

**Foreword to the Labour Administration Revenue and Capital Budgets for the
Budget Year 2017 to 2018**

A City Transformed by a Council Brave Enough to Dream and Wise Enough to Act

Introduction

This is the 6th Budget that we have submitted to Council since our Emergency Budget in June 2011. That period has been a time of unprecedented reductions to Local Authority budget from indifferent Central Governments, whether Tory or Tory/Lib-Dem. During that period upwards of £115 million has been removed from Core Funding including the Revenue Support Grant to Hull City Council.

These economic pressures have visited enormous challenges on our City. Despite this we said from the beginning that in Hull we would not be passive observers in the Tory/Lib Dem doctrine of austerity. Instead we promised to chart a different path for Hull, based upon a cultural and economic regeneration based upon our City Plan.

The aim was to marry inward investment for new green energy, and other manufacturing, alongside a confident new cultural offer based on a bid for UK City of Culture 2017. We knew this would bring new found confidence, and visitors; new ambassadors for our great City. Success, breeds success, and we knew this would set the conditions for new retail, leisure and housing and hotels. Alongside the new jobs at Siemens, and RB, this would also lead to many jobs in these new areas of the economy.

City of Culture 2017

The original City Plan funding that we committed in 2011 onwards, allowed the bid for City of Culture 2017. The £4 million we committed, according to Martin Green, allowed the City of Culture Team Company to lever in £31 million of private and voluntary sector funding, which has allowed the huge successful start to our year. We make no apologies for investing this money, which was opposed by the Hull Lib Dems who spoke about this in their budget proposals. Unlike the Lib Dems, local companies have chosen to believe in Hull and back the Council's proud investment.

Culture and Leisure

Our new HCAL [Council Owned Leisure Company] continues to run our facilities. In the forthcoming year we will plan to spend money on updating our facilities throughout Hull, whether Parks, Libraries or Leisure Centres and Swimming Pools. Some of the 2017 highlights are:-

Ferens: The Council chose to borrow £3.4 million to invest in the Ferens Art Gallery. This bold commitment of Capital borrowing investment drew in a further £1.5 million from the Arts Council. We decided that we would support our new investment by extending opening hours for 2017 and beyond. This is brave at a time of unprecedented cuts, especially as the Lib Dems had slashed opening hours when we took power, a cut we had to reverse in June 2011.

As we said at the Ferens re-opening we will protect culture and the arts “on our watch”, because of the huge tourism, visitor, and economic regenerative benefits. Darren Henley the Head of Arts Council England commended Hull City Council on this approach recently, at the opening of the contemporary Arts Gallery and said our City was being feted nationally for this approach. With the annual target for visitors achieved in less than one month, we are proud of this outcome, and proud we rejected the Lib Dem notion that this was unneeded. As this is Capital Money it is only the costs of servicing the borrowing that could have been spent on revenue services.

New Theatre: The Plans to refurbish Hull New theatre are planned for an autumn opening. This scheme was made possible because we directly provided £11 million of ‘Capital’ funding which saw the Government contribute a further £5 million. Without this investment; which has seen a new stage and tower, extra seats, and a new café; the bigger travelling shows would have still been unable to perform in Hull, leading to the decline of the Theatre. These improvements secure the future of the theatre and make it likely it can be unsubsidised going forward. As already clearly stated this is Capital money, and was a project opposed by the Hull Lib Dems who scathingly referred to it as ‘a shiny big project’.

Woodford: The contract has been let for the revamped Swimming Pool. The new swimming pool will provide for a centre of excellence for East Hull prior to the closure of East Hull Pools which offers poor disability access and out of date facilities. The new facility; made possible because of our decision to use £8.1 million Capital investment funding; will be much more efficient. The Lib Dems opposed putting a budget forward to pay for staff for the new facility, indeed following the floods of 2007 the Lib Dems intended to simply close the whole of this facility and so under them, Woodford would not now exist to be revamped. As other Councils decimate leisure, Hull commits to its renaissance.

Venue: The site for the new Venue has received a welcome boost with the new announcement SMG will run it at no cost to the Hull Council tax payer whilst creating many new jobs and stopping local money drifting out of Hull into other’s economies.

Pearson Park: We support the Heritage Lottery Fund for Pearson Park. Our heritage remains a key part of our history, which is why we have also agreed to redesign and improve the Beverley Gate in the city centre.

Care Services

There is no avoiding the fact that like all other Councils in Yorkshire and the Humber, Adult Social Care and Children's Services are under real pressure. Today all Councils in the region are currently predicting overspends in Children's Services. We have sought to address this issue by re-basing these under pressure budgets by £7.5 million in 2017/18. We hope our opponents will support this investment.

Adult Social Care

Labour has committed to transforming Adult Social Care which is in crisis nationally and underfunded. Our plans will aim to save £16 million over the next three years. We have offset these pressures by re-basing the budget by £3.5 million in 2017-2018, as all Adult Social Care Departments in Yorkshire we are likely to overspend this year. We have also proposed to raise the Adult Social Care Precept although this is a poor way of funding these services as it leads to a post code lottery nationally. Were we not to raise these funds, we would have been a further £4.4 million short by 2018.

The living wage means that care contract providers demand more money to cover the cost of this wage increase so without generating more funding to be directed to this area our care services would go backwards. This would just stack the pressures on Hull hospitals and this serious problem is causing real problems for the NHS and deterioration in the quality of care to elderly and vulnerable people. The NHS catches a cold when Adult Social Care sneezes which is why there was all party agreement in January 2017 for fairer funding for Local Authorities for Adult Social Care.

The closure of Nicholson House recently occurred, but in accordance with the Council Leader's Policy that no one would be moved against their will in marked contrast to the disgraceful way the last Lib Dem Administration shut Rokeby House and moved residents out against their will and the wishes of their relatives, resulting in legal challenges in the High Court.

Despite these huge pressures, the Council continue to commit to funding for Housing Related Support which often benefits Adult clients.

Children's Services

There are over 700 children looked after by Hull City Council. Like all good parents we have a duty to keep our children safe from harm. The pressure on these budgets has led to us rebasing the budget by £4 million for 2017/18. We do have plans to seek to save money by revamping our early intervention, when family first get in touch with services. We also plan a new computer system that should mean more time with families and less time entering data on a screen.

As most Humber neighbours have shut down Youth Services, Hull still sticks to a Youth Commissioning budget. Although reduced by 10%, many voluntary groups were delighted that Hull continues to support youth services. We also continue to support the Hull School Music Service which the Hull Lib Dems intended to shut by removing the budget in 2011. It was very touching that at the youth consultation event for this budget young people from Ainthorpe turned up to thank the Cabinet for their new purpose built youth centre. The Cabinet meets with Hull's Youth Parliament MYPs 5-6 times a year. This enables young people to have a seat at the table of local power where their voice can be heard. The programming for City of Culture events has also had input from the city's young people. 2017.

The City's skateboarding protocol has also been signed in a City with likely more skateparks/zones than anywhere nationally.

Children's health remains a key policy objective and along with our revamped leisure and sport commitments, the 50p school meals for Primary School Children remain a policy commitment we will maintain in 2017-18.

This Labour Council is proud to have committed dedicated assistance to those seeking asylum from persecution, war and exploitation. The part we have played in assisting the humanitarian crisis that has unfolded as a result of the social and military upheavals in North Africa is precisely what should be expected of a Labour Council and indeed any organisation that claims any sort of a moral compass or any level of human compassion to our brothers and sisters in need of help. Increasing numbers of, often unaccompanied, young or vulnerable asylum seekers means local authorities like ours have to show an even greater commitment to freedom, openness and inclusiveness and reject the politics of fear and isolationism which have, unfortunately, become the currency of certain politicians and political groups of late. Labour makes no apologies for our commitment to help those who need help and protect those who need protection.

Area and Neighbourhoods

Our budget includes some management reductions in the Area Team structure which has been managed through Voluntary Early Terminations. The Council has maintained Neighbourhood Co-ordinators covering each Ward, and there is no change to the funding formula for wards in the Council Budget.

Waste Management, Street Cleaning and Recycling

The proposed budget has managed to preserve the free bulky item collection service for the forthcoming year; the only ones of its kind nationally.

Equally our meaningful consultation has resulted in charities still being able to use our recycling sites at nil cost, a policy the Lib Dem Administration proposed to scrap and which we reinstated in 2011.

Cost pressures have led to closures for two days a week at our recycling centres but we have kept them all open, which is a better option for residents of the City.

Despite pressures, we have committed to keeping tenfoot collections in the City of Hull, and have ordered new vehicles to support these proposals.

Whilst we continue to fund many new waste bins and spot clearances city wide, we are alarmed by the huge fly-tipping issues in areas which is a problem faced by many cities. We have asked officers to prepare a pilot for countering fly-tipping to be trialled in summer 2017. Whilst a headline grabbing sound bite may have been expedient, we will want Area Committee and Overview & Scrutiny Committee involvement in a properly researched and costed pilot proposal that works for Hull, and can be road-tested first. If, as we believe, it is successful it can be rolled out cross city with integrated enforcement. This is a key Labour priority for 2017. We will use the new interim KWL dividend to support this pilot.

Roads, Pavement and Lighting

We make no apologies that the 2016-17 budget helped ready the City for 2017. The new public realm and footways has helped many new businesses commit to Hull e.g. Doctor Martens. Longer term this will lead to fewer repairs bills and will lead to many more visitors, and new businesses and the jobs they provide. This work does not finish until later this year and it is at that point we provide our capital programme for the year after.

We considered extra works in 2017-2018 but orange barrier fatigue and the fact that schemes like Anlaby Road and Park Street are ongoing, require the sensible managing of projects. The new crossing at Ferensway has made crossing from the Interchange a safer and more fitting experience. Along with our commitment to re-light the city with LED lighting within two years there should be a better feel to many areas as well as clear cost benefits. As some Councils, like Lincolnshire, choose to switch street-lights off; generating crime and fear for their populace, Hull's future is one of a brighter, shining path.

Housing for People

There is a housing crisis in this country. Lukewarm Government commitments to new housing are a shadow of the regeneration schemes of Gateway Pathfinder that Hull enjoyed prior to 2010. As a City Council we remain committed to opportunities, wherever and whenever they arrive. We are looking at the possibility of loan-supporting Goodwin in getting £50k per property for new social housing on Great Thornton Street Estate. We will continue to try and complete cluster properties, where we lease and refurbish private properties for social rent. We had wanted to build new Council homes but our plans have had to be scaled back by the impact of Government policies on the Housing Revenue Account. We hope for the opportunity to build new homes for people in the future. Against this backdrop we will commit an additional £750,000 for private housing; doubling the £750,000 we have already committed to continue the schemes we have completed this year in Tyne Street and Stirling Street, as we commit to our private sector communities as well.

Economy and Regeneration

We are delighted that the original £5 million of allocated seed-corn money and massive political investment helped land Siemens. For those doubting Thomas's who do not believe that the Labour-ran council swung the deal, just listen to Finbarr Dowling's statement about the ease of working with Hull City Council. This development is a game-changer and along with RB and a £1 billion of inward investment is changing attitudes of Hull. This has led to a new Hotel on Ferensway on former Council land and other investment following apace.

Fruit Market: The Council's partnership with Wykeland has breathed new life and many new businesses into the Fruit Market. Destined to be Hull's 'Covent Garden', the Council is proud the growth is about small local businesses and not out of town multi-nationals. The fact that 200 new homes are likely to have been sold in advance shows the power of the public sector in regeneration.

The Council Estate: We have also shown a dynamic approach to the Council's owned estate. We will be rationalising our managed work spaces and investing in those we maintain. We have sold Sutton Place and Kingston House for residential development but have bought the Hooper building to centralise more staff in the Guildhall area. We have also committed to spending to improve the City Hall, our leisure centres, and ensuring that Hull's Guildhall and registry office have downstairs toilets for Women. Outside of the city centre we have retained the Avenue Education Centre for the people.

KWL: Our own building and related services company, KWL, continues to show how the model of in-house companies should work.

Welfare, Council Tax and Advice

This budget contains an element for "crisis payments" despite the Government's decision to remove the funding. As a Labour Council, we believe the public would expect no less.

In addition we have ended Council Tax Breaks for empty properties completely thus enabling us to charge only 20% for all those of working age on Council Tax Benefit, rather than the 25% charged elsewhere like in the East Riding. At the same time the 25% Council Tax discount for Police Specials remains in our budgets. We have applied a 1.99% increase on top of the 3% Adult Social Care precept. We do so to preserve the services in the face of unbelievable and unfair cuts.

We remain committed to tendering the Council's advice services to the not for profit sector, in doing so we have only reduced the staffing by one post which has gone voluntarily. This has protected the funding for this key service and that provided by the Citizens Advice Bureau.

Summary

This budget is about balancing the books in the face of an onslaught on Local Authority budgets, and a desire to shift funding to local business rates and Council Tax alone. We will not pretend that this is possible by not raising Council Tax and by conflating different spending sources like our opponents do, pretending there is enough money. There is not.

Ours is a vision of a better Hull, where the City makes all the right new headlines. Ours is a vision of Hull as a place where people are proud of their City as a place to work, learn, live, play, and grow up. We have said we will never be passive observers in the Government's failed doctrine of austerity. Key investment in infrastructure and jobs is the only way out of recession. In Hull, this vision and approach is working. The 'Doubting Thomas's, with their faux concerns and self-generated issues are being exposed as having no vision or ambition for the City while frantically trying to jump on any passing bandwagon and deny previous opposition in the face of success. Their timidity offers no progress, order, planning or commitment to anything other than crude electioneering. Whisper it for the moment, but prepare to shout it out, Hull is changing, Hull is becoming cool. For the part we have played we are proud and unapologetic, and guilty as charged.

We commend our budget for approval.

Cllr. Daren Hale, Deputy Leader, Hull City Council, Portfolio Holder for Finance.
on behalf of Cllr. Steven Brady the Leader of Hull City Council.
February 2017.