When I said a couple of weeks ago I did not know whether to congratulate the new leader or commiserate with him. I meant it. In my 25 years here this is the worst and most deplorable budget settlement I have ever seen from central government. As such this is a budget forced on us by a truly awful set of circumstances. Will it be bad news for Spelthorne residents? Yes!

In simple terms the situation we face is that This Conservative council has been comprehensively mugged by its own Conservative government. After some desperate pleading the muggers returned a little of the money they stole money for the bus fare home only it was called transitional relief. We got about £198k back over two years, but lost £700k <u>a year</u> from the new homes bonus alone.

The failings of this council have already been recorded by me previously and I have no intention of re-capping that sorry litany here. Suffice to say that the chickens have now come home to roost and Spelthorne are less well equipped to handle the problems it now faces than it could have been.

Aside from the wholesale attack on local government this budget settlement was unique and bizarre in another way. This settlement from a *Conservative* government was pure New Labour. In truth it is a New Labour Wet Dream! Besides the money simply taken away from local government, money has been moved to the midlands and the North, pots of money have been renamed some of those pots re-branded as new money when it's not. There's a stealth tax and no prior consultation or thought as to the effects any of these changes are going to have on our residents. And of course they are going to steal £750k away from us in 19/20 the year before the next General Election!

Gordon Brown eat your heart out.

This budget does have to been seen in the wider context because that is what has driven the settlement we are having to cope with. Probably the biggest blow to our medium to long term financial plans are the changes to the new homes bonus. Which as I have said is a loss of around £700k per year. For those who do not fully understand, the money we lose is going to Surrey County Council to plug some of their huge holes in their Adults Social Care Budget. To compensate for the very poor way that council has dealt with that crucial issue. And while as good Conservatives you are no doubt willing to bail out your hapless fellow in Kingston, I am not sure that many of our residents will see it that way.

I have a mixed response when I read in the cabinet papers about making capital investment for the purpose of producing long term financial gains. Talk about shutting the stable door after the horse had bolted. In more normal times that is a policy I would be very happy to support. This Council has for the last few years followed a policy of asset stripping without any thought of replacing those assets. A policy we always opposed but one many of you share in the guilt for that because you [Conservative councillors] voted for it. I am not sure the public will understand the recent history of asset stripping when thing are OK, and then desperately plundering reserves to buy new assets when things get really bad. I still support the principle but urge great caution in following it.

But there is something else in the budget which throws light on the ugly underbelly of how Spelthorne does things. A capital cost of £50,000 for new wheelie bins in the cabinet papers. That is not an <u>if or a maybe</u>. It is not a <u>risk or a contingency</u> not a <u>might or a possible</u> that is an absolute capital cost. Allowing for planning permissions already granted that still translates into at least 6000 new houses in the next few years. If there is anyone out there still deluded to think that Spelthorne's planning regime is anything other than a developers' rubber stamp. Well here's some cold hard numbers that the reality. What I want to know if those

houses are not going on Kempton Park Green belt which Green Belt are they going on?

As I said earlier a catalogue of mistakes by this council has left us ill prepared to face the problems we are now having to cope with.

It is of course not difficult to see the common theme in all this. Conservative Government, Conservative County, Conservative Borough and Spelthorne residents facing their largest council tax hike in years at the same time services across the board are going to be cut. Indeed it is worth noting that the <u>only</u> precepting body to stay within the 2% is the police- guess what they are not run by the Tories!

Reluctantly I have to agree with the sense of the 2.7% rise in the tax base, every little helps but let's be honest it will make little impact on the years of financial miss management that has led us to the mess we are now in. At least it is a matter of record Liberal Democrats never supported the string of foolish short sighted budgets which have made this mess so much worse than it should have been.

The budget has been balanced by plundering our reserves yet again. This again is not good news for Spelthorne residents. The Liberal Democrats cannot support a Conservative budget that does so little for Spelthorne residents.