

**BUDGET SPEECH
SPECIAL COUNCIL MEETING
26th February 2019**

Mr Mayor,

Introduction

1. This evening it is my responsibility to present to you the first budget under my Leadership of Pendle Borough Council, the budget for the financial year 2019/20.
2. This year has been a year of change for the Council. A new Conservative Leader with a new Conservative Administration providing new ideas for the delivery of Council services. And, *despite our reservations*, from May 2018 we moved to a new modernised Committee System with the introduction of a politically-balanced Policy and Resources Committee. It is fair to say that we've had some robust and healthy debates on a range of issues over the year with decisions which, if I am honest, weren't always as I'd expected. But, I am comforted by the fact that this is generally a reflection of the passion we all have to do what we consider to be our best to serve the people of Pendle and I will long remain a supporter of that.
3. And before I go any further, in serving the people of Pendle we do so through the hard work, diligence and dedication of the Council's staff and those of our Partners like Liberata and the Pendle Leisure Trust and I would like to thank them all individually for their efforts.
4. I would also like to add my thanks to the Deputy Conservative Leaders, Cllr. Margaret Foxley and Cllr. Ahmed for their support, and hard work this year. I know that Margaret in particular has spent hundreds of hours representing this Council on Outside Bodies. A particular personal thanks must go to Cllr. Nixon, who has been a rock for much of the year. Thank you Jonny.
5. There is no doubt that these are challenging financial times for local government and indeed for Pendle. Whatever your views on austerity, the need to rebuild the economy and tackle the national budget deficit following the financial crash in 2008 was unavoidable and has meant some incredibly difficult decisions have had to be taken by the Government.
6. For Local Government, the year ahead will be the final year of the 4-year settlement for Council's like Pendle that made an agreement with the Government. I will say more about the detail of our funding settlement for 2019/20 later but, as you may all know, 2019 is likely to be a big moment for local government, drawing together plans for a new approach to distributing funding and increased business rates retention.

7. I welcome the root-and-branch review of how funding is distributed to local government and the Government is right to conduct the Fair Funding Review at this time following on from what is likely to be a tough Comprehensive Spending Review later this year. I am clear that we will need to lobby the Government hard to ensure that we get a fair share of funding for Pendle from the Review. As we all know, Pendle ranks amongst the top 50 most deprived local authorities in the Country and so ensuring our funding needs are recognised is vital and I will do what I can to achieve that.
8. I also welcome the Government's decision for Councils in Lancashire, including Pendle, to pilot the move to **75% Business Rates Retention** in the coming year. I have always been a strong supporter of allowing Councils to keep as much of the money they raise locally for local services provided to local people and this is surely a step in the right direction.
9. As I said, there are some significant changes that face us over the coming year. Tonight, I want to focus on our budget proposals for next year but before I do, it has been customary to have a look back over the last year to reflect on some of what has been delivered and I don't wish to disappoint you this year.

Achievements in 2018/19

Economic Development

10. As well as being Leader of the Council, I retain a keen interest in the economic development of Pendle. I would like to share with you the progress we have made on what I consider to be some of the key projects for the Borough that will support our growth ambitions:-
 - The redevelopment of Northlight is truly transformational and if you get the chance to visit, I would urge you to do so. This £32 million pound redevelopment has dominated our plans for some time now and, following the opening of the Lancashire Adult Learning College last year, I am pleased that work on the Leisure Box, the multi-million pound facility which will be run by Burnley Football in the Community, is complete and due to open this Thursday. This follows on from the recent completion of The Garage, the new home of In-Situ and the start of work on Apartments in the main mill;
 - our proposals to **extend the Lomeshaye Industrial Estate** are a key plank of our growth story. We felt it was so important we made it a key pledge of this Administration. With a funding package of just under £8 million pounds secured and confirmation of the CPO of Phase 1, we can get on with delivering the additional employment land that our businesses need to grow. And reflecting our ambitions for this project, we are already working hard to bring forward Phase 2 of the site for development;

- But we all know connectivity remains a key issue for the Borough. I would like to think that with the joint Department for Transport and Transport the North commission of a feasibility study into the **reinstatement of the Skipton to Colne Railway Line**, this project has moved at least one step closer to reality. And of course, we continue to lobby for the **A56 Villages Bypass** to provide better road links to Yorkshire and providing more opportunities for economic and housing growth. It feels to me as though there is some real and genuine momentum on both of these projects from the Government.
- Overall, these really are the strategic investments that the Borough needs as the bedrock for its economic and housing growth to improve the prosperity of the people of Pendle.
- Underpinning these major projects, we have continued to support grassroots growth projects through the '**Gearing up for Growth**' Programme which we promised we would protect. I was the portfolio holder for this programme when it was first introduced in 2012, and it's now approaching its fifth birthday. It is something I am incredibly proud of. Despite limited funds, we have provided a wide range of activity and support, helping our businesses to achieve their growth ambitions:-
 - a. **Growth grants** continue to be in demand. With the grants awarded this year, we'll have awarded funding of nearly half a million pounds over the life of the programme to 73 businesses leveraging over £3 million pound of private investment and creating 330 new jobs;
 - b. As the owner of two relatively new business, I know how important **Start-up funding** to help a new business get off the ground. This year we've provided 6 grants to new businesses which have created 9 new jobs and the programme as a whole has now provided help to 141 new start up businesses;
 - c. we've continued to support **Growth Lancashire**, which I am a Board Member of and is chaired by Barnfield's Tim Webber and which, with the BOOST range of products, has helped over 70 of Pendle's businesses accelerate their growth plans. And I am pleased that the Company has been awarded a new contract by Lancashire County Council to continue the support it provides to business;
 - d. our **Pendle Connects** networking events continue to provide opportunities for local businesses to connect with one another. These have proved to be a resounding success with the next event planned for 11th March at the Pendleside Hospice in Reedley already sold out;
 - e. whilst I recognise that we do not necessarily control all or any of the levers necessary to improve educational attainment in Pendle, I do also believe it is something we cannot ignore. Educational attainment in Pendle is some of the lowest in the County. That's why we have continued to support the **Pendle Challenge** and, through our lobbying effort, I am pleased to say that there will be an East Lancashire Education Summit later this year to consider what more can be done to address this issue.

- f. following on from the successful roll-out of the Enterprise Advisor Network, I am pleased that Pendle was chosen to be part of the Pilot **Careers Hub for Lancashire** which will see the children of Pendle have access to more encounters with employers as they seek out their future careers;
 - g. And we've continued to support the **'Into Employment' Initiative** run by the Lancashire Sports Partnership which is working hand in hand with the Pendle Leisure Trust and other local organisations to help long term unemployed people find the support and assistance they need to take the first steps to getting back into to work.
- On other matters, I am pleased that businesses in Colne voted 'YES' to establish the first **Business Improvement District** in Pendle and I am confident that this will be a real success; hopefully one which could be replicated elsewhere in the Borough where there is the appetite to do so.
 - And finally, recognising the success of our businesses I would like to thank Pennine Events, working with our own Economic Development Team, for organising the fantastic **Pendle Business Awards** last May. Innovation, entrepreneurial spirit and good old hard work were all on show as we recognised some of our outstanding businesses and exceptional business people. Riggs Autopack, Businesswise Solutions and Pendle Engineering were just some of our winners on the evening.

Housing

- Turning to housing, we agreed a new Housing Strategy for the period 2018 to 2023 aimed at improving both the quality and quantity of housing in Pendle.
- During this year I have also had the pleasure of being the Chairman and Board Member of the PEARL Joint Ventures companies and seeing first hand some of the wonderful work we're doing to provide more new housing in Pendle. Building on the success of our previous work, this last year has seen the launch of three sites for housing – **Clitheroe Road, Brierfield** where sales are very buoyant and plots are being bought off plan, **Langroyd in Colne** where there have already been reservations for houses and **Greenfield View on Carry Lane in Colne** where there are two reservations.
- And we're not resting on our laurels. Working in partnership with Barnfield and Together Housing, we've set up the **PEARL Together** joint venture to deliver both open market and affordable housing. Our initial pipeline of sites could see up to 500 new houses built across the Borough. One such site is **Further Clough Head** where I am pleased to say that Homes England have awarded the Council £1.1m of funding to provide the necessary infrastructure to access the site and open it up for development.
- We remain committed to our Brownfield first policy for the delivery of housing so we have put in place a new plan to allocate the remaining **Brownfield Sites Fund** to help with the development of sites in Pendle. This is part of our plan to ensure that Pendle is protected from over-development.

- Protecting our green spaces by ensuring that the housing numbers for Pendle are no higher than they need to be is a central part of that plan hence our decision set aside £50,000 to commission a new Strategic Housing Market Assessment. I look forward to that being concluded in due course.
- And talking about planning, I would like to congratulate Trawden Forest Parish Council for successfully steering through the maze of legislation which led up to the adoption of their **Neighbourhood Plan** last November. We committed to work with all Town and Parish Councils to support the development of Neighbourhood Plans and, for those that are underway – Colne, Kelbrook and Sough and Barrowford, whose Plan is currently out for consultation – I wish them well.

Maintaining Front Line Service Provision

11. Also at the heart of our plans is ensuring the Council continues to work for residents of the Borough; looking for different ways of delivering services, working with the public, private and voluntary sector and using our assets in innovative ways. This is all with the aim of maintaining and improving front line services for the residents across Pendle. Let me give you some examples of the things we've done:-

- Firstly, making the best use of our assets is vital;
 - following the transfer of parks to Barnoldswick Town Council at the end of last year, we have continued to work with other Town Councils for them to take over the running of their local parks and I am pleased we are making good progress with both Colne and Barrowford to name but two;
 - I would also like to thank Barrowford Parish Council and the Heritage Trust for the constructive discussions that will lead to the transfer of the Pendle Heritage Centre to the Parish Council. This is really the best outcome for both organisations and will, in my view, help sustain the Centre for future generations;
 - in the same way, we have continued to work with Colne FC to help them realise their ambition to take ownership of the Holt House Stadium so that, as the success of the football team grows, they can grow the facilities with it;
 - we agreed to transfer Waterside Community Centre to Positive Action in the Community so that they can develop their outreach services in the community and I think you'll agree with me that they provide an invaluable service to some of our most vulnerable residents;
 - we are all aware of the fantastic work that Building Bridges do to promote cohesion in our diverse communities. During the year, we helped secure a new base in the centre of Nelson and, as part of the same deal, helped bring the Burnley and Pendle Community and Voluntary Service into Pendle

- with some of our surplus assets, we've worked with some of our most successful local businesses to realise their growth aspirations. The sale of land at Thomas Street to Unique Clean to give them a new base in Pendle and the sale of land to Wellocks on Lomeshaye so that they can continue with their expansion plans are just two examples where we've been happy to help.
 - But it's not just finding different ways to use our assets to help support services or growth in our local economy, we are committed to finding different, better ways of delivering services and reducing the Council's costs as well. For example,
 - following on from the survey of leisure facilities, we commissioned a Strategic Review of Leisure Provision in Pendle and I look forward to the outcome of that review which will help inform how leisure services should be delivered in the future;
 - we agreed to put the replacement of the vehicle fleet out to tender with a view to ensure we get the right modern vehicles for the job at the right price;
 - more of our services can be accessed online than ever before through the Council's website which, following our 4 Star rating from SOCITM, is now recognised as amongst the best in the Country for accessibility;
 - following our review of enforcement activity, we are clamping down on littering and dog fouling with a new approach to enforcement which will allow our own staff to focus on those more complex cases of fly-tipping and anti-social behaviour;
 - And we have long been of the view that there are too many Councillors in Pendle given the changes that have taken place over the last 20 years. That's why I was pleased that our plan to reduce the number of Councillors – and the costs that go with them - was agreed last year and equally pleased that the Boundary Commission has today agreed with our plan. I only wish that the Council had agreed to move to all-out elections every 4 years so that we could save the cost of yearly elections and provide the stability for more strategic decision making. We do of course remain of the opinion that a Unitary Authority is the best way to future proof the services we offer.
12. I mentioned earlier some of the excellent work being undertaken to deliver our strategic economic and regeneration plans. But we accept there are specific local issues that need to be dealt with too.
- That's why we were grateful to the Government for their agreement to allow us to use the residual Property Resilience Grant funding to provide much needed flood resilience measures in Earby. Over £125 thousand pounds will be invested in measures such as deployable flood barriers;

- I am also aware that progress is now being made, albeit slower than I would like, with the £1 million pounds of investment to deal with the Victoria Clough Culvert in Earby. As well, we continue to work with the MHCLG, Lancashire County Council and the Environment Agency to secure the funding necessary to complete the flood prevention work there;
 - And I would like to congratulate our Engineering Team on securing £325,000 to deliver the Ghyll Meadows Culvert Improvement Scheme in Barnoldswick, again to prevent flooding there in the future;
 - And recognising that small scale investments can have such a significant impact on our local communities, I am relieved that we eventually found a way to distribute the Community Investment Fund and I am sure all Councillors welcome this small funding boost for their Wards.
13. And just like Council Leaders before me, it is only right that on behalf of the Council I say thank you and well done to those people and Groups that have gone above and beyond
- Our Dog Control Team have been awarded the Platinum Stray Dogs Footprint from the RSPCA recognising their achievement of winning the Gold Pawprint Award for 10 years running;
 - The work of our Grounds Maintenance Team has helped retain all eight Green Flag's reflecting the quality of management and maintenance of our parks;
 - And to the hundreds of volunteers who week in, week out go about their activity, whether that's litter picking, flower planting, verge cutting or working with vulnerable people, I would like to express my thanks for their outstanding efforts.

Revenue Budget 2018/19

14. I mentioned earlier that these are challenging times for the Council's finances. We recognise that it has never been more important for the Council to manage its money effectively.
15. Last December, we reported that savings of £167 thousand pounds had been made as part of our Revised Budget for 2018/19 and this is a position we expect to be maintained up to the year end. I believe this is a very creditable outcome given these difficult and demanding circumstances.
16. I would like now to outline our budget proposals for the next year, but before I do, let me provide you with details of our funding settlement from the Government for next year.

Financial Settlement 2019/20

17. The Government confirmed details of their financial support for Local Government earlier this month. As I mentioned earlier, next year will be the final year of the 4-year settlement we agreed with the Government and so Councillors will already be aware of our funding allocations. I would, however, like to highlight two matters.
18. As you all know, the **New Homes Bonus** is a financial reward for building new houses and bringing empty properties back into use. On the latter, I am aware that a significant amount of work has been undertaken by Officers to reduce the number of long term empty properties in the Borough and I am pleased that this has been rewarded with additional New Homes Bonus payments of £142,000 next year. I should also add that I believe the Government has made the right decision to leave unchanged the threshold below which New Homes Bonus would not be paid.
19. And, as I said earlier, I am grateful that the Government has chosen the Lancashire Business Rates Pool as a pilot for the proposed 75% Business Rates Retention Pool. This has the potential to reward the Council with an even greater share of the business rates growth in our Borough and provides a fantastic opportunity for Pendle, along with Councils in Lancashire, to show how Business Rates Pooling can work to improve the lives of local residents.

The Big Picture

20. It remains to be seen what the impact of the Fair Funding Review and the Business Rates Retention Reforms will mean for Pendle in the coming year. But with the reform of business rates meaning Councils can keep more of the growth they achieve locally, creating the conditions for economic and housing growth in Pendle remains a top priority for me and will remain so for as long as I am Leader of the Council.
21. That brings me to the 'B' word. I have always believed that leaving the European Union is the right thing for Britain to do. And I remain of that view. I am confident that the right deal will be done, eventually, and looking beyond that, I believe there are significant opportunities to improve Britain's prosperity outside the European Union. The challenge for Pendle will be to exploit those opportunities so that we can continue supporting the organic growth in our local economy, maximise inward investment and stimulate new economic activity to diversify and ultimately strengthen our business base and the employment opportunities for local people. We were once one of the founding fathers of the Industrial Revolution, and it is time that East Lancashire once again stood proud on the national stage.
22. As has been said before, we cannot do this alone and we will need to rely on the strength of our strategic partnerships, whether that is local authorities, other public bodies or the private sector.

23. With the prospect of a Lancashire Combined Authority not being too forthcoming, working with the Lancashire Enterprise Partnership as it develops the Lancashire Local Industrial Strategy has never been more important. I would like to thank Dennis Mendoras for continuing to champion Pendle's interests so effectively, both in his position as a Member of the LEP Board but also as the long-standing Chairman of the Pendle Vision Board.
24. And thankfully, Dennis will not be alone in his endeavours. Also sitting on the Board is Mark Rawstron, who lives in Laneshaw Bridge and in the past few weeks Amanda Melton has also been appointed to the LEP Board. As you all know, Amanda is Principal and Chief Executive of Nelson and Colne College, recognised for some time now as one of the best Colleges in the Country. We are fortunate to have such a good Principal; not only has she led the college so successfully but she has:-
- established a University Centre at the Nelson Campus to provide opportunities for Higher Education qualifications to local people;
 - positioned the College as one of only 21 Maths Centres of Excellence in the Country;
 - overseen the move of Lancashire Adult Learning from Chorley to its new home at Northlight and, in doing so, bringing new employment to Pendle
 - and late last year, completed the successful merger of Nelson and College with Accrington and Rossendale College
25. It is only right, therefore, that the Pendle Vision Board recognised Amanda's contribution to the Pendle area by awarding her the Chairman's Lifetime Achievement Award. A much deserved award and my congratulations to her.
26. So looking ahead, our plans for Northlight and the extension of the Lomeshaye Industrial Estates have given the LEP confidence in Pendle as place for investment. As the emerging Lancashire Local Industrial Strategy is developed, we will need to show how we can build on these investments to further cement Pendle as a place to live, work and prosper.
27. As ever, a crucial part of our growth story has to be better connectivity, westward to other parts of Lancashire and eastwards into Yorkshire. That's why the recent publication of Transport for the North's Investment Programme and the consideration of the Central Pennines Corridor, presents a golden opportunity for this area that we, collectively, must grasp. And this along with our aspiration to bring forward an extension to West Craven Business Park and reinvigorate Town Centres provide the basis of our economic growth plans.

Revenue Budget 2019/20

28. Turning now to our budget proposals for next year. Firstly, I would like to take this opportunity to thank the Management Team led by the Chief Executive for bringing forward proposals throughout the financial year to address the budget shortfall. It is right that we should consider these matters carefully so that the impact of budget reductions on the residents of Pendle can be minimised wherever possible.
29. I would also like to thank Cllr. Wakeford for his tenacity and hard work in bringing forward these proposals for the Administration to consider.
30. In September, we agreed a package of savings totalling £283 thousand pounds and at our December meeting, following our agreement to the outcome of the Organisational Review, we agreed further changes to the staffing structure which will save the Council a further £248 thousand pounds next year.
31. In relation to the other budget proposals, we have considered the recommendations from the Management Team in some detail. There can be no doubt that these are tough times for local government, and that means sometimes tough decisions to ensure that we can continue to deliver frontline services to residents. In particular:-
 - we will increase Cemetery Fees as proposed as we believe it is right that the service should be at least self-financing;
 - we also agree that there should be an administrative charge for the provision of Wheeled Bins. But we will go further than the Management Team proposal and set the fee at the average of other Lancashire Councils;
 - we agree with the Management Team proposal to suspend the Garden Waste Collection Scheme during the winter months;
 - similarly, we agree with the proposals for rationalising the Council's Office Accommodation and can see the benefit, not just financially, of co-locating most of the Council's employees in Nelson Town Hall;
 - it is also sensible to seek sponsorship for the Pendle Walking Festival. It is one of our success stories and I have no doubt we will be able to secure a great sponsorship agreement;
 - we would like to thank the Pendle Leisure Trust for bringing forward a range of proposals for our consideration. We agree with the Management Team proposal to keep the Bistro open at the ACE Centre but we also think that it should operate in the same way the Muni in Colne is operated. And we agree to their proposal to look at a different way of running Inside Spa and to increase the age at which Pensioners receive concessions. This represents a smaller saving than we had originally asked of the Trust.

32. At the same time, there are some areas of spending that we will continue to protect.
- we will not be making any reduction to the street cleansing service, either by manual or mechanical means. We do want to consider whether there is scope for Town and Parish Councils to fund some of this activity and, as we have set out, we will pick this matter up with them in discussions later this year;
 - we believe the late night bus service is important for those people who rely on it, so we do not agree to withdraw the subsidy for that service;
 - likewise, the risk of flooding in some of our areas has not reduced in my view despite our best efforts and so we do not agree that there should be a reduction in the Land Drainage budget;
 - And we will not reduce the funding for Community Safety Initiatives.

Capital Budget, Housing and Regeneration 2019/20

33. Turning now to capital investment, we agree with the Management Team's proposals. But I want to highlight two proposed investments which demonstrate how we are using our financial capacity and partnership working to deliver transformational changes.
34. Firstly, I mentioned earlier our success in obtaining funds from the LEP for the extension of Lomeshaye Industrial Estate. Our capital programme for 2019/20 includes Pendle's 10% contribution to the Scheme - £400 thousand pounds – which will leverage £4 million pounds of Growth Deal Investment. Added to the £1.5 million pounds from this Council which is match by £1.5 million pounds from Lancashire County Council, this is a significant return on our investment;
35. Secondly, to continue playing our part in the success of our PEARL joint venture arrangements, we have included £200 thousand pounds. Again, this will leverage investment from our other partners of over £1.1 million pounds and will be the basis for delivering over 500 housing units.
36. These developments alone truly demonstrate that Pendle is punching way above its weight under our Leadership of the Council.

Council Tax 2019/20

37. Before I close Mr Mayor, I'd just like to mention briefly our proposals for Council Tax. I welcome the Government's decision to retain the same flexibilities to increase Council Tax next year as this year. In my view that gives us the flexibility to raise additional resources locally to address local needs whilst protecting households from excessive increases in Council Tax, in line with the Government's manifesto pledge.
38. This will mean that, for the majority of Council Taxpayers in Pendle, their Council Tax for Pendle's services will be £176.90 for the year or just 10 pence extra per week.

Conclusion

39. Mr Mayor, in conclusion, this Administration:-

- is clear about its plan to make Pendle a place to learn, earn, live and retire;
- remains focused on growing our local economy and helping to create a prosperous Borough;
- is proud of its prudent management of the Council's financial affairs in these straightened times;
- and is ultimately about creating a Council that works for residents

40. So, firstly, I would like to move the Capital Programme and Revenue Budget for 2019/20 and call upon Councillor Wakeford to second the motion.