

Green Group budget response, February 2024

Thank you, Lord Mayor

I would just like to say, first of all, that I am very proud to be delivering the first ever budget response from a Green Group at Canterbury City Council.

I will not be focussing on issues associated with the financial limitations the Council faces, tonight, nor on the detailed allocation of available funds. There have been plenty of eyes on such matters and all of us here understand the financial constraints the Council is operating under - and what was left by the previous administration. Where I will focus, however, is, firstly, on issues that we, as a group, believe are fundamental to us as a community, in a world confronting a climate crisis, and, secondly, on principles of financial transparency and accountability.

I will address how the budget deals with:

- Sustainability and responding to the Council's declared Climate Crisis;
- Transparency and Accountability; and
- Delivering Value for money and managing costs.

The prior administration only responded to these matters in exception. I have to clearly state our concern that the new administration has not fixed the previous administration's lacklustre regard for climate change in council business. Nor does the budget meet the standards of disclosure and transparency that our party would advocate for. What's more, I hope to demonstrate that by opting for 'business as usual', and failing to pursue sustainable goals, the Council is actually losing our constituents money.

In 2019 the Council declared a Climate Emergency. It created a Plan that was meant to govern every aspect of the Council's operations. It stated an intention that Canterbury City Council should become, and I quote, "*a leading organisation in emissions reduction, building resilience into its services and assets, and enabling the district in all aspects of effective climate action.*" So far so good. Council agreed that every aspect of council activity would be driven by its impact on the climate.

This impulse towards responding to the challenge of climate change was echoed in the campaigns of many here - ours were not the only green-

coloured leaflets hitting people's doormats last spring. The consensus seemed to be that adopting Green Policies is politically smart. Now let's look at the delivery on those issues.

Initially, the budget documents shared with the Overview and Scrutiny Committee did not include Appendix 7 - The Environmental Assessment - alongside all the financial and risk plans which were presented.

We have now seen the Appendix and, frankly, it says nothing. There is no evaluation of the environmental impact or emissions impact of the 49 capital projects seeking approval. There is no evaluation of the impact of the operating proposals on the Council's emissions of Carbon Dioxide or of other greenhouse gases. There is no statement of the effect that the budget has on the Council's stated commitment to be carbon neutral by 2030. There is nothing mentioned about how the budget affects our constituents' adaptation to the effects of Climate Change. We are in crisis; we are doing nothing.

Well, almost nothing. We note and support the reinstatement of the Climate Change Reserve for £500,000. This is on a budget of around £35 million in operating expenses and £25m in capital costs – it's around 1%.

So what do we not see? Well, where to start? We believe the impact of every capital project should be assessed for its contribution to lowering emissions and that nothing should be spent until this is done. No asset should be even considered unless it can be demonstrated that it will contribute to a reduction in the Council's emissions. We would insist on a formal plan for vehicle procurement with a binding action plan to electrify every asset. There are viable solutions for every vehicle the council uses that will lower fuel use, save money and lower emissions. There is no excuse – the Council is wasting people's money every day and at the same time we are not reducing our greenhouse gases fast enough. The tipping point for value for money on **electricity** powered vehicles over liquid fuels was passed some years ago, except for one or two applications.

We see no commitment to seek renewable energy procurement for all council activities – in fact, there is literally no mention of the energy procurement contracts of the council in the budget, yet this is one of its largest controllable costs. We see no planned investments on rooftop solar or any renewable energy on council buildings. We see no

commitment to require all new capital projects to generate their own power. We know there have been offers by Community Energy groups to provide roof top solar for no council investment on Council properties Whitstable. We know these were not taken up. Our members have sent emails to Cabinet members offering financial solutions concerning vehicle charging – these went unanswered. We see no details of change to the dormant Whitstable District Heating project.

We are also simply not doing enough to secure funding available to help us meet our targets. We should be scouring for sources for funding. The Council's grant application experience is, unfortunately, poor. The Council has consistently failed to access government funds because of inadequately resourcing our sustainability activities. This has to stop.

Producing a budget without first understanding its climate impact is simply the wrong way round. The Environmental Assessment of the Budget is not fit for purpose – basically, it is three lines on £60 million of spending. This council **declared an emergency – our party, apparently alone, feels that if there is a crisis, then we need to act like it and every step the Council takes should take that into account.**

There is nothing 'green' in the budget of the new administration and the budget addresses none of the challenges required in our 2019 Climate Crisis declaration. It is a wasted opportunity to implement the policies that both parties ran on to get elected and appear to have abandoned now they are in power.

Moving on, now, to transparency and accountability. We understand council finances are complicated. Yet we also know that we are saddled with, according to Kent Online, the largest debts of any council in Kent. These were incurred in property investments of suspect value. These were not incurred by the governing group. Yet nowhere in the documents of the budget is a clear and reasoned accounting for the costs of the assets acquired, the costs of funding them, the level of indebtedness that was associated with buying them, the impacts of inflation and variable interest rates, quantification of risks of impairment and the state of occupancy and the rental yields achieved. After the climate risk, the impact of the Council's investments and debt must be the second highest risk. We would publish the details were we in power. Canterbury's citizens have paid for these projects, and will keep paying for them for decades. They

deserve clear, precise, timely and public disclosure. The same goes, incidentally, to the operational contracts and investment costs of the leisure centres, another opaque business activity of the Council. The council owns the buildings, and it is still spending on refurbishing - is it making money or not?

And finally - value for money. We see much that cannot be changed. We do not see disclosure of what can be done. We would welcome discrete disclosure of the Council's 20 highest external contracts and understanding of how the Council's officers plan to reduce costs in each. This should, as with everything, be disclosed in a manner that citizens can see, and should benchmark cost management. A good place to start is electricity and gas which has to be one of the Council's largest costs. The minutes of the January meeting of the Overview and Scrutiny committee put a question to the Cabinet:

'Was the Council keeping energy contracts under review to ensure best value for money and was renewable energy included in that in order to meet the climate emergency carbon neutral targets?'

The cabinet minutes of 8 February state that the Overview and Scrutiny minutes were 'noted' - but there is no record of a response to this - or indeed to the other comments and other queries posed.

As a party, we have shared our requests in comments to the budget but need to emphasise that failing to source our own energy is throwing money away. So is the lack of a plan to wean us from expensive gas. The council's energy procurement plan should be very public, and the supply rigidly bid for. A typical Kent LASER contract is in excess of 30 pence per kilowatt/hour. Rooftop solar has a levelized cost of energy of around 12 pence per kilowatt/hour. Every day passed is money wasted.

We would propose a public review of energy procurement costs, documenting contract length, costs incurred (including fixed charges) the carbon footprint of acquisitions and a detailed plan to be prepared covering how to internally generate power, how to get off gas and how to reduce both cost and carbon emissions arising from procurement.

And the Council needs to be much better at hunting for resources – its performance in targeting government grants should also be a matter of public record.

In conclusion, we do understand the work put into preparing this budget. The product, however, looks to be a continuation of the old administration's approach. It appears responsible, but in its failure to address the Council's acknowledged climate concerns, it is actually reckless. It also perpetuates the mindset of the prior incumbents. There is no radical change here.

We need clear disclosure and analysis of the problems we confront. Few non-council experts would be able to understand the budget as it is presented, and the Council needs to work harder to show our voters how their money is being used, in a form they can easily understand.

We are all in a crisis: climate, environment, biodiversity, energy poverty and economic deprivation.

We think that the voters sought change in the recent election and that they should see it.

Thank you, Lord Mayor