



REPORT OF THE BUDGET WORKING GROUP

Draft Proposals on the Tunbridge Wells Borough Council Budget for 2012/13 (and subsequent years)

Introduction

The budget for the year 2012/13 is out for consultation, and makes sorry reading. It forecasts a deficit of £326,000. Subsequent years are, if anything, even worse, with deficits increasing year by year until we reach a figure for the year 2015/16 of £965,000. Clearly, something has to be done about this and soon. We cannot kick the can down the road. This paper sets out our views on how this matter should be tackled.

Major Options

Council Tax

The Council should look at the possibility of raising council tax by the maximum allowed, that is 2.5%. This will not be popular with the public, nor politically, but is essential for the following reason: postponing an increase will mean that once the current rebate period is over, the increase needed will be all that much greater, and that much more difficult to sell to the public. The Council can console itself that starting from a very low base (the lowest in Kent), they have something they can be proud of, to offset the flack they are bound to get.

Reserves

These should be used only if they can be shown to generate a commercial return, and not in lieu of the harsh decisions we are urging. The sort of investment envisaged is similar to that undertaken in the Royal Victoria Precinct.

Other Savings

We are not convinced that the savings from our biggest cost, people, is adequate at £330,000. In the absence of any facts on this matter in the budget papers, we can only assume that from a headcount of about 490, we are going to save only 10 staff members. We urge the Council to at least double this. Where are the plans for sharing our senior staff with other authorities? Do we really need so many directors? Would it be better for the directors to be organised on a functional basis (a director for cost reduction?) rather than an operational basis (director for the environment)? We are forced by statute to provide services, but must we do so on demand? Can we cut down on the expenses of the Gateway, but still provide the service? Can we share costs of the Gateway further with other bodies? Can we examine the costs of running the properties we own, and see if we need to retain them all?

Minor Savings

We see other matters mentioned in the budget under this head as red herrings. They are neither here nor there in the overall picture. The Mayor's expenses could be reduced if s/he concentrated solely on matters within the Borough, and Cricket week could be run without any entertaining, but we submit that this is not relevant, seen against the figures set out in the introduction. Neither are the areas of Councillor's parking expenses, nor the cost of running the Museum and Art Gallery, though we would accept some reduction in opening hours in an effort to reduce costs. Car parking charges do offer some minor scope for increased revenue, if we follow the guide that the user pays, and that the various parishes take on the cost (and the receipts) from their own car parks.

We urge that all steps should be taken to utilise IT to reduce costs, that we share systems with fellow authorities, that we drop iLocal, (publish it on the internet), try to rent out the assembly Hall for conferences, and remember that what looks at first sight a cost (the Assembly Hall the TIC and the Museum) can also be a income provider, when hotel and bar sales are taken into account.

Conclusion

TWBC should conduct a review into the areas of savings listed above, with the aim of having the details worked out for a solution to this overspend by the time we come to look at next year's budget, that is by November 2012. The solution lies in our own hands, not through temporary Government grants. We must rise up to the challenge.

Signed: David Wakefield, Michael Doyle, Chris Thomas