

Executive Committee 16th February 2021

**Bradford Council Executive's Budget and Council Tax proposals for 2021/22:
Amended budget recommendation to full council**

Introduction

This is a strong budget of investment and recovery for the Bradford District. It's a budget that strengthens the universal services we provide for everyone in the district, supports our local economy and provides new investment through difficult times to help people access the support they need in their local neighbourhoods, when they need it.

We have prudently managed the budget when dealing with ten years of government austerity preceding the pandemic and this has enabled us to draw on reserves to make critical investments when the district needs it most - in a time of national crisis. Thanks to our careful management, we are now able to make these reinvestments into frontline services that residents rightly care about. We have listened to our residents and partners through the budget consultation and on the ground during our Covid response. Therefore, through this amendment we propose to invest in cleaner streets and stronger services rooted in local communities. This is also a budget that invests significantly in our young people to fulfil their potential and in support for our older citizens. The future of local government finance is still unclear, there is no certainty of funding for councils beyond next financial year from national Government. We must continue to transform services to make them sustainable. In short, this is a budget of investment to enable the strongest possible recovery.

While investing more in everyday services, we are also maintaining strong support for the district's high-level priorities and long-term ambitions – the building blocks of education, skills and jobs in our city, towns and villages. The pandemic, which has hit underprivileged communities and key workers hardest and exposed unacceptable inequalities in our society, has highlighted the need to deliver on these ambitions. Our values drive us to tackle these inequalities head on and achieve social justice for all, so that everyone has the chance to live well and better themselves whatever their background. We will work with partners to address the root causes of inequalities in health, wealth and education, so that every child living in this district can fulfil their unique potential. The comprehensive response during the pandemic has shown the importance of good quality local services. We will also deliver on our major regeneration projects and our ambitious culture-led regeneration programme.

This is a budget of resilience but also of hope for building a better future. Now more than ever as we emerge collectively from the pandemic, we need to invest in our local communities and provide strong support for our local economy to create a future where more people enjoy the benefits of growth.

We give our thanks to council staff, all key workers and the people of the district who have helped one another through this pandemic with fortitude and resilience, and we offer our heartfelt condolences to all those families who have lost loved ones. As a district, we will remember them.

Cllr Susan Hinchcliffe, Leader of Bradford Council

New investments

The investments proposed below build on those we previously announced in December and have been developed while taking account of the feedback we received from residents and partner organisations in the consultation.

Street cleansing - £600,000 base budget

We propose to invest new recurring funds into this core service that matters to every council tax and business rate payer. The need for cleaner streets is a universal concern in all our neighbourhoods across the district – our communities are overwhelmingly united in the common cause to eliminate litter, fouling and fly tipping, which are a blight on our streets and green spaces. In spite of the government cuts over recent years we have maintained high service standards thanks to the hard work of clean teams and environmental wardens and the introduction of new ways of working. We have introduced new technology (such as solar powered litter bins and electric vacuum cleaners) and an increase in enforcement in terms of fines for fly tipping, litter from vehicles and people littering on the street. Our use of surveillance cameras has also had a positive impact in catching offenders. This, together with a number of high profile anti-litter, chewing gum, dog fouling and fly tipping campaigns over the last five years has increased awareness of environmental issues. In addition, the help of individuals and community groups across the district to organise clean-ups and litter picks has been invaluable and we will continue to support that activity. This additional investment will fund more street cleaning as well as strengthen our prevention and enforcement activity to clean up our streets, deal with the culprits and address the root causes so that we can all live in cleaner and healthier environments. The investment will pay for more frontline staff and cleansing equipment, more surveillance cameras for enforcement, increase the environmental campaigns targeting litterers and fly tippers and provide extra resources for community groups organising clean-ups.

Ward teams – support for communities - £600,000 base budget

This investment will be used to refresh our approach to how we support communities on a local level, helping them to respond to local issues, address local priorities and shape their own futures. It will strengthen Neighbourhood Management, Ward Member support and locally based work to help people address issues and problems in their lives at the earliest possible stage before they reach crisis point. Working in localities during the pandemic has brought increased inter-agency working which has benefitted residents. Learning from this, the refreshed approach to locality working will be developed in consultation with councillors, particularly Area Committee Chairs, staff across council departments and partner organisations. It will enhance the delivery of our services on a local level and empower local people and their representatives who know their communities best. It will be used to support our ambition for greater co-ordination of council and other public services at a local level, helping to deliver services more efficiently and effectively. People will be better supported to help themselves as part of our 'People Can' programme of support for volunteering and unlocking the potential of local community assets. Knowledge and understanding of our communities on the ground, what they need and what they can offer has been critical in delivering an effective response to the pandemic. This investment reflects the importance of working together with communities and across

council departments and partner organisations at the local level to build resilience and support a strong and inclusive recovery. We want to deepen our connection with all our communities so that our residents can more easily access the local services, resources and support they need when they need them.

Youth services – retain our ongoing investment

Last year we postponed the scheduled reduction of £513,000 in spending on youth services. This was a cut we never wanted to make but which was made in response to the national government cuts. Through this amendment, the Executive proposes to remove the planned cut altogether and commit to retaining at least the current level of funding for youth services in base budget for future years without the threat of reduction. We believe it's the right thing to do, given the invaluable work of the Youth Service during the pandemic which is likely to continue to be needed in future years. This has also shone through in the public consultation which has made clear the value of services for our young people.

Welfare Advice – amendment to previous budget decision

The budget reduction in Welfare Advice scheduled previously was based around a fundamental change to the way the council and its partners deliver customer facing services and customers getting the 'right support at the right time'. Now however, a time of national emergency is not the right time to remodel this service. We therefore propose to delay full implementation of the £844,000 approved saving to 2022/23, and a review is underway into how they can best be delivered over the longer term.

Investing in education and skills for a strong recovery

At the start of the consultation for this budget we were clear about the importance of investing in Education and Skills to support a strong recovery. We are investing significantly to support our children's learning and to help them catch up after such a disruptive year. Every child matters, therefore our strategy is to support the learning of every child regardless of the type of school they attend. In addition, we are investing in skills to help individuals and families particularly those whose employment has been hit by the pandemic and economic downturn. Our pioneering local jobs and skills programmes have strong track records and now more than ever is the right time to invest in them to support our residents.

Post-Covid Education Recovery Plan

Our post-Covid Education Recovery Plan builds on the work undertaken particularly over the last year and is a collaboration between the council and schools across the district. It is a comprehensive approach that seeks to address the root causes, not just the symptoms, of underachievement. It will support the building blocks of language, literacy and numeracy early in Key Stages 1 and 2; core skills in Maths and English for those pupils who need additional support in Key Stages 3 and 4; a relentless focus on persistent absence across all ages; continued investment in therapeutic support for children to aid their learning; strengthening leadership and governance; and a substantial investment in capital funding to support the delivery of our programme to ensure digital inclusion for all our children and young people.

SkillsHouse expansion

Our investment in SkillsHouse will help respond to the expected significant increase in unemployment caused by the pandemic. It will enable SkillsHouse to rapidly expand its service and build the capacity of partners to support individuals across the district in accessing training and employment opportunities. We have a successful track record as a partnership of supporting jobseekers into sustained work, and businesses to recruit locally. The additional investment will enable us to upscale this through interventions that address the immediate job losses of the Covid-19 recession and underlying local need: skills gaps, low pay, low productivity and social inequalities; and it will also build the capacity of deprived communities and residents to access training to secure sustainable employment and careers. Ramping up the successful work of SkillsHouse is vital if the system is to have the capacity to support jobseekers and employers so that when the economy recovers, it does so in a way that is sustainable and inclusive for all our communities.

Government policy on council tax and social care precept

The government's long-running policy of reducing its core funding to councils and shifting the responsibility on to the local council taxpayer to fund local services has resulted in the vast majority of councils across the country having to increase their council tax over the past 10 years. Unfortunately, the funds this has raised have fallen well short of the gap left by the government cuts – hence the extensive loss of local services across the country since 2010. The government's approach of placing a greater reliance on council tax rises also means that councils in wealthier parts of the country, which have more expensive properties and higher council tax incomes to begin with, have been able to raise even more income than less well-off areas.

Council funding remains uncertain

While we have welcomed all of the necessary additional one-off funding that has supported our pandemic response, local government finance remains in a fragile position and councils require new and sustained funding to secure their viability. It is worth noting that 87% of the £2.2bn increase in core spending power that was recently announced by Government actually comes from council tax increases and is accompanied by relatively low increases in grant funding. During austerity the proportion of the council's net budget funded by council tax has risen from around 35% to approximately 55% currently. And we now face an added pressure, as the council's income from council tax has reduced for the first time in living memory this year by £3.5 million because of the huge economic downturn.

Council tax funds essential services

We spend every penny of council tax raised locally wisely and well. It has enabled us to save services that are valued by our local communities across the district. We never take any decision lightly to increase council tax – more so than ever this year when so many people are feeling the brunt of the economic downturn. But the events of this year have also demonstrated the value of local services. In addition, there is

always the need to simply try to keep pace with inflation in order for services at the very least to stand still amid rising costs as well as rising demands.

Council services have literally been a lifeline for many residents this year. For example our food provision to children and families, putting in enhanced test, trace and isolation measures to help keep people safe, our partnership work with the health and care sector to support older people and others, and our work with schools and other partners to ensure the safeguarding and education of our young people throughout such a difficult period. Doorstep waste collections have been hugely valued by our communities and continued throughout the lockdowns, similarly our top-class parks and green spaces have proven to be a mental and physical health lifeline for many. We are determined not only to maintain all these facilities and more, but we are ambitious to invest and improve them for a better future.

The Executive recommendation is, in common with most other councils, to proceed with a 1.99% council tax rise, plus the maximum permissible 3% adult social care precept to pay towards demographic growth pressures and better pay and conditions for care workers. This total of 4.99% will amount to an increase of, for example, £56.22 per year for a property in Band A and £84.33 per year in Band D.

We fundamentally disagree with Government that the essential services of adult and children's social care should be funded solely by council tax, not by national government. They are however leaving us with no other option in challenging financial times. We are however doing everything we can to mitigate the impact of council tax increases on those with the lowest incomes. The Executive is proposing that we enhance our council tax support for taxpayers who need it. We will provide a discount of up to £100 for all residents who qualify for Council Tax Reduction. This is on top of the £38 million we already fund annually to support Council Tax Reduction claimants.

Again we must be clear that it is Government's decision to instruct councils to implement an additional adult social care precept to pay for increased social care costs. The fact of the matter is that it should be Government's duty to fund the increase in costs in services at a time when people are struggling most. No other funding for the Adult Social Care sector is guaranteed to be forthcoming from government next year, yet we need £5m as a minimum just for care wages to keep up with the cumulative impact of year-on-year inflation. This would provide for a 3% increase in weekly rates to care homes and a 7.2% increase for homecare. In addition, we need £1.1m for demographic pressures – more people are eligible for services and there is greater complexity of need. This £6.1m will be funded by the 3% adult social care precept. Social care workers have given so much for this country and its vulnerable citizens over the last year. They deserve thanks, praise but also a decent pay settlement from a Government that cares enough to fund adult social care properly and sustainably.

Staff Pay

As in previous years we cannot know the outcome of any pay negotiations which are yet to take place, however we are continuing to budget for a 2% pay increase for staff and we are again committed to ensuring that all council employees will be paid

the Real Living Wage next year. This year more than any other year council staff have gone above and beyond to keep the district moving and we thank them sincerely.

Use of reserves

When the above are taken into account, the financial gap to be covered by reserves in 2021/22 will be approximately £6.4m. Although using reserves is far from ideal, we are in extraordinary times, and our budget strikes the right balance between providing much needed services with prudent financial management.

Green growth

Through last year's budget we launched our ambitious plans to tackle the climate emergency and support a green recovery. It's as crucial as ever that we deliver these measures at pace as we emerge from Covid and rebuild with clean new jobs and infrastructure. We need to extract best possible value from the £25m investment which continues to be delivered, including £24m for transformational plans and £1m to support community projects.

The continuing £24m investment in transformational capital projects includes:

- LED smart streetlights
- District heat network
- Electric vehicles and infrastructure
- Renewable energy
- Hydrogen.

The £1m funding is being used to support community projects, including our flagship "tree for every primary school child" scheme (55,000 trees); upgrading the fleet; extending 20mph zones; ward-level climate initiatives; upgrading the council estate; flood alleviation works; and increasing recycling rates. Just this year in delivering on green measures in spite of the emergency pandemic response, we have secured funding for an advanced fuel centre for more environmentally friendly HGVs, we have secured Unesco City of Trees status, we have invested in new anti-flytipping cameras and our tree for every child initiative has captured imaginations young and old. We must push on and accelerate our progress.

Our vision is for a green new deal for our residents and businesses in which these projects and investments are delivered to support living and working in greener, more productive ways, with the development of new technologies, jobs and infrastructure coupled with harnessing the energy of our children and young people – as it is the younger generation who will be driving this forward in the years to come. We want to position the Bradford District at the heart of a green new North connected to new jobs and opportunities and which enables people to live healthier lives and enjoy fulfilling careers. Our transformational transport plans are at the heart of this, most notably our campaign for a Bradford city centre stop on Northern Powerhouse Rail which will boost the economy of the North by £15bn and bring thousands of new jobs to the district and region. It is the kind of essential and truly transformational project needed to make the levelling-up aspiration a reality.

We have instructed officers to ensure that every new investment we make has top-class green credentials at its core so that our recovery from Covid and our next wave of growth addresses the climate emergency, reduces our carbon footprint and creates a cleaner and greener district for everyone's benefit.

Continuation of our emergency Covid support for communities

Alongside this budget we will continue investing in our priorities for the district as part of our comprehensive pandemic response to support people and businesses. The funding we have lobbied for and received from government to date has been much-needed by the council and our communities. We now need the government to follow up with a sustainable funding plan for local authorities that matches levels of need and people's desire for a better future. Yet more austerity cannot provide the solutions that our communities and businesses need.

We have plans to use the remainder of Covid funding wisely and efficiently to bolster our support across the district. In particular, we will invest it in vital support such as:

- Keeping children warm and well fed
- Funding additional pressures in children's social care
- Extending our support for mental health services
- Continuing our successful Youth Covid Ambassador provision
- Funding improvements to paths and rights of way, which have seen a significant increase in use as people exercised locally during the lockdowns

These planned investments are in addition to the measures and activities approved by Executive Committee on 2nd February, such as our £2.4m plan to raise educational attainment, £1.019m for SkillsHouse; £5.3m for adult social care; £500,000 to support victims of sexual abuse and domestic violence; £90,000 for communicable disease control and £218,000 for the MAST team which is a partnership of voluntary and community sector organisations assisting with timely discharges from hospital and other positive health interventions to help our residents and the wider health system.

Closing comments

This is a budget to support the district through the pandemic and prepare us for a strong recovery that maintains - and strengthens - the council's key role in supporting our people and businesses. This is a budget to support resilience amidst a hugely challenging situation for the economy of the district, region and country. It is an investment in our young people's futures and for a good quality of life for our older citizens too. And it invests in the everyday services that make such a difference to all people wherever they live in the district. It also includes significant capital plans that aim to deliver on our ambitions to transform the district's work and leisure opportunities, for example in the delivery of Wyke Sports Village, our successful laptops for children programme and the prime One City Park development that will bring more quality new jobs to the district. Our investment in and support for the Stronger Towns regeneration initiatives in Keighley and Shipley will also bring growth and jobs as part of our work across the district to boost our economy and create new opportunities for our people and businesses.

The Executive would like to place on record its thanks to residents, council staff and our partners, who have truly gone above and beyond to support the district through this historic challenge. Individually and collectively they have put in sterling work through the pandemic, showing flexibility and resolve, taking on additional responsibilities to support communities and maintaining business as usual services. This budget will strengthen our work across the district to tackle inequality, ensure continued support for those who need it and rise to the challenge of ensuring the strongest possible recovery for our people and businesses.