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Dear Chancellor

Bradford Council submission to the Autumn Statement 2023

As leader of Bradford Council, I am writing with our submission to your Autumn Statement. With Council resources under unprecedented pressure, we propose a six-point plan that:

- **Meets the immediate financial challenges and funds local authorities fairly.**
- **Delivers urgently needed resources and reforms in Childrens and Adults social care.**
- **Addresses cost pressures in home to school transport and SEND.**
- **Enables Bradford to work with Government to reduce cost and demand pressures through innovation in early help and prevention and flexibilities in public spending.**
- **Builds on commitments to a Bradford through rail station and levelling up of the District.**
- **Delivers enhanced powers and resources to West Yorkshire.**

The Prime Minister's confirmation that Bradford will see a new through railway station, our status as UK City of Culture 2025 and ambitious pipeline of regeneration projects present unrivalled opportunities for levelling up. Council resources are key to realising Bradford's economic potential and to keeping communities running, supporting vulnerable people, improving health, and reducing pressure on our NHS but vital council services are now under considerable threat.

Years of austerity, increasing demand for children's and adults social care, high levels of deprivation and extraordinary rates of inflation have left Bradford's finances and workforce capacity close to breaking point. Since 2011 we have had to find over £350m in cuts and savings while financial reforms which would benefit Bradford by £32m a year have been repeatedly postponed.

Cost pressures continue to mount particularly in children's social care which is placing huge and immediate stresses on council budgets across the country. Bradford is no exception and without additional resources, support, and reform we will be forced to cut services to the statutory minimum dealing largely with crisis interventions. Discretionary prevention and early help services would face cuts, increasing pressure on the NHS; quality of life in our communities would deteriorate as facilities have to be closed and services cease and our ability to support growth would be decimated. It would be ironic if, after securing the commitment to a new station, the Council were unable to support its delivery and associated benefits while community infrastructure falls apart.

Local authorities are best placed to maintain services in communities, tailor prevention and early help to their needs and make the right interventions to enable economic growth. Retreat to statutory provision puts all this at serious risk. Bradford has borne a disproportionate burden of austerity. We can't cut twice and can only use reserves once. Our tax base is low and council tax income is dwarfed by the scale of financial pressures. The choices now are stark.

True levelling up must ensure that Bradford has the resources, powers and positive relationships with Government needed to sustain Council services, innovate in public service reform, and deliver on our shared ambitions for sustainable growth. The measures set out here are essential for achieving those goals.

Yours sincerely

CIlr Susan Hinchcliffe, Leader, Bradford Council

City of Bradford MDC Budget Submission to Autumn Statement 2023

Bradford is the UK's youngest city and among its most diverse. With 547,000 people, 16,600 businesses and a £12bn economy, it has been named as the UK's leading levelling up opportunity. Bradford will be UK City of Culture 2025 and has an ambitious pipeline of transformational projects designed to unleash the District's growth potential. Central to those plans is a new city centre rail station that will improve connectivity and unlock the 120ha Southern Gateway site creating thousands of new homes, jobs, and workspaces.

Challenges include an under-performing economy that would be £2.6bn bigger if it matched national averages, high levels of deprivation and disparities in educational attainment between Bradford and the rest of the country. There are differences of up to ten years in life expectancy between the richest and poorest areas and COVID and the cost-of-living crisis have exacerbated existing inequalities and fuelled increasing demand for services. Council budgets are now under unsustainable pressure, and we urgently need additional resources and reform to avoid the decimation of local services.

1 Local Government Funding – meeting pressures and fair funding

The Local Government Financial Settlement for 2023-24 must recognise the financial crisis facing Councils and provide sufficient funding for them to set balanced budgets for 2024-25 considering the impact of inflation while protecting key services. This should include fully funding the recently announced increase in the National Living Wage.

Since 2011 Bradford Council had to find over £350m savings because of national austerity measures, rising demand for adults and children's social care and the spiralling costs of inflation. Reserves have also been deployed with a total of £158m required to balance the 2022-23 budget and set a budget for 2023-24. Resources set aside to invest in the District's future and sustain financial resilience have been deployed to mitigate the immediate crisis and the impact of inflation.

Demand and cost pressures continue to increase however the reserves are now depleted to the point where they are likely to be insufficient to bridge future funding gaps. Finding new savings and efficiencies is increasingly challenging. A wide-ranging programme designed to reduce costs, increase income, cut capital expenditure, replenish reserves, and transform services is in progress but the scale of the pressures is such that the current position is unsustainable.

Unless the Council can access sufficient additional resources there is a high likelihood that services will reduce to a statutory bare minimum providing crisis services only. This will reduce frontline services to communities, our ability to deliver growth and the provision of prevention and early help all of which will lead to further pressure on the NHS and other public services.

Implement Fair Funding for Councils – worth £32m a year to Bradford.

Accelerate implementation of the Fair Funding Review so that Councils are funded according to need and the ability to raise resources locally, this would benefit Bradford by £32m a year.

Bradford is among the most deprived local authority Districts in the country with high levels of need and demand for services. It is increasingly reliant on local resources to meet those needs with council tax and reserves now accounting for 63% of net funding and 37% funded through Government grant, an almost direct reversal of the ratio in 2011. Bradford's local tax base is low; Band D is £135 lower than the Metropolitan average and Council tax receipts £20m lower; 80% of households are below Band D with 40% in Bands A and B. This limits the amount that can be raised through Council tax and favours places with high property values and greater affluence. Increases in Bradford's Council tax in 2023-24 raised £11m which is dwarfed by the scale of the financial challenges. The shift in the burden of funding to local taxpayers is deeply regressive, potentially leading to postcode lotteries in service quality and outcomes.

Reforms to Council funding have been repeatedly delayed but independent analysis demonstrates that, if implemented, these would be worth £32m a year to Bradford.

2 Address the crisis in Social Care – invest and reform.

Sufficient funding is needed to meet demand and support reform in children’s social care. The LGA estimate that an additional £1.6bn a year is needed to stand still. The independent Review into children’s social care identified a need for an additional £2.6bn investment to deliver reform.

Significant new investment in prevention and early help; work with Bradford on innovation.

Cap the costs associated with agency social work and residential care.

Funding to support the rapid expansion of secure and complex placement provision.

Support the NHS to meet statutory responsibilities for children with complex health needs.

Sufficient funding is needed to meet demand and complexity and deliver change in adult social care including acceleration of a workforce plan.

The Council’s 2023-24 budget invested £57m to meet demand for and secure improvements in Children’s Social care and a further £5m investment to support Adult Social Care. Adults and Children’s social care now account for over 60% of the Council’s total net revenue budget but costs continue to increase.

Children’s Social Care. Bradford has seen big increases in demand for children’s social care, more complex cases and challenges in recruitment and retention. The numbers of children in care rose by 61% between 2012 to 2022 while the rate of children in need increased by more than 60% over a similar period. Residential fees are up from £3,600 a week in 2020-21 to around £4,600 now. The Competition and Markets Authority identified a dysfunctional residential care market in which a small number of providers can profiteer. Challenges in recruitment and retention require us to hire agency staff to fill the gap. Investment and market reforms are urgently needed.

Bradford needs to improve services following “Inadequate” Ofsted inspections leading to the formation of a Children and Families Trust which has also incurred significant additional costs. Gross expenditure on Children’s Social Care has increased by over £100m to £186m over the last four years and is now among the highest in the country but budgets continue to be under stress.

Councils have been forced to cut back the prevention and early help that keeps people out of expensive crisis interventions. The Children’s Funding Alliance estimates that spending on early help reduced by £1.9bn since 2011 and that for every £1 spent on crisis interventions just £0.23 goes on prevention. Non-statutory prevention and early help services could face further cuts without sufficient funding from central government. Consequently, more people will need crisis support and pressure will mount on social care and on the NHS. Bradford is home to ground-breaking work on early help and can assist in developing new approaches that reduce pressure on statutory services.

Adult Social Care. Bradford’s adults social care services are relatively low cost but there is considerable rising demand driven by population growth, complexity of cases and deprivation. Large numbers of people are making the transition from Children’s to Adults Services with high care and support needs. Increasing demand sits alongside challenges in recruitment and retention as competitive wages for care workers are increasingly unaffordable for cash strapped Councils.

3 Resources to meet demand for school transport and SEND.

Fund home to school transport and SEND support at levels sufficient to meet demand.

Home to School Transport. In Bradford, the number of children requiring home to school transport has increased by 42.6% since September 2020. Social Care transport for Childrens services has increased since September 2020 by 61.8%. This represents a further unsustainable pressure on budgets in the region of £3.2m in the next financial year.

SEND. Councils nationwide are struggling to fund their responsibilities to children with SEND needs due to increasing demand and changes in legislation. This is also a looming problem in Bradford given what we know about our future demand profile which will simply add further pressure to already stretched budgets.

4 Levelling up Bradford District

Develop a clear plan for the delivery of Bradford City Centre through station.

Additional £5m support for UK City of Culture 2025.

End competitive bidding for major regeneration funds.

Levelling up the country means levelling up Bradford District and we are working with Government, regional partners, and NGO's such as Home England to deliver a series of major projects which will generate sustainable growth. At the heart of our plans is a city centre through station.

City Centre station

We welcome the recent announcement that £2bn is to be invested in a new through rail station in Bradford. City centre rail will put Bradford on the mainline, generate transformational growth and unlock a 126ha Southern Gateway regeneration site three times the size of Canary Wharf. This is a major infrastructure project requiring long-term commitment to its delivery. Recent years have seen announcements made only for them to be reversed at a later stage. Now is the time to make genuine progress and detailed plans for once and for all.

UK City of Culture 2025

City of Culture status could bring an extra £700m into the District's economy, create 3,000 jobs and attract over a million visitors as well as building new skills and capturing the benefits of culture and cultural participation. We appreciate the financial support already provided by Government and seek an additional £5m investment to help to maximise the benefits and impact.

Competitive funding streams

Regeneration funds should be awarded according to evidence of need and impact rather than per capita formulae and expensive, time-consuming, and competitive bidding with no certainty around the outcomes. For example, Bradford submitted four ambitious bids to round two of the levelling up fund at a net cost to the Council of £485k only for each of those bids to be rejected.

5 Public Sector Reform.

Work with us on cost-effective delivery of better outcomes.

The whole of the public sector faces challenges in delivering better outcomes within tight resource constraints. We have an opportunity to do things differently recognising the key role of local councils and their partners in service delivery, leadership, and collaboration and in understanding their communities. Bradford has a long-standing record of innovation and pioneering reform. We invite Government to work with us on flexible approaches to place based public service delivery that maximises the impact of the totality of public spending in the District and provides flexibility around the use of existing resources across organisations and systems.

6 Deeper devolution for West Yorkshire

Implement the proposals submitted by West Yorkshire Combined Authority

Bradford is an active and influential partner in West Yorkshire Combined Authority (WYCA) and played a key role in securing the biggest devolution deal to date. We helped to shape the measures proposed in the WYCA submission to the Autumn Statement and re-state our endorsement here.

- West Yorkshire to be among the next wave of deeper devolution deals.
- A single settlement providing flexibility and long-term certainty of funding.
- Full devolution of adult employment skills and careers funding.
- Local leadership of the affordable homes programme.
- Long-term flexible devolved funding for net zero.
- Stability and fairness in local authority funding in line with Bradford's ask.
- A fair police funding system
- Support to deliver integrated transport systems.
- Investment in broadband connectivity.
- Flooding investment.
- Business rate relief for cultural venues.