

Backing Bradford District



City Of Bradford MDC

2018 Autumn Budget Representation

City of Bradford MDC Budget Representation 2018

Executive Summary



The UK's youngest city, Bradford offers huge potential and significant opportunities for Government to invest in the delivery of a re-balanced and more productive national economy. Our [Economic Strategy](#) sets out ambitions to have the UK's fastest growing economy by 2030, adding £4bn to its value and generating good, sustainable growth. Bradford Council is committed to playing its full part in its realising those goals working to forge a better future for our place and its people, generate growth and lower costs.

To achieve our ambitions we need more jobs, businesses and improved productivity and skills. We must transform connectivity, go further in raising educational attainment, reduce significant health inequalities and address issues restricting housing development. Council leadership and resources are key to delivery and we are investing in growth but face financial pressures which, along with a limited local resource base and reductions in Government funding, threaten to overwhelm our ability to invest in delivering the outcomes that we need.

Without extra investment we will see higher costs and poorer outcomes with a high risk that the Council will eventually provide only statutory services. Funding for early interventions that reduce overall health and care costs will reduce our ability to provide the investment required to deliver our shared ambitions for growth and prosperity will be eradicated.

Our Ask. Bradford needs certainty and fairness in national funding which recognise its needs and resources. We want action on social care, support for major infrastructure investment and a devolution deal for Leeds City Region. In return, we can unlock economic potential and reduce costs to public services.

Resources

- Ensure that Local Government funding takes full account of Bradford's needs, resources and ability to grow local revenues.
- Extend the pilot within the Business Rates Pool, to improve financial sustainability.

Adult and Children's Social Care

- Address immediate pressures on our adult social care system through an additional £7m p.a.
- Agree to the LGA's call for urgent cross-party talks on the shape of a viable, sustainable social care and support system..
- Recognise and fund Bradford's children's social care needs which will require an increase of £7m a year for 3 years.
- Work with us, building on our experience, to deliver new approaches to reducing demand.

Infrastructure - Government to work with us to invest in and secure the support to deliver critical investments:

- *Northern Powerhouse Rail.* City centre high speed rail will add £1.3bn to our economy.. Extra investment of c£50m to maximise benefits
- *Bradford South Gateway* c£25m development of commercial centre delivering new jobs and attracting inward investment.
- *Airedale Corridor*– c£25m support for growth and inward investment in the Aire Valley.

Our Ambition: Fastest growing economy delivering good growth

Bradford Council shares Government's goal of achieving a balanced national economy with prosperous communities across the country and we are committed to playing our full part in its realisation. Our Economic Strategy, sets out ambitions to have the UK's fastest growing economy by 2030, adding £4bn to its value and delivering good, sustainable growth by increasing productivity and supporting enterprise and innovation.

The UK's youngest city, Bradford offers vast productive potential. Globally connected, home to over half a million people, a £10 billion economy and the North's most productive businesses, Bradford has been named by Barclays Bank as the best place to start a business. Strong growth factors include low commercial rents, high business rate relief and broadband speed. High business start-up rates reflect a tradition of industry, enterprise and pioneering innovation while extensive international connections place Bradford among the UK's top exporters.

Our Challenges. Like all big cities, Bradford faces challenges. We need more jobs, more businesses and to improve productivity and skills. We must transform transport connectivity and go further, faster on raising educational attainment and skills. We have to eliminate significant health inequalities and address viability issues restricting housing growth.

Council resources, capacity and leadership are key to achieving those goals. However, we face significant financial pressures, particularly in social care. These pressures, along with a limited local resource base and reductions in Government funding, threaten to overwhelm our ability to invest in the services, activities and facilities integral to delivering the transformation in outcomes that we need.

Working with Government to secure the right investments and interventions we can unlock productive capacity and deliver dividends to the local and national economies while reducing pressure on public finances..

Investing Together in a Better Future. Failure to invest additional resources will lead to higher costs and poorer outcomes. There is a very real risk that the Council will eventually provide only statutory care and a rump of other statutory services within the context of an increasingly unsustainable care system. Funding for early interventions that reduce overall costs will be curtailed and our ability to provide the investment and accountable leadership of place required to deliver our shared ambitions for growth and prosperity will be eradicated at a time of greatest need.

Bradford Council is a partner that can be trusted to deliver and our young, growing District is a crucible of industry, innovation and enterprise.



We offer significant opportunities to work with Government to forge a better future for our place and its people, generate growth and opportunity and lower costs. Achieving those goals requires government to recognise the cost pressures in adults and children's social care, the needs of the District and its relatively limited local resource base and the importance of investment in growth and early intervention.

534,000

PEOPLE



YOUNGEST CITY
IN THE UK

**MOST
PRODUCTIVE
BUSINESSES**

OF ANY CITY IN THE
NORTHERN POWERHOUSE



15,700

BUSINESSES



BEST PLACE IN THE UK TO
**START A NEW
BUSINESS**

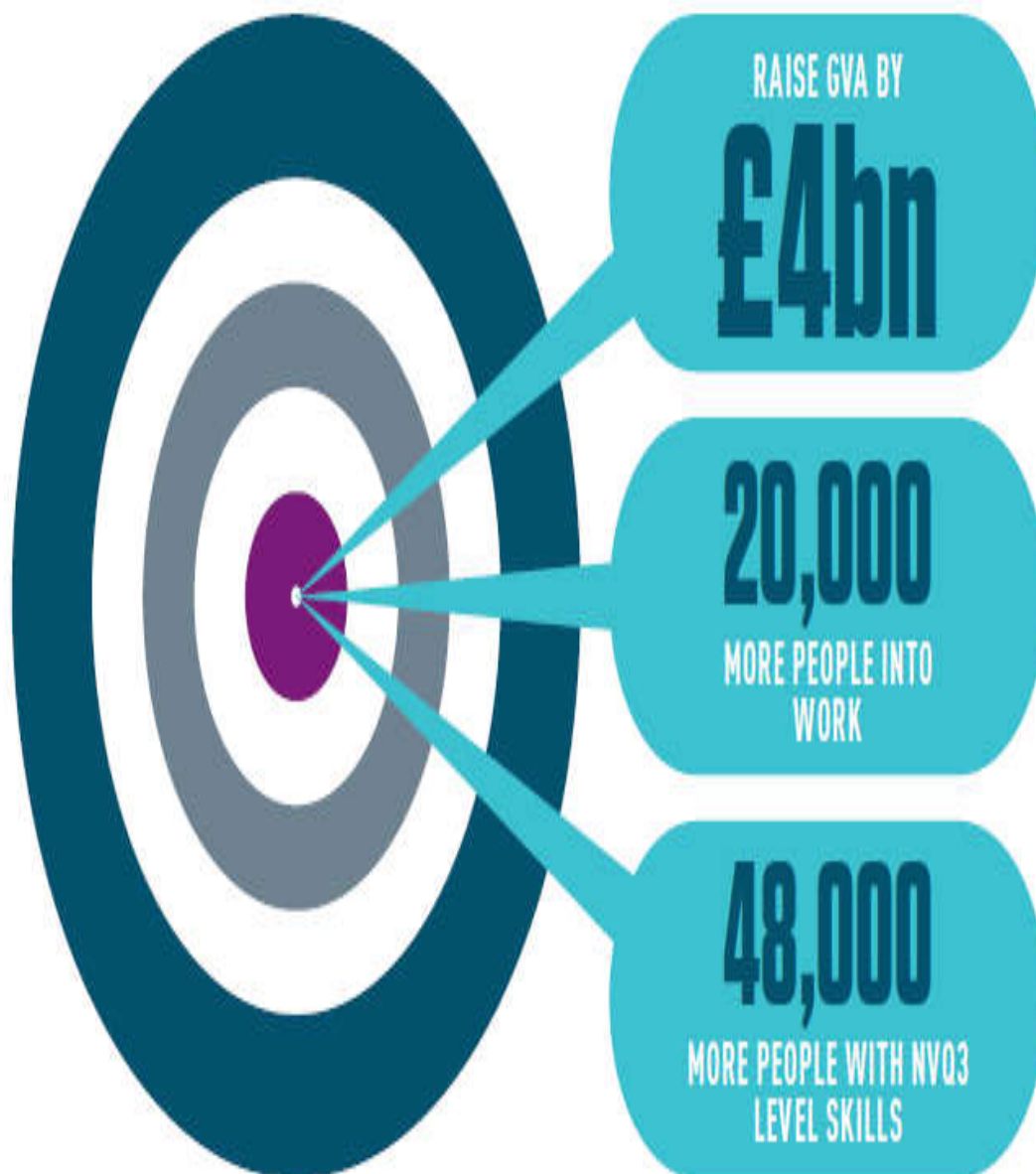


AN ECONOMY WORTH

£10bn



Bradford District: Assets and Ambition



Our Challenges.

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Our Approach

Our approach is shaped by the following principles:

Working together – working closely with partner organisations, business, communities, families and individuals to make the most of all our district's resources, assets and opportunities.

Every pound counts – using money wisely and targeting resources at district priorities while supporting the development of cost-effective and innovative solutions.

People in charge of their own lives – supporting wellbeing and independence and reducing long term costs through early action to prevent problems developing or stop them getting worse.

Equality – making sure that council activity helps to reduce inequality, provides opportunities for everyone and builds an economy that works for us all.



Council Resources

Bradford Council has made a significant contribution to reducing national public spending which, along with finding the resources to meet increased demand for social care and rising costs of delivery, have required us to make £262m in savings since 2011 with a further £23.3m agreed for 2019-20. Our current net budget is £358.1m compared to over £500m in 2010. Our forecasts predict that another £86m will need to be found to balance the books by 2024-2025.

Council Tax. Over half of our net expenditure is funded from Council tax but Bradford’s local tax base is low. Band D Council tax is the 9th lowest of all Metropolitan Districts and 80% of properties fall below Band D. These factors mean that the amount raised through local taxes is much lower than among our counterpart authorities.

For example, Bradford’s band D Council tax raises £1,039 per dwelling compared to an average of £1,258 and far higher levels in lower need authorities such as £1,839 in Wokingham or £1,724 in West Berkshire which also have significantly more higher band households.

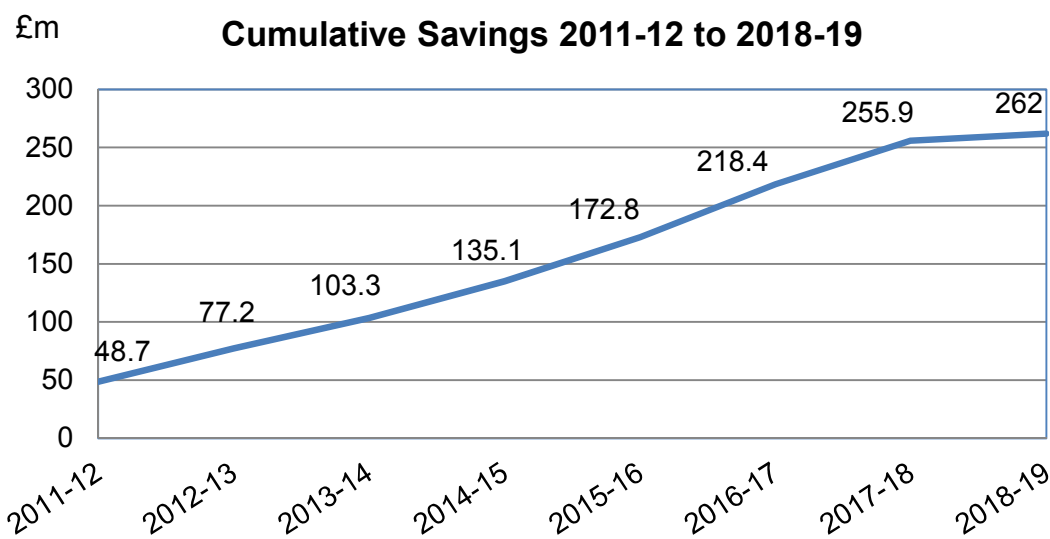
Business rates. Our ambitions on investments in infrastructure and our economic strategy look to ensure that our overall business tax base is more robust in the future but currently Bradford’s Business rates are insufficient to fund the District’s levels of need however the Council is currently piloting 100% Business Rates within the Leeds City Region Pool. As a result in 2018-19, Business Rates income will meet 35% of the Council’s Net Budget Requirement.

Bradford is committed to going for growth and continues to invest in its delivery which, over time, will help to expand our revenue base. We are looking to adopt an increasingly commercial approach and to make appropriate income generating investments. Nevertheless, the demand for and costs of social care are moving at a pace which exceeds by far the rate at which we can grow local revenue streams in response and which threatens to overwhelm our ability to sustain investment in growth, early intervention and innovation at a time when they are needed most.

We ask Government to:

Ensure that the funding settlement for Local Government, including the re-distribution of business rates, takes full account of Bradford District’s needs, its resources and the pace at which it is able to grow its local revenue base.

Extend the pilot within the Business Rates Pool, to improve financial sustainability.



Bradford District Council Tax 2018-19

Band H £2,666.42
Band G £2,222.02
Band F £1,925.78



5%

- 53% of net budget
- 9th lowest of all Met Districts

Band E £1,629.48



5%

- Lowest in West Yorkshire

Band D £1,333,21



10%

----- 80% Below Band D

Band C £1,185.08



20%

Band B £1,036.94



20%

Band A £888.81



40%

Social Care Cost Pressures

Caring for and safeguarding vulnerable children and adults accounts for around half of the Council's net expenditure. As demand for these services grows and the cost of providing them rises there is a high risk that they will absorb an increasing proportion of the Council's budget and that activity will be limited to statutory provision,. This will severely restrict our ability to invest not only in growing our economy and revenue base but ironically, in the non-statutory preventative services that will best help us manage demand and associated costs across the entirety of public services and in particular, the NHS.

Adult Social Care.

The Council has invested resources of £3m a year over the next two years to meet demand for adult social care arising from demographic growth bringing total additional Council investment for this purpose to over £46m since 2011. Despite this investment the overall scale of the budget reductions the Council has been required to make coupled with the limited local tax base mean that Adult social care services must also seek to reduce costs and deliver savings - £26m are planned for 2019/20 and 2020/21 on top of £69m already made. The action being taken to manage demand and reduce costs includes:

- Focusing on ensuring people are cared for at home first by making sure they get the right service in the right place at the right time.
- Close and more integrated working with health services.
- Using technology to improve efficiency.

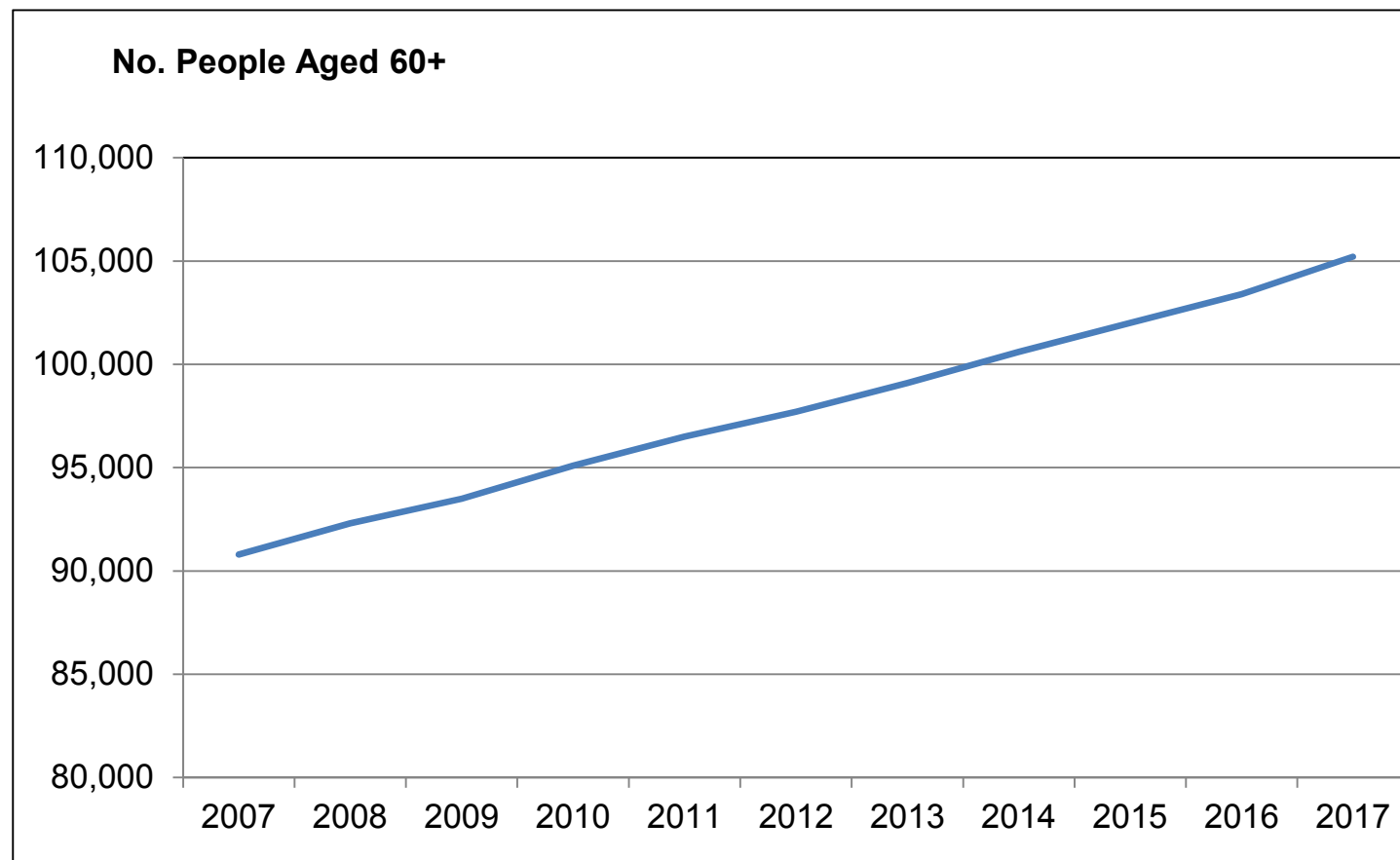
Helping more people to live at home instead of in residential care has meant that costs are around £6.2m a year lower than they would otherwise be. But because the cost of care keeps rising, overall costs keep going up. Between April 2016 and June 2018:

- Home care costs went up £13 per week or 22.14%
- Placement costs went up £67 per week or 12.11% over the period.
- Even with proportionately more care being provided at home total costs went up by £85,000 a week – 6.3%.

A recent Care Quality Commission System review of care for older people found that committed leadership across the whole system and a skilled, dedicated workforce are translating strategic goals into good services and real difference on the ground. But transformational change on the scale required is challenging and takes time and capacity to deliver, placing some savings at risk. The 2018 ADASS Annual Survey of Directors of social care found that only 28% are confident that their savings planned for 2018-19 will be met with 69% saying that prevention and early intervention is very important in delivering savings yet nationally and here in Bradford, spending on prevention is reducing.

In Bradford the situation is compounded by our relatively low tax base so if we are unable to deliver budgeted savings then this in turn, will force us to find reductions to other services. These will inevitably include services designed to deliver early intervention and prevention and will ultimately lead to increased pressures and costs across the entire health and care system. Additional funding for the NHS will not reduce pressure on health services without a commensurate increase in resources for social care.

The number of people aged 60 and over rose by an estimated 14,400 or 16% between 2007 and 2017



We ask government to:

Address the immediate pressures on Bradford's adult social care system which will require a minimum of an additional £7m a year.

Agree to the Local Government Association's call for urgent cross-party talks on the shape of a viable and sustainable social care and support system for the future involving the leadership of national political parties.

Children's Social Care

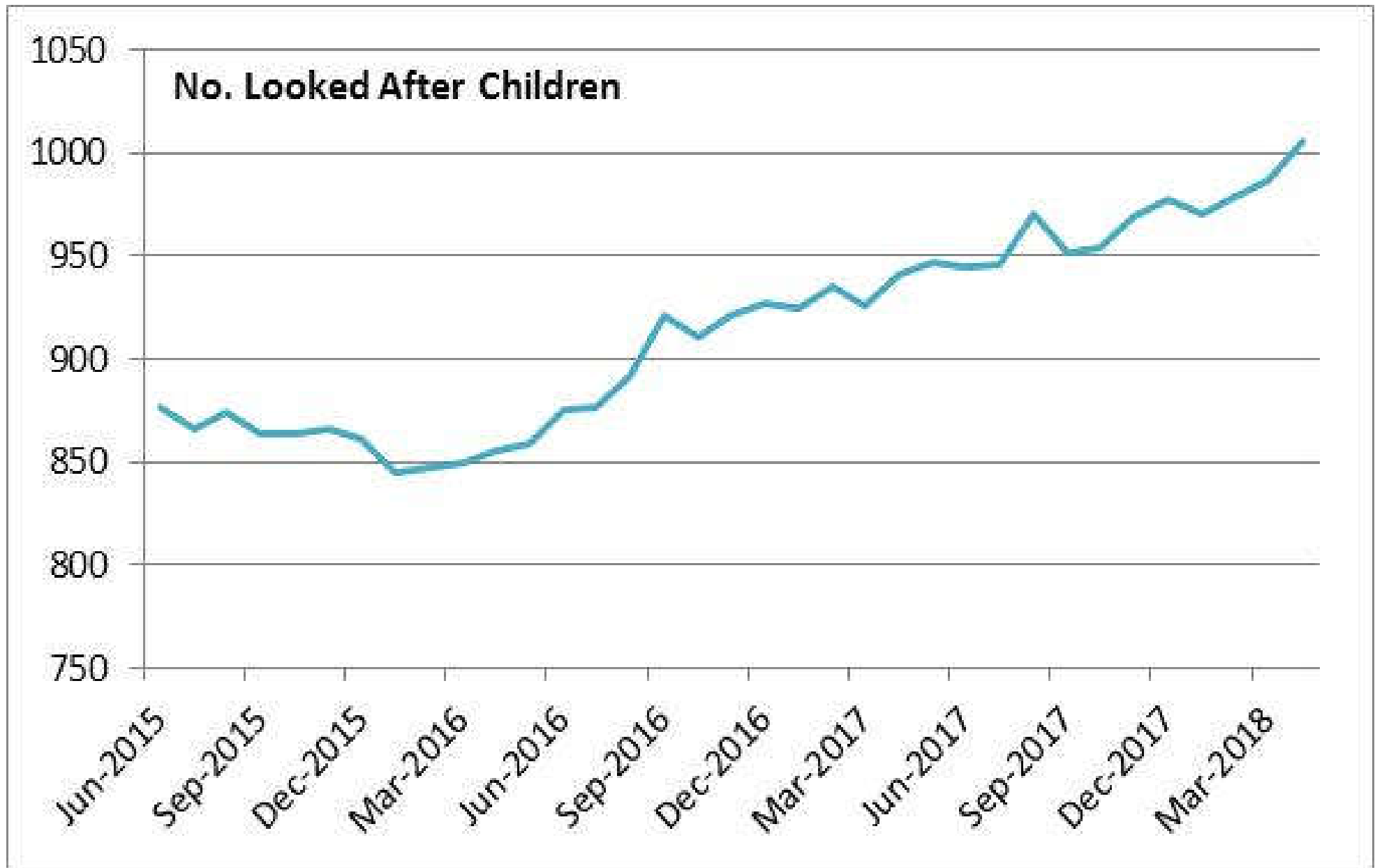
Bradford performs relatively well in terms of rates of children in care but is experiencing significant growth in the numbers of children entering the care system and increasing complexity of cases. We are the UK's youngest city with a quarter of the people under the age of 18 and population growth alone potentially adds a further 64 Looked After Children (LAC) every three years.

- 22% of children live in poverty
- the numbers of LAC increased by 17.6% between April 2016 and April 2018
- In 2016-17, the numbers of children placed on a child protection plan rose by 23%; our external placement costs are up 21% since 2013.
- 1,033 children in care in August 2018 compared to 925 in March 2017.
- 630 referrals a month in 2017-18 up from 540 in 2016-17.
- 30% increase in cost of locally purchased placements over five years.
- Significant numbers of children in care are from outside the District including central and eastern European migrant communities.
- Bradford's pioneering track record of innovation and collaboration includes:
- Joining the national Innovation programme, targeting teenagers on the edge of care.
- Social Impact Bond promoting support for positive behaviour focussed on interventions with children with learning disabilities and challenging behaviour.
- Partners include [Born in Bradford](#), building a unique and globally important evidence base about children, young people and families.
- Strong partnership working reflected in joint targeted area inspection of domestic abuse.
- However, demand is outstripping resources. The Council has made funding available to address demographic growth but this reduces the money that can be spent on services that provide early help and prevent the escalation of problems and associated costs.

We ask Government to:

- **Properly recognise and fund Bradford's children's social care needs which will require an additional average increase of £7m a year for the next 3 years.**
- **Work with us, building on our trailblazing experience, to deliver new approaches to reducing demand. This will require additional social care capacity to develop a system wide demand reduction project for children and young people's social care that will improve outcomes while reducing costs. The learning arising from this work would be available to be shared and deliver national cost reductions.**

The number of Looked After Children in Bradford is growing



Infrastructure investment

Bradford District offers significant, infrastructure investment opportunities which will transform the regional economy and productivity. Our proposed capital investment pipeline includes key transport and growth packages:-

Northern Powerhouse Rail. A Bradford city centre high speed rail stop will add £1.3bn to our economy, connecting our talent, enterprise and energy to opportunities across the north and beyond. Additional investment of c£50m will maximise opportunities offered by high speed rail.

Bradford South Gateway ca £25m development of commercial centre including multi-sports facilities delivering new jobs and attracting inward investment.

Airedale Corridor Growth Package ca £25m support to support growth and inward investment in the Aire Valley with potential links to re-opening of the Skipton-Colne rail route.

We ask government to work with us to invest in and secure the support to deliver these critical investments.

Leeds City Region (LCR)

Bradford plays a leading role in LCR recognising the strategic importance to the District of connecting to wider economies. We therefore support the vision for a more productive and inclusive City Region and the strategic measures designed to achieve it that are set out in the LCR Budget Submission . Of particular importance to Bradford is LCR's recognition of the transformational impact that a city centre high speed rail station will have not only in unlocking the potential for the Bradford economy, but also in driving good growth and productivity gains across the entire regional economy.

The LCR submission reflects the importance we attach to securing devolution which is essential to achieving our ambitions for growth. .We support fully LCR's call on Government to commit to its call for a devolution deal that delivers the powers and funding needed to drive good growth.

We ask Government to support and invest in the measures proposed in the LCR Budget representation.



