

Mr Mayor, fellow Councillors, it gives me great pleasure to second the motion regarding next year's budget, and to spend a short time outlining the key measures and changes we are putting before you.

Before I begin, can I firstly thank our finance team led by Lydia Morrison and Andrew Clarke for their sterling work to get us to this point. Secondly, my fellow Cabinet members and senior officers who have spent time with us developing and refining their proposals so that I can present a balanced budget, and thirdly, the members of the Governance, Audit and Finance Board for their contributions and recommendations.

It should not come as any surprise to you that there remain difficult choices to be made in order to present you with a balanced budget. Grants from central government continue to reduce, and indeed our revenue support grant has now stopped completely. You will see in the Medium Term Finance Strategy that we are planning for the worst case – no more New Homes Bonus – but this clearly has the potential to change with future Government decisions.

We now rely on council tax and retained business rates for the majority of our income. We have seen continued growth in business rates in our Borough, and forecast this to continue. I pay tribute to all those businesses operating in our Borough who whilst providing great products and services, provide good employment opportunities and are also contributing to the Borough through the payment of business rates.

I also wanted to comment on our support for our staff team. Our staff are receiving the nationally agreed pay award for the forthcoming year, which, together with other staffing costs, such as pension changes, means an increase to our staffing budget of over £200,000. As Councillors, we recognise the many staff who go beyond their job descriptions to ensure our residents and businesses receive great service, and I would like to record our thanks to all of our staff and partners who contribute to our achievements.

We have presented to you a revised corporate strategy, and I have sought through this budget to take a first step towards achieving those aims. You will see new measures within this budget, particularly regarding regeneration, that we believe are essential to making the progress we all want to see with the built environment in our Borough.

Our first corporate priority is financial sustainability. We have tried hard to balance our budget through efficiency savings, but as you would expect, the low hanging fruit has already been eaten. We therefore propose to grow our income through better returns from our joint venture company, Norse South East, appropriate fees and charges for our services and ensuring our resources are tightly focussed on those areas you and our residents consider the most important.

In order to fund our regeneration ambitions we are setting aside an initial £400,000 in the coming financial year to ensure we have the right level of officer resource and external

expertise available to deliver our ambitious plans. Whilst we are expecting individual projects to come before us with their own business cases in order to move forward, there is initial work, including bidding for grants and creating partnerships that need early funding.

As is to be expected, there have been changes in statutory rules and guidance this year which has an impact on our resources. For example, we have increased our budgets for supporting the homeless in line with new regulations.

There are also changes that are outside of our control, for example, the income we receive from recycling. This varies considerably according to the market, and we are currently seeing a dip in this income stream.

We are reaching the conclusion of our 2036 Local Plan work, and this entails further funding during the coming financial year as we reach the inspection in public stage. I am recommending this additional funding so that this project is concluded successfully, delivering an innovative and sustainable local plan that will stand us in good stead for years to come.

I have listened carefully to members concerns during the year, and we have been able to respond. For example, Councillors and residents are very keen for us to staff an enforcement function that can respond quickly and proactively to concerns, often about planning issues, that are taking place in their area. I'm pleased that I have been able to fund over £150,000 extra investment in this area, and I hope members will agree we are already seeing quicker and better results.

We have also been able to respond to the wish to bring in more central government and other grants to our area by funding a grants officer. We have seen the recent investment of £1.5M at Front Lawn by the Football Foundation and the fabulous new artificial pitch at Havant Rugby Club. We want to see more projects, both Council led and community led, accessing funding from national and regional sources, and believe that this investment by our Council will be a significant step in that direction.

Many residents, including myself, have a desire for our Borough to be providing good quality outdoor play opportunities for children. The first step towards that ambition is ensuring our existing play equipment is robust and serviceable. Therefore, I'm delighted to have reinstated the budget for maintenance, and we should see a considerably improvement in our parks during the coming year. We have opportunities through CIL to further invest in our parks, and I welcome proposals from Councillors and community groups who wish to help deliver these improvements.

Finally, in terms of our new budget lines, we are confirming our plans to exempt care leavers from paying Council Tax. This money is available to 18 to 25 year olds who have been in care, where they need the extra support that would often come from parents. I'm pleased we have been able to step up to fund this change, which whilst affecting a small number of young people in our Borough will make a considerable difference.

Members, you will also see our corporate strategy being implemented through our capital strategy and plans. We will continue to operate our successful disabled facilities grants

scheme, enabling people to access their properties, make their homes safer or improve their heating. We will continue to upgrade our fleet of vehicles, including further electric vehicles – in addition to the charging points we are establishing around the Borough you will shortly see them just outside of the window of this building. And we will be investing in our bus shelters – we own over 500, and a number are in need of some TLC.

I come now to our Medium Term Financial Strategy, and how we fund the gap between our income and expenditure. We have decided that we should not be imposing further arbitrary cuts or large increases in fees and charges. We have instead proposed a 2.99% rise in our Council Tax. We remain a low tax authority – we are proud of that fact – and our residents will be paying less than in our neighbouring authorities – less than residents in Denmead in Winchester City Council, Horndean and Rowlands Castle in East Hampshire District Council, and Westbourne in Chichester District Council.

A number of decisions we are taking now have the potential to improve our financial position, but they will take time to impact our bottom line. We expect our regeneration plans to generate new revenue streams and capital receipts. The expansion of Norse South East to deliver services to East Hampshire District Council will achieve further cost savings and potential for new income, and we will continue to work with our other partners to refine their services to focus on our needs. The Cabinet will be focussed on ensuring our biggest partner, Capita, is delivering for our Borough during the coming year.

I will also present to you a new Asset Management Strategy during the coming year to ensure we manage our buildings and other assets as best we can. As you can see from our Medium Term Financial Strategy, we need to work on our position for future years so that we can continue to present a balanced budget, and I can assure members we will be starting this early in the new financial year, and you will all have the opportunity to contribute to that work.

In summary, members I am seconding a set of budget proposals that will deliver financial sustainability, whilst responding to our biggest concerns. My expectation is that we will continue to be business-like in our approach, whilst recognising that many things we do are for the good of everyone and will be provided free of charge. We will be continuing to shout for Havant at a regional and national level, and we are already seeing changes at our Local Enterprise Partnership in response to our approach. We will work with our businesses and our MPs to raise our profile, and grow inward investment

Alongside our regeneration strategy and our draft Local Plan, I believe we have are presenting a compelling picture for the future of our Borough and I commend them to you.