

## **LABOUR BUDGET AMENDMENT: Full Council 25/2/15**

1. The Labour Group proposes an amendment to the Conservative administration's MTFP. It is clear that the present budget from the Conservative administration fails to fairly and adequately address the needs of our town and District.
- 1.1 The Council's financial stewardship over the past fifteen years has been poor. Frequent criticism from our auditors as to the transparency of budgeting and the presentation of savings is well made. Over £25 million of capital receipts have been spent in the last decade with plans for borrowing to rise to over £20M to fund capital projects, for which money should have been put aside in the good times, rather than spent on failed IT and transformation programmes.
- 1.2 There is clearly a major job of work to rebalance the finances of BDC following fifteen years of Conservative maladministration of our Council's finances. This budget amendment is just the first step to redressing these issues and refocussing the activity of the Council to best meet the needs of our communities and the long term growth of our local economy.

### **Council Tax**

2. Labour welcomes the last minute change of heart from the Cabinet to freeze council tax despite their previous stance against a freeze. It is notable that the Administration of the Council has increased tax twice since the last election, despite clear evidence that not a penny of this additional taxation has been spent on local services. In fact over the period the Council has charged £260,000 of tax rises whilst in fact generating unplanned surpluses of over £2.4M (including this year's projected outturn).
- 2.1 Labour believes that any rise in tax should be to protect front line services. Over the past four years local residents have footed an additional tax bill of £260,000, not to protect council services, but rather to increase civic coffers.

### 3. Investment into local services and communities

3.1 Over the three year lifetime of the MTFP Labour pledges an investment in front line projects and services targeted to:

- Grow the local economy and create new jobs
- Encourage business and retail to come to our District; promoting tourism and inward investment
- Improve the health and well-being of the community
- Support arts development and education in our town
- Give a fairer deal for our communities

3.2 The total investment in these projects and initiatives over the three year plan will be up to £1.5M.

	15/16	16/17	17/18
	£k	£k	£k
<b>Improving Health and Wellbeing, Increasing leisure participation</b>			
<b>Introduce free Swimming for the U16's and Over 65's</b>	52k (youth 25k, seniors 12.5k, families/passes/admin 14.5k)	52k	52k
<b>Boosting our town centre economy by tackling the parking charges</b>			
<b>Parking:</b> Free Sunday Parking	62k	62k	62k
<b>Parking:</b> Remove Blue Badge charges and add Over 65 residents' pass	50k	50k	50k
<b>Parking:</b> Evening Parking (extend after trial)	In budget	60k	60k
<b>Giving a better deal to local residents</b>			
<b>Council Tax Freeze</b> initially for 1 Year	In budget	In budget	In budget
<b>A fairer deal on New Homes Bonus that ensures community development, jobs and economic growth across the District</b>			
<b>NHB: Business Rate Relief scheme and capital grants</b> for new businesses in town and village	80k	80k	80k

centres			
<b>NHB: Community and Economic Development Grants scheme</b> (additional 87.5k – 175k total)	87.5k	87.5k	87.5k
<b>NHB: Funding for Ward Member grant scheme</b> to provide specific community projects and improvements	85k	93k	93k
<b>NHB Allocation (inc 87.5k in MTFP) subject to annual review</b>	340k	348k	348k
<b>Investing in arts and education and safeguarding the Artrix</b>			
Support for the <b>Artrix and arts outreach programme</b> (to provide an additional 30k – total 90k over first 3 years of a new 9 year settlement)	30k	30k	30k
<b>Increasing tourism, promoting local business and educating young people</b>			
<b>Bromsgrove Food Festival (Investment net of income)</b>	7.5k	5k	5k
<b>Create apprenticeship opportunities in our Council and promote apprenticeships within the District</b>			
Promote and enable additional apprenticeships	10k	10k	10k
<b>TOTAL ADDITIONAL SERVICE &amp; COMMUNITY INVESTMENTS</b>	<b>464k</b>	<b>530k</b>	<b>530k</b>

#### 4. Afforded through the following spending and budget reductions / income generation:

4.1 Labour is committed to cutting out the waste in the Council the programme of community and front-line business and economic support will be afforded through cutting back on consultancy (over 800k has been spent since the last election), on IT (presently IT expenditure at the Council is growing by

	15/16	16/17	17/18
<b>Consultancy Spends – 50% reduction in all consultancy budgets</b>	100k	100k	100k
<b>IT Budget (15% saving to historic actuals less capital depreciation)</b>	150k	150k	150k
<b>Removal of 1-2 Cabinet Posts</b>	7.5k	7.5k	7.5k
<b>Drawdown and revision of excessive and redundant earmarked reserves</b>	206k	152k	52k
<b>Drawdown on the £2.4M of taxpayers' money added to balances over past four years</b>	0k	120k	220k

#### 5. Further amendments and action

- 5.1 Review of all **public arts and town centre promotional spending**. Under the Conservatives costs for activities such as the bonfire have grown out of proportion with attendance. A Labour administration will ensure better value for money for the taxpayer but also a higher quality public arts and better promotional offering.
- 5.2 Review of **Hardship and ELF provisions** in the light of recent legal rulings, the impact of the Conservative Government's 'Bedroom Tax' and the decision of the Administration to hit the poorest residents of Bromsgrove with a 20% tax hike in order to fund their failing transformation programmes.

- 5.3 Consider the impact of the business rate relief scheme to assess **potential revenue received as a result of more businesses setting up in the District.**
- 5.4 Following the move of the Council into a designated 'special measures' status for the second time in the past fifteen years this time in Planning, a key statutory function of the Council. Labour proposes an **urgent review of planning** by the Overview and Scrutiny Board including consideration of where investment and action to move planning out of critical is being placed.