council does all it can to achieve financial sustainability.

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The meeting, which started at 7.00 pm, ended at 9.10 pm.