

**FOREWORD TO THE LABOUR ADMINISTRATION REVENUE AND CAPITAL
BUDGETS FOR THE BUDGET YEAR 2021**

DEFENDING JOBS AND SERVICES THROUGH UNCERTAINTY

REVENUE BUDGET.

This year we are proposing a standstill budget, but hugely popular schemes like the KIT Card, Taxi marshals will continue to be funded along with the anytime Pensioners and Disabled Person's bus pass that the Liberal Democrats previously removed in their budget, We will be allocating additional funding to meet increasing care costs in Children's, Young People's and Family Services, (CYPFS), by £10m as well as in Adult Social Care. (ASC), to the tune of £4.5m, these pressures have arisen due to the impact of COVID 19 in ASC and a continuing growth in looked after children from approximately 800 to approximately 900. In ASC the pressure has come from increasing provider costs, increases to the National Living Wage and increased client needs that have arisen due to COVID 19.

The settlement in December was broadly in line with expectations albeit a one year settlement. This situation must not continue as our partners have a legal obligation to keep giving out redundancy notices to their staff members each year. Local Authorities have now been promised Fare Funding for over 4 years, but it seems the plan is on the same shelf as the EU trade agreement and the oven ready plan for ASC. We currently have the worst leader at the worst possible time running the Government.

The Chancellor of the Exchequer said at the start of the pandemic, "*whatever it takes*", then to the dismay of a Local Authorities the Secretary of State for Housing, Communities and Local Government announced, "*we will all have to share the financial pain*", which would have left this Council with a deficit of £26m. To the Chancellor's credit he came good on his original promise, funding Hull City Council to the tune of a little over £20m. With savings of £6m Labour will yet again deliver a budget that has NO IMPACT ON SERVICES and NO REDUNDANCIES. We will achieve this with £1.2m vacancy management, £1.8m savings on non-pay budgets and the use of £3m capital receipts transformational funding. This leaves the council in a position where what little reserves we have are protected for yet another year which is vital as there is still so much uncertainty surrounding the pandemic going forward.

CAPITAL BUDGET

The capital programme laid out concentrates on changes to the programme.

The Capital Programme has been subject to review and amendment through the identification of anticipated future funding sources and resource demands.

The revised programme reflects an additional £59m in planned expenditure over the period. The detail is contained in the body of the Capital Strategy. Key highlights include:

Albert Avenue Baths

Following approval of the refurbishment and upgrade of this Leisure Centre (Capital Strategy 2019/20) to facilitate improvements to the dry side of the former small pool area and to restore the lido facility, significant backlog maintenance has been identified which is required to site and to support this scheme.

Bridge Maintenance

Sculcoates/Chapman Street Bridge was opened to users in 1874 and has Listed Status. This means that works to bring it back into service are more complicated, costly and time consuming than with most other bridges. Previously, Labour established a budget for the repair and maintenance of the city's bridges but these proposed works require a more specific investment. While these works will take a substantial amount of time, our investment will see the return to operation of a historic element of our transport network, albeit with necessary alterations in use.

Building Optimisation

The key objective of the Council's Buildings Optimisation Programme is to achieve efficiencies through the centralisation; as far as is practicable; of corporate office accommodation to the Guildhall Campus. Part of this programme includes 79 Lowgate. Funding to renovate this listed building was allocated in 2017 and an additional £750k is now required to complete the overall project with a recommended new-build annexe to achieve the target number of workstations and an Equal Access for All entrance.

Disabled Facilities Grant

There will be an estimated annual ring fenced grant allocation for 2021/22 to support means tested mandatory grants to provide adaptations to enable disabled private residents to live independently at home.

Highways Maintenance (incl. Stoneferry)

In 2021/22 and subsequent years there is a year on year shortfall of £2.6m between the indicative funding allocations from DfT and what we need for a basic maintenance programme within a risk based approach across the network.

The Stoneferry improvement scheme has incurred additional costs due to increased carriageway maintenance and footway & cycle infrastructure brought about by changes in DfT guidance encouraging active travel; changes to junction layouts for improved cyclist visibility and the reconfiguration of the Woodhall Street junction following consultation with local residents.

Library Equipment Resources

There will be continuation of the annual funding stream to support the purchase of resources, both physical and electronic to ensure the service to local people improves each year.

Local Community Initiatives

Labour has continued to provide capital for each ward to support community based projects which improve community safety, local facilities, support Council priorities and improve the quality of life for local residents.

Parks – East Park Splash Pad

Both the Splashboat and Splashpad require additional works including significant repair to the structural slab and automation of the Splashboat. The additional funding is also required to cover increased costs for the Pearson Park Aviary. These are amongst the projects Labour are investing in to improve the offer to local people when the current health emergency is behind us.

Private Sector Housing

There will be continuation of the annual funding stream to tackle category one hazards in privately owned homes through local assistance.

Special Educational Needs

Additional Capital Special Educational Needs and Disabilities, (SEND), funding will be utilised to support the delivery of the SEND Sufficiency Strategy, which was approved by Cabinet in January 2020.

Traveller Sites

There is a requirement in the Local Plan for Traveller pitch provision and for a transit site/tolerated stopping place. This transit site has been a long time coming and when open, it will reduce the impact of unauthorised encampments on the public in terms of local impact and allow the swifter removal of such illegal encampments as there will be provision for them to go to. It will also financially benefit the Council and local taxpayers by reducing the clearance costs once illegal encampments are moved.

A bid to Homes England Affordable Homes Programme 2021-26 is proposed to be made to seek a grant funding contribution towards the cost of these works.

COUNCIL TAX

Yet again the hard working people of our City are paying the cost of a Boris Johnson Lie. In December 2019, before the election, Johnson told everyone, "I have an oven ready plan for Adult Social Care", that was a lie. What he has done is tell all Councils to add 3% onto their council tax bills to pay for his ineptitude. Sadly we have no alternative but to do this as this is the money needed for pay rises of the people who have risked their lives to save our loved ones in care homes. Another reason this is unfair is that council tax is based on property prices, so in the south it means because of more expensive properties some of the southern councils, with less need, get twice the money Hull does. Even locally, the East Riding of Yorkshire Council raises £1,779,746 for each 1% of Council Tax increase whereas Hull City Council raises only £892,001 for each 1% increase.

The other 2% is to cover wage uplift of the lowest paid on the council, i.e. cleaners and dinner ladies, rising fuel costs and right down to feeding looked after children in the care of the Council. Reductions in Council funding over the last 10 yrs. has reduced our Government grant by £130 million, but the Government saw fit to make Council Tax payers pick up the bill for their mistakes. Opposition parties will tell you we don't need to raise Council Tax, that is another lie, indeed for 10 yrs. the Lib Dem's tried moving a budget with no Council tax increase which would have left the Council with a £86 million black hole this year plus £21m deficit on the base going forward this would mean mass redundancies and Service closures.

Sadly this year the Government have not made the £150 reduction to people on benefits available, so Labour have made available a reduction of £30 for 25,000 families in Hull who are receiving Local Council Tax Support. Households receiving full Support still have to pay 20% of their bill, which in 2020/21 is approximately £174 for those receiving a Single Person Discount. With a 5% increase that is a rise of approximately £8.70 so Labour's £30 reduction will see Council Tax bills of the hardest pushed families go DOWN by c£20.00.

MTFP

The medium term financial plan is very difficult to make solid assumptions on while the Government are still only giving one year settlements. We can give indications of what the base pressures are. They currently stand at £13m in 2022/23 and £12.8m in 2023/24. Had the Lib Dem's got their way and not raised the council tax in previous years the damage would have been irreparable, at £37.5m in 2022/23 and £40m in 2023/24. The cost to council services up to now; had we followed their irresponsible budgets; would have seen £86m of cuts just to balance the books up until now.

The fiscally responsible Labour administration have already started planning for the future, holding Star Chamber meetings to identify areas of possible future savings. This; along with the promise of multi-year settlements and fair funding from the Government in the spring; gives us confidence of future years of financial and service calm.