



Centre for Local
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***A SUMMARY OF AUSTERITY IN YORKSHIRE AND HUMBER AND A CASE STUDY OF
CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL***

Final report prepared by

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CONTENTS	PAGE NO.
1 INTRODUCTION	3
2 YORKSHIRE AND HUMBER	4
3 THE IMPACTS OF AUSTERITY IN YORKSHIRE AND HUMBER	7
3.1 Austerity impacts	7
3.1.1 Austerity measures combined with welfare reform	7
3.1.2 Cuts to public transport	8
3.2 Impact on public sector job losses	8
4 CASE STUDY: CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL	10
4.1 Lack of economic opportunity for all and deepening inequalities	10
4.2 Demographics – a growing population	11
4.3 The challenge of ongoing austerity measures	11
4.3.1 Cuts to council funding since 2010	12
4.3.2 The impacts on Children’s Services	16
4.3.3 Impacts on Adult Social Care	18
4.3.4 The impact on public sector employment	19
5 LOCAL RECOMMENDATIONS	21
5.1 Central government needs to consider the disproportionate impacts of the cuts	21
5.2 Ensure universal provision remains as much as possible	21
5.3 Direct public provision for youth services is important	21
5.4 Appreciation of the importance of day care centres	21
6 NATIONAL RECOMMENDATIONS	22
6.1 Develop fair funding mechanisms for those places most in need	22
6.2 Assess the impact of changes in national spending and welfare policies on regional inequalities	22
6.3 Implement real devolution of resource and policy levers	22
6.4 Develop more intelligent procurement and commissioning processes	22
6.4.1 Promoting progressive procurement	22
6.4.2 Promoting the Living Wage	23
6.4.3 Reducing the use of zero hours contracts through procurement and commissioning	23
6.5 Develop a ‘rights’ based approach for children’s welfare	23
6.6 Develop a long term plan for increasing resource for Adult Social Care	24
6.7 Promote in-sourcing within local government and other public agencies	24
6.8 Working with public service unions	24
6.9 Develop a new framework of collaborative work with the voluntary and community sector	24

FIGURES

Figure 1: Proportion of the working age population claiming working age benefits, May 2014	5
Figure 2: Unemployment rate of the working age population, Yorkshire and Humber	6
Figure 3: Percentage of public sector employment by region, 2013	6
Figure 4: Unemployment rate in Bradford, 2005 to June 2014	11
Figure 5: Chart showing the nature of savings by the City of Bradford Metropolitan District Council, from 2011/12 to 2015/16	14
Figure 6: Public sector employment change in Bradford, 2009 to 2013	20
Figure 7: Private sector employment change in Bradford, 2009 to 2013	20

TABLES

Table 1: Savings by service department, 2011-12 to 2015-16

15

1 INTRODUCTION

This paper is part of a wider report called 'Austerity Uncovered', developed by the Centre for Local Economic Strategies for the TUC, which highlights some of the key trends and impacts of austerity measures, implemented by the Coalition Government, across the country. The main report goes into detail on how austerity is impacting upon public services and jobs, and how this affects particular population cohorts, many of whom are amongst the most vulnerable in society. Supplementing this are nine summary papers – one for each of the English regions – which outline the effects of austerity measures spatially across the UK. A number of impacts are of course similar across the regions, although there are particular nuances and challenges specific to regions which are outlined within these papers. The summaries are set out as follows:

- ❑ A brief overview of the structure of the socio-economic challenges facing policy practitioners within the region;
- ❑ A summary of some the key austerity impacts within the region, particularly in terms of public services and jobs.

Following the regional summary, a case study of a local authority area within the region is provided. These include:

- ❑ London: Islington Council;
- ❑ South East: Reading Borough Council;
- ❑ East: Bedford Borough Council;
- ❑ South West: Devon County Council;
- ❑ West Midlands: Dudley Metropolitan Borough Council;
- ❑ East Midlands: Derby City Council;
- ❑ North West: Blackpool Council;
- ❑ North East: Redcar and Cleveland Borough Council;
- ❑ Yorkshire and Humber: City of Bradford Metropolitan District Council.

The case studies are derived from reviewing local secondary data sources such as academic research, local government and cabinet reports, and union documents. In addition they have included interviews with individuals such as Councillors, those delivering services, local union staff, and members of the voluntary and community sector. The precise mix of respondents depended upon availability and accessibility, therefore this varied across the case studies. It drills down into some of the key impacts austerity measures are having on local authorities and communities, with a particular focus on Children's Services and Adult Social Care. Where identified, the case studies also assess where local government has worked innovatively to protect services and jobs, and advance approaches to deliver economic and social gain within their localities.

It is important to note that this is not intended as direct criticism of the local authorities, rather highlighting the difficult circumstances that they find themselves in as a result of central government's austerity programme.

2 YORKSHIRE AND HUMBER

Yorkshire and Humber's economy has been restructuring since the 1980's, moving from a reliance on heavy industry, manufacturing, mining and textiles, to a more diverse range of services and businesses. This has been a long and difficult process, which is still ongoing, illustrated by the relatively low wage economy that characterises much of the region, and that it has the lowest labour productivity of all the English regions.¹

The economy cannot be viewed as one whole, rather it consists of a number of major city regions such as Leeds and Sheffield, large towns/smaller cities such as Hull, Barnsley and Bradford, a range of smaller towns and a relatively large rural economy. In terms of economic growth and recovery from recession, this has been led primarily by Leeds City Region, which is a major pull for higher wage jobs.² One of the key perceived weaknesses is that too many of the economically disadvantaged districts in Yorkshire have their economic strengths in sectors that are not expected to grow. Prominent sectors such as manufacturing and financial services will grow but growth in output will not be matched by growth in employment – potentially leading to 'jobless growth'.³ Sectors like business services which are expected to increase in employment are not strong in such areas but rather tend to congregate around prosperous urban centres like Leeds.⁴

Overall, the private sector in areas like Craven, Richmondshire, North Lincolnshire, Selby, Rotherham and Leeds can drive growth in the medium term. However, growth in areas like Sheffield, North East Lincolnshire, Barnsley and Hull is still relatively subdued. Spending cuts will disproportionately affect districts which are already economically disadvantaged like Hull and Barnsley which, over the last 15 years have had a relatively high reliance on the public sector for new job creation.⁵ Prosperous and growing districts like Craven and Leeds seem better placed to take advantage of any future opportunities than economically disadvantaged areas which are in greater need of stimulus to be able to rebalance.

Like with other regions across the country, there are significant levels of deprivation and disadvantage that are evident (Bradford in particular suffers from acute deprivation and high levels of inequality, as highlighted in the case study).⁶ This is reflected in health outcomes. The health of people in Yorkshire and Humber has continued to improve, but many indicators (such as all deaths, those from heart attacks and health outcomes for children) compare poorly to the England average.⁷ Levels of deprivation are high in many urban areas (17% of Lower Super Output Areas (LSOAs)⁸ are within the 1% most deprived LSOAs in the county)⁹, and life expectancy for both men and women remains lower than the England average, although this varies. Overall deprivation and health outcomes for people in Harrogate and Craven is generally better than the England average, however, the more urban areas of the region such as Hull, Bradford, Sheffield and Leeds are generally worse than the England average. There are also more children in poverty, with the highest levels within Hull (33%), Bradford (34%), North East Lincolnshire (30%), and Barnsley and Doncaster (28%).¹⁰ This compares with a 25.1% average across the UK. In addition to this is deprivation in rural and coastal areas, where isolation and peripherality also generate significant challenges.

¹ ONS: Regional profile of Yorkshire and The Humber, June 2013 <http://www.ons.gov.uk/ons/rel/regional-trends/region-and-country-profiles/economy--june-2013/economy---yorkshire-and-the-humber--june-2013.html>

² Leeds City Council, 2013 <http://www.leeds.gov.uk/docs/Rebalancing%20Summary.pdf>

³ Leeds City Council: Rebalancing the Economy – ibid

⁴ Leeds City Council, 2013 ibid

⁵ Yorkshire Forward (2011) Rebalancing the Yorkshire and Humber economy

⁶ ONS: Portrait of Yorkshire and The Humber, 2011

⁷ Yorkshire and The Humber Public Health Observatory, Health Profile 2011

⁸ Lower Super Output Areas (LSOAs) are small areas with an average of roughly 1,500 residents and 650 households.

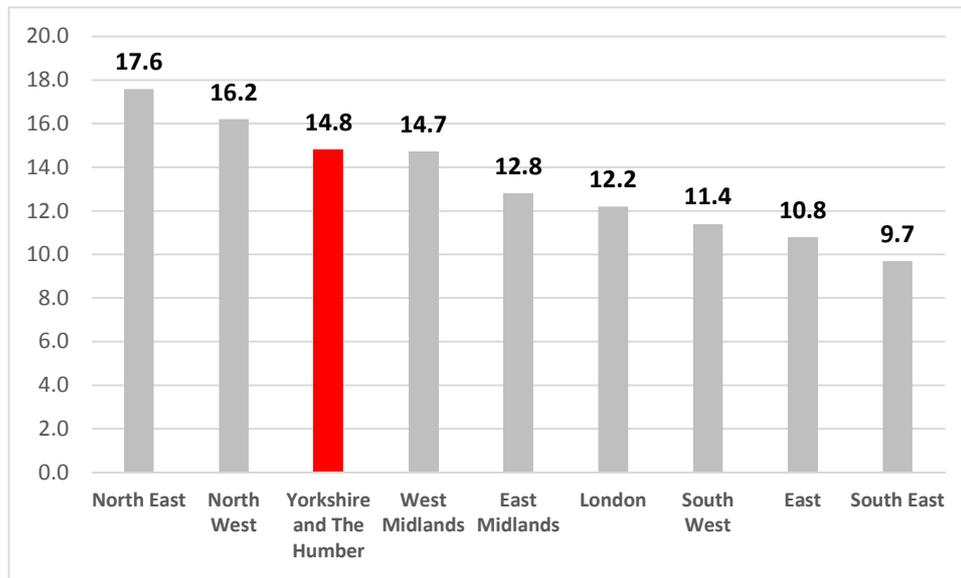
⁹ Department for Communities and Local Government (2010) The English Indices of Deprivation, 2010

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6871/1871208.pdf

¹⁰ Child Poverty Action Group (2014) <http://www.endchildpoverty.org.uk/why-end-child-poverty/poverty-in-your-area>

The issues around economic disadvantage and deprivation are illustrated in Figure 1, with the proportion of the working age population claiming working age benefits at 14.8% for Yorkshire and Humber. This is higher than all regions apart from the North East and North West. Half of these claim incapacity and disability benefits. This underlying health issue is also illustrated by the fact that 26.7% of households have at least one person with a long term health problem or disability.¹¹ This figure is higher than all regions apart from the North East, North West and West Midlands.

Figure 1: Proportion of the working age population claiming working age benefits, May 2014¹²



In terms of the labour market (Figure 2), performance has improved, as per the national trend, with unemployment levels gradually falling since 2012, from 10.1% in June 2012 to 8.5% in June 2014.¹³ The unemployment level is 1.5 percentage points lower than the national level (7%). However, unemployment is still significantly higher than in 2007, prior to the recession, and reflects the long term impacts of the recession, together with jobs being lost through public sector cuts. In addition wages are low across the region, meaning new jobs being created are primarily in low value sectors. The median weekly wage in the region is £479.10, compared with the England level of £520.70 and London which is £613.13.¹⁴ Yorkshire and Humber has the second lowest levels of pay after the South East, reinforcing disadvantage and leading to issues such as in-work poverty. In some parts of Yorkshire and Humber nearly two in five jobs are paying less than the living wage. In East Yorkshire this accounts for 37.8% of the jobs, followed by Barnsley East (34%), Kingston upon Hull North (32.7%), Skipton and Ripon (30.4 %) and Richmond (29.5%).¹⁵

¹¹ ONS: Census 2011

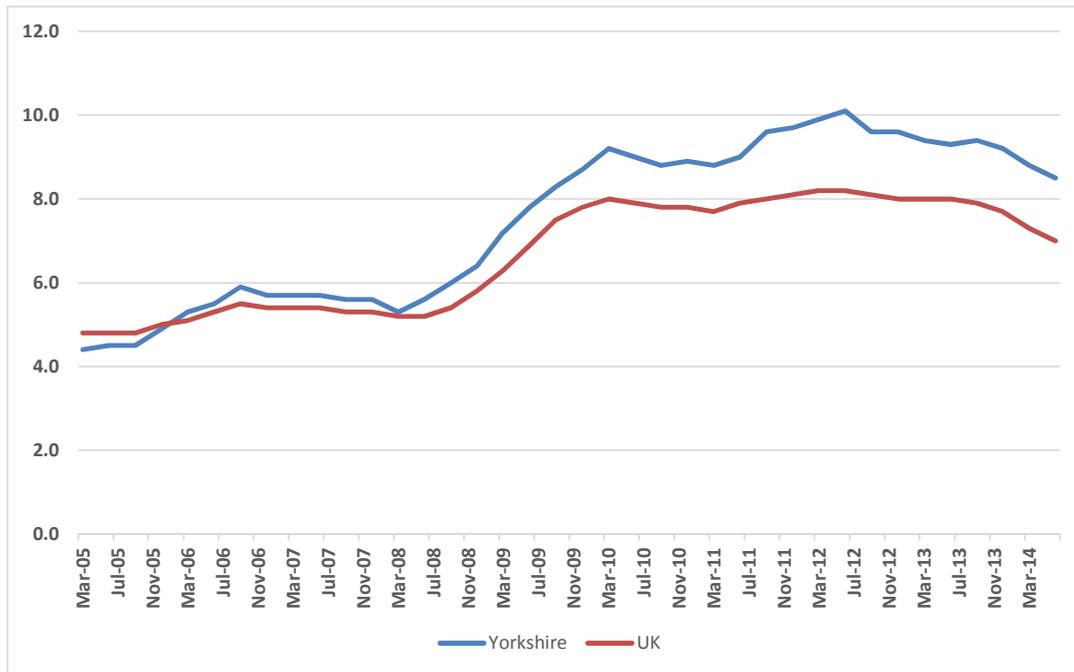
¹² ONS: ONS, DWP Benefit Data, May 2014. This is defined by DWP as those claiming: Carers Allowance, Disability Living Allowance, Employment Support Allowance, Income Support, Pension Credit, Job Seekers Allowance, Severe Disablement Allowance, Widows Benefit. Tax credits are not included in this analysis.

¹³ ONS, Annual Population Survey, 2014

¹⁴ Source: ONS, Annual Survey of Hours and Earnings, 2013

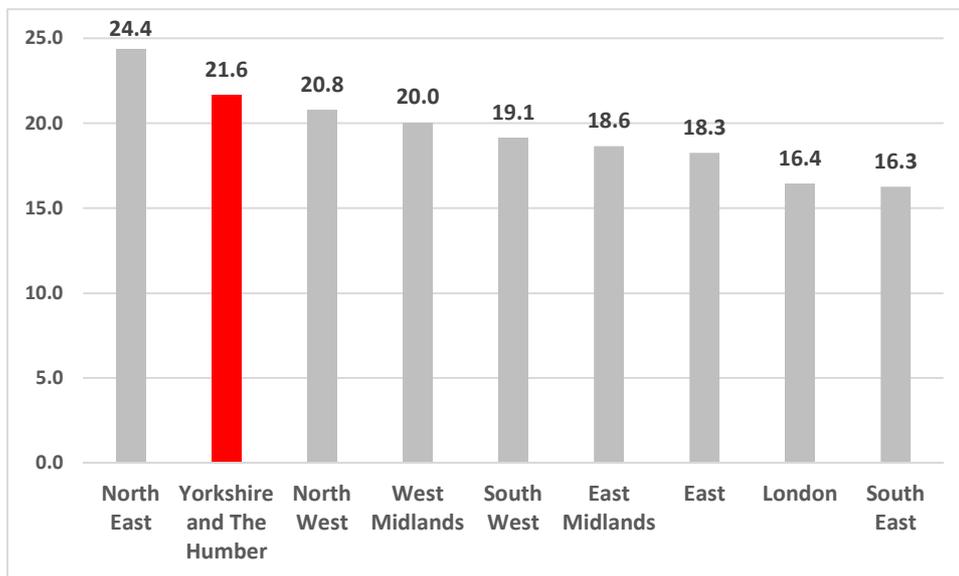
¹⁵ TUC (2014) <http://www.tuc.org.uk/economic-issues/britain-needs-pay-rise/parts-yorkshire-and-humber-two-five-jobs-pay-less-living-wage>

Figure 2: Unemployment rate of the working age population, Yorkshire and Humber¹⁶



As highlighted previously, the region has relied to an extent on public sector employment in recent years, representing a significant proportion of overall employment in Yorkshire and Humber. Figure 3 below shows that public sector employment in Yorkshire and Humber is the second highest region in England, at 21.6%, lower than only the North East. This makes it more susceptible to public spending cuts, with more jobs being lost and a smaller private sector to take up the slack.

Figure 3: Percentage of public sector employment by region, 2013¹⁷



All of the above factors combined – an underdeveloped private sector in many areas, significant inequalities, a low wage economy and concerns over in-work poverty – mean that the region needs public sector investment that is not forthcoming due to austerity measures. Indeed austerity means that the challenges the region faces are further compounded, and there are questions as to whether local government across the region can provide quality services and care in future to those who most need it. Overall, there is a need for a more interventionist based approach, with appropriate resources from central government, to connect people in need with opportunities and reduce exclusion and inequalities.

¹⁶ONS, Annual Population Survey, 2014

¹⁷ Source: ONS, Business Register and Employment Survey, 2013

3 THE IMPACTS OF AUSTERITY IN YORKSHIRE AND HUMBER

The previous section outlines the social and economic context for Yorkshire and Humber. This section outlines some of the key impacts of the austerity measures.

3.1 Austerity impacts

3.1.1 Austerity measures combined with welfare reform

The public spending cuts have considerable implications for the finances of local government across Yorkshire and Humber. Yorkshire and Humber Councils¹⁸ estimate the total funding cut for Yorkshire and Humber since the 2010 Spending Review announcements will be well over £1 billion. Furthermore, councils are fully expecting to deal with continuing, further budget cuts of the same level for the next, four-year period, through to 2019. This could well cut a further £1 billion from local government budgets by the end of the decade. By 2017-18, funds for local government in Yorkshire and Humber would have been cut by about £502 per person, compared to £352 per head in London. The average real terms cut to the Settlement Funding Assessment, between 2013/14 and 2015/16 is nearly 26%, compared to 23.8% for England as a whole.¹⁹

At the same time as these reductions are being made, nationally local government is facing changes to the way it is financed - including through retention of some of the revenue from business rates generated locally and providing other funding on the basis of how many houses are built in an area; as well as changes to Council Tax and benefits. The concern amongst members of Yorkshire and Humber Councils is that these reforms are disadvantaging those areas with the greatest economic challenges in the region and doing little, if anything, to rebalance the opportunities for growth around the region and country as a whole.²⁰ Councils are concerned that these reforms mean money is now being returned in the largest quantities - through business rates and the New Homes Bonus - to councils that already have the strongest local economies and housing markets. This would only include a minority of Yorkshire and Humber councils. The further concern is that councils in the most disadvantaged areas are, in effect, losing monies through such measures - further widening the gaps in funding, economic opportunity and local prosperity. This is contrary to Government policy such as the Local Growth White Paper, which advocated rebalancing growth and prosperity across the country. Changes to local government finance combined with austerity measures means that in fact, the reverse is happening. There is growing frustration across Yorkshire and Humber Councils members that Yorkshire has very limited economic tools at its disposal to make its own economic plans.

The impacts of the cuts on services and jobs vary in scale, but are similar across the region.

- ❑ Leeds City Council²¹ has made 1,800 job cuts in the past three years for instance, including a quarter of all senior managers and the number of council buildings in the city centre is being significantly reduced. Around £25m has been saved by improving procurement practices.
- ❑ In Barnsley, the Council is no longer running youth clubs, £4.5m has been cut from Children's Services (including the closure of some children's centres), and £6.5m from Adult Social Care - as part of this the last day centre for the elderly closed last year.²² Charging for services is also being significantly increased across the borough and across all directorates, particularly within Adult Social Care.²³
- ❑ In Wakefield the Council is considering closing 14 of its 23 children's centres and reorganising the remaining locations into six early help hubs and three linked centres, with some children's centres services being delivered at community centres and in family homes.²⁴ This highlights a major shift away from universal provision.

¹⁸ Yorkshire and Humber Councils (2012)

<http://www.lgyh.gov.uk/dnlds/Y&H%20Councils%2026%20June%20Spending%20Round%20briefing%20-%20final.pdf>

¹⁹ Source: London Councils (2014) Local Government Finance Settlement 2014/15: Response by London Councils

²⁰ Yorkshire and Humber Councils (2012) *ibid*

²¹ Leeds City Council (2014) Our Financial Plans <http://www.leeds.gov.uk/council/Pages/our-financial-plans.aspx>

²² Barnsley Chronicles (October 2014) <http://www.barnsley-chronicle.co.uk/news/article/9055/council-announces-services-axe-due-to-budget-cuts>

²³ Barnsley Chronicles *ibid*

²⁴ Children and Young People Now, July 2014 <http://www.cypnow.co.uk/cyp/news/1145332/wakefield-council-proposes-close-14-childrens-centres>

- Doncaster Council is cutting 1,200 jobs and shutting all of its seven older people's residential homes, and four day centres will be closed.²⁵ In addition it will be increasingly relying on the voluntary sector to run facilities such as libraries, and making cuts to Children's Services, through the closure of children's centres and youth centres.²⁶ It highlights the huge pressures within the Council, which will both affect universal provision and also mean lower levels of care for some of the most vulnerable people in society.

This just provides a brief overview of some of the major changes taking place at the county level within Yorkshire and Humber. It provides a snapshot of the difficult future that many councils are facing in the region, as with many other areas of the country. The impacts, particularly for the most vulnerable, are likely to be severe.

3.1.2 Cuts to public transport

Interviews with regional union officers also highlighted that cuts to public transport are a further concern, and that they are having a big impact. An example is South Yorkshire Passenger Transport Executive, which has already made £6.2 million of cutbacks and reduced its workforce by more than 24 per cent during the last three years.²⁷

*'Support for disabled people through community transport is lacking and being further cut. Bus routes are closing. GPs are called out a lot more for home visits because there are limited buses, so cutting transport has an impact on health services.'*²⁸

These cuts in transport are restricting access to jobs and to services, which impacts on the economic potential of the area, as well as affecting the elderly in terms of exclusion and isolation.

*'People may still have their bus pass, but without bus routes this is useless. People are saying they'd swap their free bus pass for routes which they paid for – a bus pass has no worth if there is no route.'*²⁹

Cuts to public transport subsidies will also affect rural communities who rely on public transport as a lifeline. This could have knock-on effects of increasing dependency and require further public sector resources.

3.2 Impact on public sector job losses

One of the main areas of savings made by public sector institutions has been in reducing public sector jobs. It is more pronounced in places which have both a high proportion of public sector jobs, and have experienced some of the highest levels of cuts. Table 1 illustrates that changes in public sector employment across Yorkshire and Humber have been significant.

A total of 73,000 public sector jobs were lost in Yorkshire and Humber between 2010 and 2014, the fourth highest number of such job losses of any English region (after the North West, South West and London). With Yorkshire and Humber having the second highest proportion of jobs in the public sector (21.6%),³⁰ this will have had a significant effect on the region. As wages are low within the region (the second lowest median weekly resident wage in the country as highlighted previously), there is also the need to consider the quality of new jobs being created in the private sector. It is unclear if this net gain of 140,000 jobs partly represents growth in self-employment, if there is still under-employment, or if the jobs created are low paying with poorer terms and conditions. However research from the TUC³¹ suggests this is the case across much of the country, stating that nationally 4 in 5 jobs created since 2010 are in low paying sectors.

²⁵ BBC News, 20th February 2014 <http://www.bbc.co.uk/news/uk-england-south-yorkshire-26280975>

²⁶ Children and Young People Now, August 2014 <http://www.cypnow.co.uk/cyp/news/1145751/scores-youth-childrens-centres-close-doncaster>

²⁷ <http://www.thestar.co.uk/news/business/south-yorkshire-public-transport-cuts-1-5564566>

²⁸ Quote from an interview respondent

²⁹ Quote from an interview respondent

³⁰ Source: ONS, Business Register and Employment Survey, 2013

³¹ Source: <http://www.tuc.org.uk/economic-issues/labour-market/four-five-jobs-created-june-2010-have-been-low-paid-industries>

There are a range of sectors which have been responsible for growth in employment. Professional services (which includes for instance, accountancy, legal services and real estate) attributed for approximately two fifths of jobs created in the private sector between 2010 and 2013, but there has also been a significant expansion in sectors such as administration and logistics, which account for around a quarter of growth.³² This suggests a mix of higher and lower paid jobs, but it is difficult to make firm assertions without access to wage data.

Table 1: Private sector job growth and falling public sector employment across the - regions, between Quarter 2 2010 and Quarter 2 2014^{33,34}

Region	Change in public sector employment, Q2 2010 - Q2 2014	Change in private sector employment Q2 2010 - Q2 14	Net job growth, Q2 2010 - Q2 2014
East	-42,000	213,000	171,000
London	-77,000	537,000	460,000
North East	-44,000	53,000	9,000
North West	-88,000	132,000	44,000
Yorkshire and Humber	-73,000	221,000	148,000
South East	-58,000	250,000	192,000
South West	-78,000	165,000	87,000
West Midlands	-54,000	100,000	46,000
East Midlands	-35,000	136,000	101,000
England	-549,000	1,807,000	1,258,000

³² Source: ONS, Business Register and Employment Survey, 2013

³³ Source: ONS, Public Sector Employment, Statistical Bulletin, Q2 2014

³⁴ Note that for analysis purposes, as developed by ONS employment in further education colleges and sixth form college corporations in England are excluded from the public sector estimates, and included in the private sector estimates. Further education colleges and sixth form college corporations in England were classified to public sector from 1993 to 31 March 2012 and to private sector from 1 April 2012.

4 CASE STUDY: CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL

4.1 Lack of economic opportunity for all and deepening inequalities

Bradford is situated in West Yorkshire, with the status of a city and metropolitan borough. It covers a larger area including the towns of Keighley, Bingley, Ilkley, Haworth, Silsden and Denholme.

Bradford suffers from significant socio-economic challenges. It is highly reliant upon public sector jobs, and local private sector jobs tend to be low-skilled and low-wage. Resident weekly pay is just £446.50, which is low compared with the national average of £520.70.³⁵ The recession exacerbated the economic problems in Bradford, and although unemployment was already relatively high before 2008 it then rose to nearly 13% in 2011. Unemployment remains high despite recent improvements (as shown in Figure 4) and therefore highlights structural issues within the local labour market. In particular youth unemployment is a significant issue in Bradford with levels continuing to rise. In particular unemployment for 16-19 year olds is 45% compared to 26% for the UK.³⁶

There are also significant skills gaps within the local labour market, as highlighted within Bradford's Local Economic Assessment. The proportion of Bradford's adults with the minimum qualifications deemed necessary for employment remains far lower than the national average. Around two thirds of people with no qualifications in Bradford do not have a job. Future job growth in the region is predicted to be most significant within high and medium skilled occupations, which will pose an increasing challenge for Bradford's workforce given its current low skill levels.³⁷ Combined, these economic and labour market conditions contribute to a productivity gap: a shift in industrial structure (a declining industrial base and an increase in public services), a lower than average proportion of jobs in high value knowledge industries, and a lower than average job density.³⁸

Alongside the economic issues Bradford faces, there are acute social issues. Bradford has the highest worklessness rate of any district in Leeds City Region (LCR) with particularly high levels found among women, young people, those without a qualification, disabled groups, ethnic minority people and within the most deprived areas of the district.³⁹ With around one in three children in Bradford living in low income families, it has particularly high levels of poverty and child poverty.⁴⁰ The district ranks 32nd out of 326 in the country, for overall deprivation. Employment lifts some families and children out of poverty but low skills and low income work means this is not a guarantee, and over half of children in low income families have at least one parent in employment.⁴¹ The district has the greatest gap between the most deprived and most affluent areas of any local authority district in England.⁴² Poverty remains an aspect of daily life for large parts of Bradford's population.

Primary research by the Joseph Rowntree Foundation (JRF)⁴³ in Bradford, found that many people simply do not have enough to live on: relying on public services or family networks for support and falling into a cycle of low incomes and worklessness. Several participants in this research spoke of lives that are characterised by debt, being the victims of crime and anti-social behaviour, living in poor housing, having chronic mental and physical ill-health, and feeling hopelessness. Some stated how being out of work made them feel more isolated and less likely to engage in community activities. The research also illustrated there is a fear of growing inequalities between neighbourhoods and that public spending reductions may undermine effective neighbourhood working.

The above illustrates that there is high reliance on public services due to the socio-economic and demographic pressures the city faces, and public spending decisions have significant implications on Bradford's levels of deprivation, well-being, employment and cohesion.

³⁵ ONS: Annual Survey of Hours and Earnings, 2013

³⁶ ONS, Annual Population Survey, June 2014

³⁷ City of Bradford MDC (2012) Bradford District Local Economic Assessment – Revised, December 2012

³⁸ City of Bradford MDC (2012) *ibid*

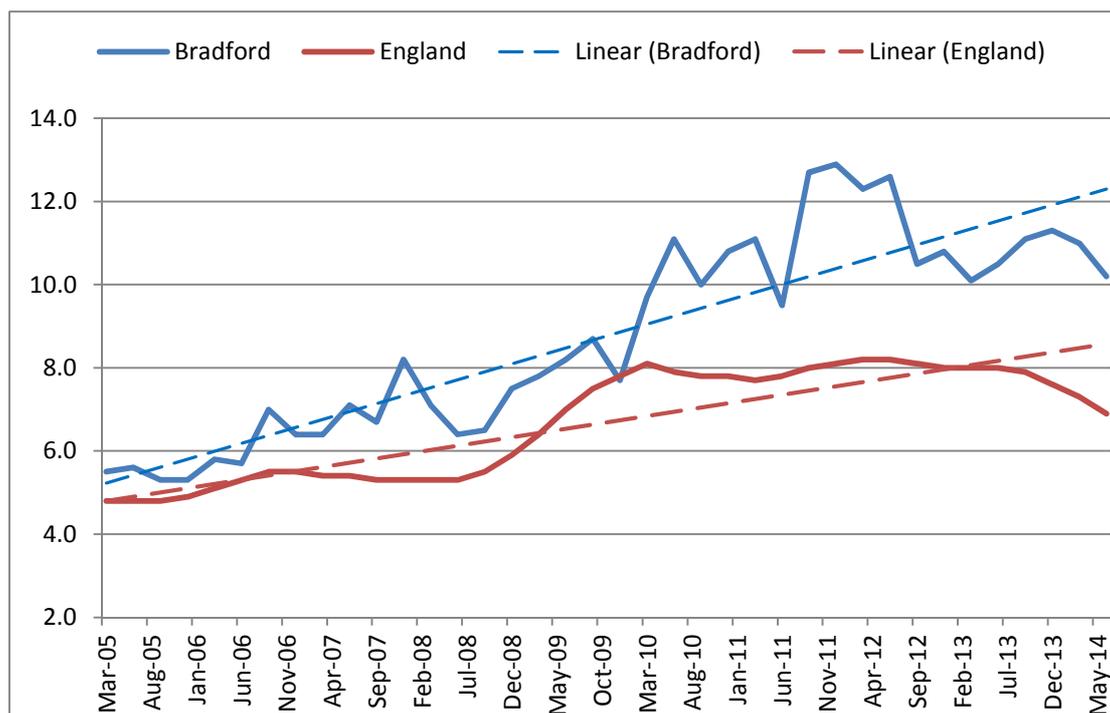
³⁹ City of Bradford MDC (2012) *ibid*

⁴⁰ Child Poverty Action Group (2014) <http://www.endchildpoverty.org.uk/why-end-child-poverty/poverty-in-your-area>

⁴¹ City of Bradford MDC (2012) *ibid*

⁴² Joseph Rowntree Foundation (2011) Living through change: The effects of global, national and local change on people and places in Bradford <http://www.irf.org.uk/sites/files/jrf/poverty-recession-communities-summary.pdf>

⁴³ Joseph Rowntree Foundation (2011) *ibid*

Figure 4: Unemployment rate in Bradford, 2005 to June 2014⁴⁴

4.2 Demographics – a growing population

Bradford has significant pressures, highlighted by the fact that its population grew by 52,400 to 523,100 over the 10 years to 2011, an 11.1% increase.⁴⁵ As such it is the fastest growing district in Leeds City Region (LCR). Growth is expected to continue with the Office for National Statistics forecasting the population to reach 568,900 by 2021 with a growing proportion of older people in the population.⁴⁶

506,800 people live in Bradford making it the fourth largest metropolitan district in England. There is a young population with 22% of the population being under 16 years old compared with 19% nationally.⁴⁷ Population projections for Bradford forecast growth of 5,600 people per year to 2033, the fourth largest increase of all English local authority districts after Leeds, Birmingham and Bristol.⁴⁸

These factors highlight the significant implications for provision of services. High growth, high density population, combined with growth in the elderly population of a third in the next decade,⁴⁹ constitutes a very challenging environment for policy practitioners. Combined with high demand for public services due to poverty and economic challenges, Bradford is particularly vulnerable to the impacts of austerity.

4.3 The challenge of ongoing austerity measures

Bradford has been deeply impacted by spending cuts since the Coalition Government entered office. The Bradford Labour Group⁵⁰ has undertaken significant analysis of these cuts and how they have, and continue, to impact upon the area (from 2010/11 up to 2017). The key elements of this analysis are brought together below, also with some additional references to Council documentation.

⁴⁴ Source: ONS, Annual Population Survey, 2014

⁴⁵ City of Bradford MDC (2012) *ibid*

⁴⁶ ONS, Sub-national population projections, 2013

⁴⁷ ONS, Midyear Population Estimates, 2013

⁴⁸ City of Bradford MDC (2012) *ibid*

⁴⁹ City of Bradford MDC (2012) *ibid*

⁵⁰ This includes a number of documents around budget briefings, changes to Council spending power, cuts briefings, and Council savings strategies.

4.3.1 Cuts to council funding since 2010

Since 2010 government cuts have seen the Council's revenue resources reduce by over £100m, and there will be a further £115m more in cuts over the next three years (between 2014 and 2017), including £89m in the next two years.⁵¹ As one of the large northern districts highly reliant on Government grant funding, and with high levels of deprivation, the impact has been particularly marked. Many of the savings so far have been made through improving efficiency, better procurement and reduced overheads but this cannot continue indefinitely. According to the council, the size and scale of the cuts is such that difficult decisions will have to be made about which services to scale back, which to charge or charge more for, which to do differently and which to stop altogether. The nature of the cuts year by year is outlined below.

2010/11

The Government imposed cuts on Bradford of £7.36m (10.5%) in Area Based Grants.⁵² This included a £3.8m (21%) reduction in its Education grant and cuts to Working Neighbourhoods Funds. In cash terms, Bradford's reduction in Area Based Grant was the 6th highest in the country.

2011/12 to 2012/13

The 2010 Spending Review reduced the Council's main grant from Government by £56.4m (18%) over the two years from 2011/12 to 2012/13. In addition the Council lost other grants totalling £18.9m in 2011/12 and a further £4.4m in 2012-13 – a total reduction in specific grants of 33% over two years. These cuts included the loss of £12.5 million in Working Neighbourhoods Funding designed to support the most deprived parts of the country and £5.9m in Local Enterprise Funding designed to promote and support small business.

Cuts to specific grants also included £4.37m to support for Sure Start and tackling issues such as youth crime, teenage pregnancy and drug dependency. These reductions were offset by some government funding being made available from NHS budgets to help meet social care costs. The overall impact on grant income was a cumulative reduction of £67.5 million.

2013/14 to 2014/15

The Government announced further cuts in its financial settlement for local government for the last two years of the spending review period. These included around a further £10m reduction in the Council's main financial support from government in 2013-14. Within this £10m decrease included a cut of £7.5m in the Early Intervention Grant, used to fund services like Children's Centres, bringing the cumulative reduction in this funding stream to around 25% over three years.

Significant funding gap

Taken together with the additional pressures arising from inflation and increasing demand for care services the Council is currently projecting a funding gap of around £100 million by 2016-17 that will have to be filled by cuts to Council services, rationing access to services and increasing income. This means that over a six year period the Council's resources will have reduced by a third.

⁵¹ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

⁵² The Area Based Grant intended to give local areas more flexibility and freedom to spend Central Government Grants in a way that reflects local priorities and circumstances. Areas of greater deprivation generally received higher levels of grants to address structural social and economic issues.

Impact on spending power

Cumulatively, these cuts have had an acute impact on spending power. In 2011-12 the Government calculated that Bradford's spending power would reduce by 8.8% making it one of the hardest hit districts in the country. This is despite it being ranked as the 32nd most deprived of 326 English authorities.⁵³ According to documents provided by the Bradford Labour Group, over the two years 2011-12 and 2012-13 Bradford's spending power reduced by the equivalent of £147.60 per head of population compared to an average of £61 across the whole of England. To put this in context the 50 least affected Councils experienced average reductions of just £16 per person. The average reduction in spending power per head among the ten least deprived authorities in the country was £21.77. Bradford will continue to lose funding equivalent to £192 per household or £77 per person in the next two years.

Strategy to implement the cuts

A significant proportion of the savings highlighted above have been made through what the Council states as improving efficiency, reducing management and administrative costs, communications and back office and support activities in order to protect, as far as possible, frontline services.⁵⁴ The strategy up to 2015-16 is highlighted in Figure 5. It shows that nearly half of total cuts are to come from efficiencies, but that there are a range of changes that could impact directly upon services, such as the reduction of or deletion of services, cutting costs through renegotiating contracts, and reducing grant payments (the latter could suggest marked impacts upon the voluntary and community sector which relies heavily upon grant funding). In terms of the workforce, around 1,500 posts have been cut up to now with the vast majority coming through voluntary redundancy. A further 600 jobs may also be cut in the next few years.⁵⁵ There are also savings to non-service spending which includes terms and conditions. Although there is limited information about what this will incorporate, it may suggest impacts on staff.

The Council states that it will continue looking at opportunities to reduce costs and duplication without damaging services as much as is possible. Over 60% of the 2014/15 budget savings proposals were designed to have no direct, detrimental impact on frontline service delivery or increased charges to service users. Nevertheless despite these commitments to minimise impacts upon services, the above would suggest that 40% of the budget cuts will impact upon frontline services in some way, as highlighted in above paragraph.

The budget included a further £6m reduction in support services, another £570,000 cut to management and a £5.2m reduction in borrowing costs.⁵⁶ There are only so many cuts the Council can make to staffing and efficiencies. These are not savings that can be made twice so it will not be possible to absorb the brunt of additional cuts through efficiency savings. This is where the impact upon services will now become a more pressing issue.

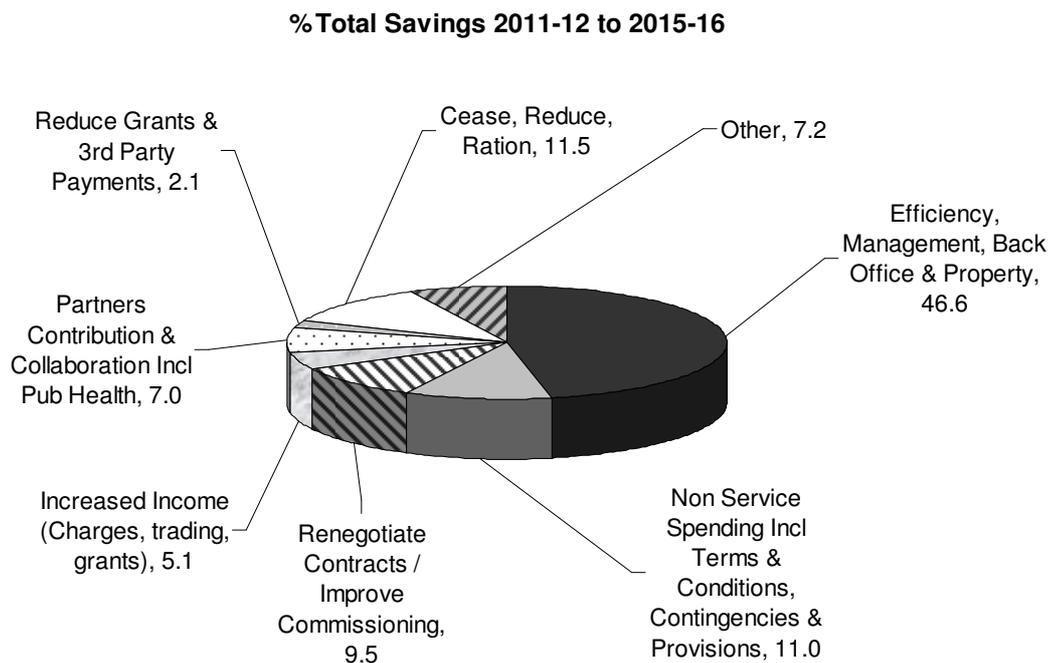
⁵³ Documents from the Bradford Labour Group

⁵⁴ http://www.bradford.gov.uk/bmdc/government_politics_and_public_administration/council_budgets_and_spending/budget_consultation_2014_2016/public_consultation_on_budget_2014_16

⁵⁵ City of Bradford MDC, Executive Initial Draft Budget and Council Tax Proposals 2014-2015 and 2015-2016

⁵⁶ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

Figure 5: Chart showing the nature of savings by the City of Bradford Metropolitan District Council, from 2011/12 to 2015/16⁵⁷



Savings by department

Table 2 developed by the Labour Group, shows how the Council is making savings across the departments. It highlights the focus upon both Adult Services and Children's Services as a focus for this – between them accounting for 45.6% of savings between 2011-12 and 2015-16. Another quarter of savings is through support services, cross cutting and non-service savings. It highlights therefore the disproportionate impact upon statutory service areas, although this should be seen within the context of the costs involved with these services - Adult Services being the Council's biggest spend for instance accounting for about 30% of the total.

In terms of Adult Services the nature of the changes will include cutting down the amount spent on contracts, cuts to the workforce, joint commissioning with public health, new charges for service users, and commissioning day care from the independent and voluntary sectors rather than providing it in-house.⁵⁸ For savings within Children's Services, this includes changes in staffing (although there is limited detail on what this actually means), increased outsourcing, changes to the structure of delivery in Children's Centres, ending of the Necessitous Clothing Allowance and reductions in Youth Services. However, Child Protection, School Crossing Patrols, adoptions and Youth Offending are among the services being protected.⁵⁹

⁵⁷ Bradford Labour Group

⁵⁸ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

⁵⁹ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

Table 1: Savings by service department, 2011-12 to 2015-16⁶⁰

	2011-12		2012-13		2013-14		2014-15		2015-16		Total	
	£	%	£	%	£	%	£	%	£	%	£	%
Adults	9,152	18.8	8,580	30.1	8,400	32.2	7,523	23.6	7,921	31.0	41,576	25.9
Children	7,360	15.1	6,209	21.8	4,963	19.0	6,861	21.6	6,223	24.3	31,616	19.7
Environment	3,635	7.5	2,579	9.1	2,393	9.2	2,605	8.2	2,359	9.2	13,571	8.4
Regeneration	4,607	9.5	4,639	16.3	2,241	8.6	2,890	9.1	2,832	11.1	17,209	10.7
Other*	23,937	49.2	6,454	22.7	8,108	31.1	11,946	37.5	6,226	24.4	56,671	35.3
Total	48,691		28,461		26,105		3,1825		2,5561		16,0643	
Service Departments	24,754	50.8	22,007	77.3	17,997	68.9	19,879	62.5	19,335	75.6	103,972	64.7

*Support services, cross-cutting and non-service savings.

⁶⁰ Bradford Labour Group, sourced from City of Bradford Metropolitan District Council

Investing despite the spending cuts

According to the Council, it is still investing in critical areas, aiming to meet need as best as it can.⁶¹

- ❑ Services to the most vulnerable adults, children and families for example, people with complex needs and disabilities or mental illness, the very frail and people at risk of harm or abuse have been given protection from the worst effects of the cuts;
- ❑ Services to vulnerable adults continue to account for 30% of Council spending;
- ❑ £6.9m has been allocated to meet increasing demand for social care;
- ❑ Extra investment of £500,000 a year to improve schools across the whole of the District;
- ❑ Weekly refuse collections are maintained;
- ❑ There are no static library closures;
- ❑ Investment in the economy will continue to focus on generating growth and business rates and the Council will maintain investment in 'Get Bradford Working' – the biggest employment and skills scheme of its kind;
- ❑ Housing support to vulnerable people and tackling the blight of empty homes are protected;
- ❑ Public health money will be used to secure services delivering public health objectives and tackling health inequalities.

To help the Council with its ongoing investment into those with priority needs, there has been a small increase in Council Tax (1.6%), with a further rise proposed for 2015/16.⁶² This will be below inflation and cost the average household an extra £3 per month, with the maximum extra cost of £6 per month only to the highest band properties. This allows the Council to raise more of its income locally, reducing the vulnerability to future centrally imposed spending cuts.

4.3.2 The impacts on Children's Services

There are two key areas within Children's Services where there are significant changes being made: Children's Centres and Youth Services.

Changes to Children's Centres

Initial budget proposals suggested closing down some children's centres in order to make savings. However following strong objections to this during the consultation process, plans were amended. The new structure for the centres is as follows:⁶³

- ❑ Children's centres will work together in local areas (or clusters), which have been designed in response to feedback from the consultation;
- ❑ Each cluster will have a dedicated staff team offering services locally from a range of venues. This means that no single existing centre will take the lead over the cluster that it's in;
- ❑ Therefore services are delivered by children's centres, midwives, health visitors and other partners in the best places for families.

It is important that no children's centres were closed, as there has been an increase in child protection referrals across Bradford, and children's centres can play an important part in the first line of defence against those. Nevertheless £2.4m in savings is still required from children's centres,⁶⁴ and the above does suggest that there is the potential for more limited services within some centres. The Council will make use of the Schools Forum support to maintain the status quo in Children's Centres for the next 12 months and develop proposals with schools, parents and community organisations to deliver the savings in the following year.⁶⁵

⁶¹ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

⁶² https://www.bradford.gov.uk/bmdc/advice_benefits_and_council_tax/council_tax/council_tax_information_councillor_green

⁶³ http://www.bradford.gov.uk/bmdc/government_politics_and_public_administration/news/Changes+to+childrens+centres

⁶⁴ City of Bradford MDC, Executive Initial Draft Budget and Council Tax Proposals 2014-2015 and 2015-2016

⁶⁵ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

The Council's language is increasingly focused around targeted support in order to help it achieve the necessary savings. The Council states that in future, its children's centres will:⁶⁶

- ❑ Provide support to children and families who need it most;
- ❑ Meet the needs of our growing and changing population;
- ❑ Ensure that in future, services are delivered in the most appropriate places for families.

Indeed the Council states that:⁶⁷

'Whilst there are many things we would like to be able to provide to everyone, those who are in greatest need must take priority in order for us to support and protect them the best we can. With the new proposal, families will benefit from more co-ordinated services at times of greatest need. Some areas will receive more of their services through local community organisations.'

In summary therefore, this alludes to the end of equal universal provision, with the nature of services differing across locations. Therefore, although the language has changed from 'closure', instead, there could potentially be a more limited programme of activities that may be available in some centres. Although there is limited detail on the nature of changes, this could potentially mean that centres may not always be open, and will not be able to provide drop-in services to vulnerable families in each area. Some families, with very young children could struggle to attend sessions during timed-slots and need the flexibility of a drop-in service. This is an important point. There are vulnerable families in all areas, not just those that are targeted. Families across the social spectrum can rely on children's centres, particularly during early years where they face significant challenges. The importance of strong universal provision is highlighted below, through quotes from mothers within more affluent areas of Bradford.⁶⁸

'When I moved, I was barely hanging on by my fingernails to keep my family happy and settled. The support that the children's centre has given and offered has been invaluable to myself, my children and my family as a whole.'

'I dread to think of what could happen to families in situations like mine without the support of a local children's centre being there. I could quite honestly say had I not had the support of my local children's centre, I would not be here today.'

Impacts on youth services

Youth services were initially to be cut by 79% over 2014/15 and 2015/16. This would have virtually wiped out the service, with just two youth centres and a huge reduction in youth work, to be replaced by the voluntary and community sector. These proposals, however, were strongly opposed and as a result the plans for the services were amended, with a reduction in proposed cuts from £3.2m to £1.45m from total budget which means 36% cuts.⁶⁹ This is still very deep, however it does at least ensure the continuation of the service in some form over the next few years. The importance of the service is highlighted in a quote below from someone who had used youth services for a number of years:⁷⁰

'I'm 21 now but have used the youth services since I was 13. I know so many kids in Bradford have nothing so the youth service is absolutely vital. It offers a place to talk about issues at home and often the trips offered by the services are the first time they have been out of Bradford. It gives you a different outlook on life and the opportunity to network.'

⁶⁶ http://www.bradford.gov.uk/bmdc/government_politics_and_public_administration/news/Changes+to+childrens+centres

⁶⁷ http://www.bradford.gov.uk/bmdc/government_politics_and_public_administration/news/Changes+to+childrens+centres

⁶⁸ <http://jackiewhiteley.com/bradford-council-has-a-duty-of-care-to-everyone-ion-bradford-jackies-speech-in-reposnse-to-potentially-cuts-in-services-to-all-phase-three-childrens-centres-in-bradford/>

⁶⁹ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

⁷⁰ Children and Young People Now, 25th February 2014: <http://www.cypnow.co.uk/cyp/news/1142383/bradford-scales-youth-cuts>

There are some uncertainties as a result of the budget reduction to the service. There will still be an increased reliance on voluntary sector delivery, and a £300,000 budget to support the commissioning of youth services through the voluntary sector will be retained.⁷¹ Currently, Bradford offers a universal youth service, although there is a focus on vulnerable young people. It is unclear if this will change as a result of the budget reduction. It would seem likely however that an increasingly targeted approach will be implemented, and as with children's centres, there would be a shift away from universal services.

It is important to note that Bradford is predicted to have the youngest population of any city in Europe by 2020, with 50 per cent of its citizens under 25.⁷² This highlights the importance of having effective youth services provision in place, and wherever possible catering for young people across all communities.

Safeguarding of services

Although some very difficult decisions are being made around some elements of children's services, there are other areas within the directorate that will be protected from reductions in their budgets. These include:⁷³

- Adoptions;
- Child Safeguarding, Protection and Assessment;
- Leaving Care Services;
- Youth Offending Team;
- Bradford Achievement Service;
- School Governors Service;
- School Crossing Patrols.
- Greater protection given to services to disabled children compared to other service areas.

4.3.3 Impacts on Adult Social Care

Closure of day care centres

The Council still provides direct provision of day care adult services, however, these will cease totally and these centres will be shut over the next three years. This service will then be passed over to the voluntary and private sectors, as the Council works to develop the 'independent market'.⁷⁴ The question is whether the Council is outsourcing more in direct response to spending cuts? There can be a number of reasons, but cost would appear to be a significant factor, as the budget states that it is one of a number of changes which will contribute towards addressing the funding gap. What will the quality of this provision be like in future as direct provision is phased out, and also what about catering for those people with complex needs? The Council have stated that there may be opportunities to work with the NHS locally to provide short term facilities for people with complex needs (for instance severe dementia),⁷⁵ but details are vague. The other concern may be that with the withdrawal of publicly run centres, there will be fewer places (as provision will be reduced), and over time people may have to travel further to access this service, which would be a poor outcome for vulnerable people, most pointedly in terms of their quality of life. In a deprived area such as Bradford, this also makes it more difficult for families with regards to travel costs.

Closure of residential homes

One Council run residential home was closed last year, and before that, in 2011/12, three other homes were closed. A further two in-house residential homes may be closed in the next few years, and alongside this there will be fewer placements provided in private homes, as independent living is promoted by public agencies.⁷⁶

⁷¹ Children and Young People Now, *ibid*

⁷² Children and Young People Now, *ibid*

⁷³ City of Bradford MDC, Executive Initial Draft Budget and Council Tax Proposals 2014-2015 and 2015-2016

⁷⁴ City of Bradford MDC, Executive Initial Draft Budget and Council Tax Proposals 2014-2015 and 2015-2016

⁷⁵ City of Bradford MDC, Executive Initial Draft Budget and Council Tax Proposals 2014-2015 and 2015-2016

⁷⁶ City of Bradford MDC, Executive Initial Draft Budget and Council Tax Proposals 2014-2015 and 2015-2016

Domiciliary services

The main focus of the Council provision will be on short term enablement services. Long term care is through independent providers although it is unclear as to why this is the case.⁷⁷ Using independent providers for long term care could have an impact on older and/or disabled people who rely on it, as it involves changes in providers to deliver their support plan. The Council does maintain however that negative impacts are limited as quality is monitored by the commissioning team, although it does not outline the challenges in achieving this over the long term.

Raising the eligibility criteria for care

In April 2014, the Council raised the eligibility threshold criteria for social care which particularly impacted upon domiciliary services, for when vulnerable people are entitled to help with tasks such as washing, eating and dressing in their own homes.⁷⁸ People with moderate needs no longer qualify for support, only those whose needs are classed as substantial or critical, although assessments on existing users have not resulted in significant changes. Through this approach, the Council expects to manage future demand for new people entering the system. This, like in the majority of local authorities across the country, could have significant implications with more families having to look after relatives as they cannot afford the care, which could be a particular issue in a place such as Bradford with it being a low wage economy. More people are left out of the system and become more isolated without the services they need.

Reducing the numbers of people with mental health issues and learning disabilities within residential and day care

Currently the Council outsources residential and day care in this area, but is aiming to cut costs through helping people make the transition to supported living - the cost of placements are high and the Council is looking to reduce these costs and deliver more personalised services.⁷⁹ However many people may have access to carers that have specific knowledge of their issues, and this may be difficult to replace if supported living is the main future trajectory. In addition to this is reducing the number of support hours for people with learning disabilities within supported accommodation. Again, there is the question as to whether vulnerable people will be receiving appropriate levels of support that meets complex needs, although the Council state that implementation would include risk assessment and engagement with everyone affected.

Increases in charges for services

More services are now being charged, and subsidies have been cut. For instance, meals on wheels has been an important service for many older people, but like in many other areas across the country, charges have increased as subsidies were cut.⁸⁰ It costs £5.66 per meal⁸¹ and there is an additional cost of £3 for a Tea Time Meal Pack. This makes it very difficult for many to afford, and only further increases isolation for those who are less affluent. It highlights the increasing trend for 'postcode lottery' service provision.

4.3.4 The impact on public sector employment

Figures 6 and 7 show the changes in public and private sector employment between 2009 and 2013, showing the number of jobs each year during this period.⁸² In terms of public sector employment, it shows the continuing decline in jobs since the Coalition Government entered office. In total, over 3,600 jobs were estimated to have been lost in the public sector between 2010 and 2013.

Private sector employment growth has been relatively static since 2010 (and fell markedly between 2011 and 2012 due primarily to changes in construction, logistics, wholesale and retail, and administration sectors), and in 2013 the level of private sector employment was still below the 2009 level. Overall, there was a net loss of approximately 3,800 jobs in Bradford between 2010 and 2013.

⁷⁷ City of Bradford MDC, Amended Budget Recommendation to Council 18 February 2014

⁷⁸ http://m.thetelegraphandargus.co.uk/news/11506121.New_row_erupts_over_controversial_home_care_cuts/

⁷⁹ City of Bradford MDC, Executive Initial Draft Budget and Council Tax Proposals 2014-2015 and 2015-2016

⁸⁰ http://www.thetelegraphandargus.co.uk/news/8880747.Meals_on_Wheels_costs_to_soar_by_88_per_cent/

⁸¹ http://www.bradford.gov.uk/bmdc/health_well-being_and_care/adult_care/living_independently/community_meals.htm

⁸² It should be noted that more current data, as used in Table 1, assessing regional employment in the public and private sector, is not available at a geography lower than the regional level. Data for county and district public/private sector employment extends from 2009 to 2013, via the annual Business Register and Employment Survey. It should also be noted that changes in the classification of public and private sector employment came into effect during 2012, with further education and sixth form functions transferred to the private sector. For Table 1, ONS provide this data from the beginning of the time series which aids analysis, but that is not available here. Therefore, although the figures of the changes involved would be lower than at the regional level, this should be kept in consideration during analysis.

This highlights the double impacts of slow recovery from recession combined with the effects of public sector austerity measures.

Figure 6: Public sector employment change in Bradford, 2009 to 2013⁸³

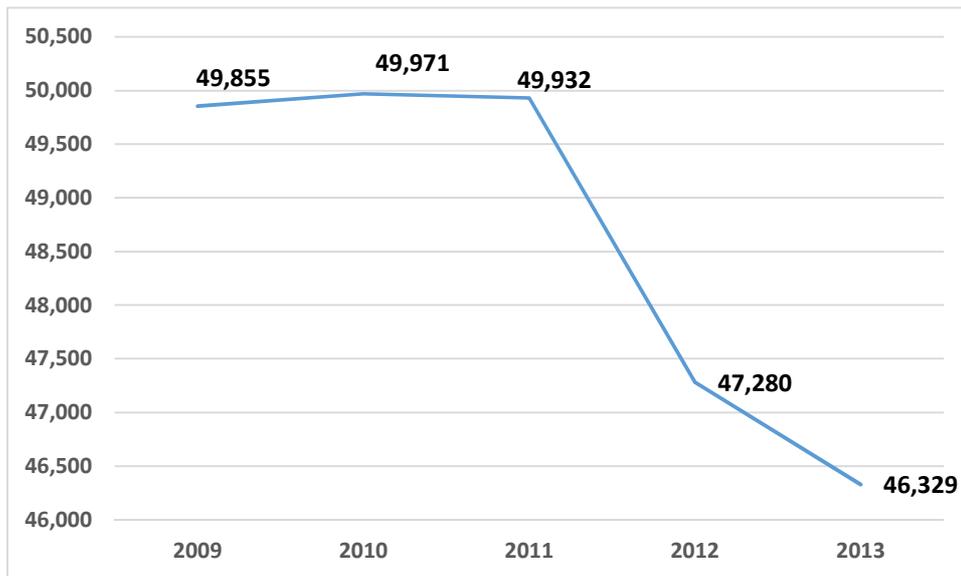
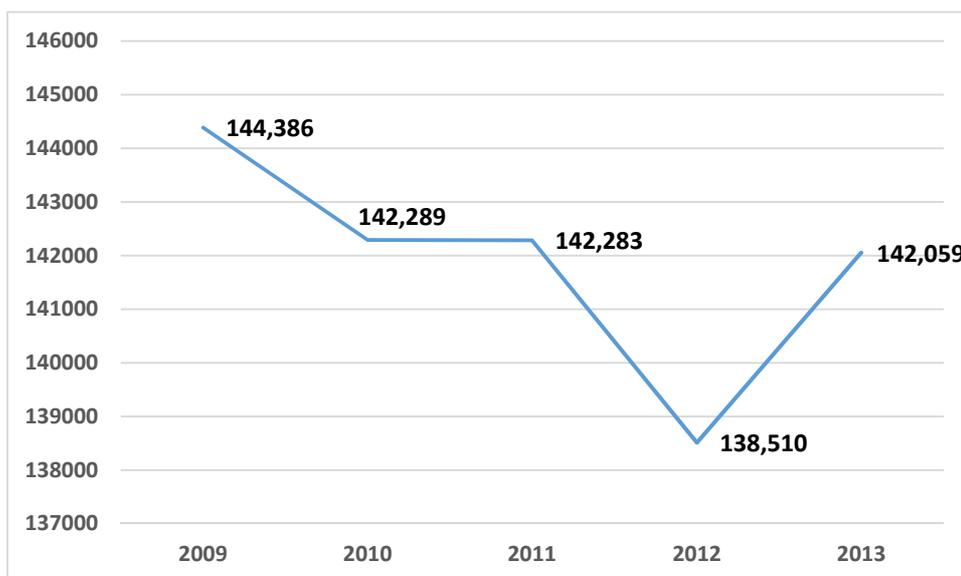


Figure 7: Private sector employment change in Bradford, 2009 to 2013⁸⁴



⁸³ Source: ONS, Business Register and Employment Survey, public/private sector data, 2009 to 2013

⁸⁴ Source: ONS, Business Register and Employment Survey, public/private sector data, 2009 to 2013

5 LOCAL RECOMMENDATIONS

From the analysis, it is possible to derive some key high level messages/recommendations that could be considered.

5.1 Central government needs to consider the disproportionate impacts of the cuts

There are significant concerns over longer term finances, and with the ability to bring in extra income due to a low tax base, it makes it hard for City of Bradford MDC to mitigate what are already particularly disproportionate impacts. The area suffers from deep deprivation and major inequalities. It puts the Council in a very tough position. The major cuts to core budgets will result in greater health, economic and social inequalities within the district. Central government must develop a much better appreciation of these impacts and provide the sufficient funding settlements which will address these issues. Places such as Bradford need a larger portion of the resource that addresses their needs.

5.2 Ensure universal provision remains as much as possible

The Council's language is increasingly focused around targeting the most vulnerable residents – for instance in the provision of children's centres. This is clearly important but there still needs to be a sufficient universal service provided. Without this, certain services will become stigmatised as being aimed only at 'problem families' when in fact, many rely on services such as children's centres and they have a positive effect for building social capital, and are important services for residents in all areas. There should therefore be an emphasis on maintaining and protecting universal integrated neighbourhood support for early child development in particular. This also applies to other service areas.

5.3 Direct public provision for youth services is important

Youth services are of critical importance within Bradford, considering the high density and growth of its younger population. It was important that the scale of the initial proposed cuts to the service were revisited, but the proposed cuts are still deep. The concern must be that youth services are not valued as they should be, and there should not be an over-reliance on community groups only to fill the gap. It is important that the Council appreciates this and provides appropriate resources. If this does not happen then in the long run it could result in cost and resource implications for social services (as services are not there to reach out to young people) and for policing as anticipated anti-social behaviour increases. It should not become just a 'second tier' service.

5.4 Appreciation of the importance of day care centres

There needs to be a deep understanding of the complex needs of people, and how in particular day care centres are helping to address this. Whether this is for elderly people with dementia, or for those with mental health problems and learning disabilities, day care centres are important. They help people develop social networks too, important in maintaining their wellbeing. Several centres are planned for closure across Bradford, raising questions about the nature of future provision, as well as people having to travel further. The impacts this has on people's lives should not be underestimated, and maintaining quality day care facilities should be considered.

6 NATIONAL RECOMMENDATIONS

The report outlines some key high level messages which are aimed at both national and local government, based on different approaches and ways of working at all levels, in order to mitigate the impacts of austerity for people and places. Detailed recommendations can be found in the national report.

6.1 Develop fair funding mechanisms for those places most in need

There needs to be a fairer settlement for places with higher social and economic need, particularly in terms of local government finance. This is about stepping away from a wholesale uniform approach to public spending cuts and future resource allocation, to one that recognises differentiated needs; and limits, as far as possible, the impact of reductions in spending on the most vulnerable in society and on those places heavily dependent on the public sector, whilst recognising the importance of universal access to services.

- ❑ There should be an alternative, needs based approach to local government funding that shows an appreciation that some localities need more support.
- ❑ There should be a place weighting within formulas applying across the public sector, where the objective is to reduce the gap in outcomes between the most affluent and most deprived areas.
- ❑ Additionally there needs to be an urgent review of local authorities' ability to meet their statutory requirements, at minimum, between now and 2018/19.

6.2 Assess the impact of changes in national spending and welfare policies on regional inequalities

Public agencies could make a concerted effort to collect and collate a deeper pool of evidence on the consequences of central government policies, particularly the impact on the most disadvantaged communities. This evidence can then be used to devise ways of ameliorating adverse consequences locally, as well as to inform central government spending choices.

6.3 Implement real devolution of resource and policy levers

There needs to be further devolution of resources and decision making powers. This would sit alongside increased democratic accountability and transparency, and structures for effective representation which would include the voices of citizens, service users, and unions.

- ❑ Incrementally increase the proportion of public expenditure that is gathered and spent locally.
- ❑ Alongside this would be agreements with national government to ensure that devolved funds are used to accelerate social gains and address inequalities.
- ❑ Financial freedoms alongside devolving resources. This means providing more effective mechanisms for local government to access finance.

6.4 Develop more intelligent procurement and commissioning processes

6.4.1 Promoting progressive procurement

When procurement and economic development teams within local authorities work together, public procurement can be planned effectively in order to develop the capacity of local businesses and the voluntary and community sector, to support local skills and employment, promote quality jobs and drive up employment standards. There are a number of considerations to developing more progressive procurement practice which also provides value for money, developed by CLES' significant body of research in the area, which should become standard practice across public sector agencies, both at the national and local level. These are outlined in the report.

6.4.2 Promoting the Living Wage

A key mechanism for promoting the Living Wage, is through commissioning and embedding it within the local supply chain:

- ❑ For service contracts a consideration of social value, preferably linked to an over-arching statement of intent or sustainable procurement strategy, should be carried out in order to identify a clear and transparent commitment to supporting a Living Wage.
- ❑ There is a converse argument that states that having Living Wage compliance as one element of award criteria might be more legally permissible than making it a condition of contracts. This would be an important consideration and something that individual organisations would need to weigh up, whether this would change on a case by case basis.

6.4.3 Reducing the use of zero hours contracts through procurement and commissioning

Taking zero hour contracts out of commissioning is critical. 60% of domiciliary care workers are on such contracts. The situation, a symptom of current commissioning arrangements, requires urgent attention and there are steps that commissioners can take to make a difference, as outlined by the Resolution Foundation.⁸⁵

- 1) **Promoting outcomes-based commissioning:** Outcomes based commissioning would mean that providers and care beneficiaries can negotiate their own timetables and then providers will be held to account for supporting greater independence and a better quality of life.
- 2) **Develop the workforce:** Improve the required standards of training in housing and social care, to fund this so it is not left to workers to pay for their own essential training.

6.5 Develop a 'rights' based approach for children's welfare

There are a number of high level actions, recently developed by CLES and the University of Liverpool for a review panel on health inequalities,⁸⁶ that could be committed to in order to ensure that children are a central facet within both local and national policy making, and so do not become further disadvantaged because of austerity.

- ❑ Embed a 'rights' based approach to children's welfare at the national level: a high level commitment to children's rights with the aim of improving child wellbeing and reducing inequalities.
- ❑ Local authorities across the country should be making a similar high level commitment, for instance through a Charter or signing up to a Declaration, to pledge to put children's welfare as a central component of what they do, and put this into practice. (for instance through the promotion of the TUC and Children England 'Declaration of Inter-dependence' setting out a new framework of service provision based on collaboration, partnership and the promotion of child-centred services and best employment standards).
- ❑ Act on reducing child poverty through the measures advocated by the Child Poverty Commission.
- ❑ A focus upon early intervention: led at the national level and cascading down to local level, there should be dedication to early intervention and to considering how to make this better and bolder.
- ❑ Provide universal support to families through parenting programmes, children's centres and key workers, delivered to meet social needs.

⁸⁵ Resolution Foundation (2014) Zeroing In: Balanced protection and flexibility in the reform of zero hours contracts http://www.resolutionfoundation.org/media/media/downloads/Zeroing_In_1.pdf

⁸⁶ See: <http://www.cles.org.uk/news/inquiry-publishes-due-north-report-on-health-equity/>

6.6 Develop a long term plan for increasing resource for Adult Social Care

Inadequate social care has a knock on effect and results in further demands on the NHS. The Better Care Fund could, to an extent, be an opportunity to address this, with £3.8 billion being pooled between local government and NHS to support transformation and integration of health and social care services to ensure local people receive better care. However, there are concerns about the impact on NHS services resulting from the transfer of resources to social care in this way and the efficiency and productivity gains are still open to considerable debate.

Arguably this fund needs to be bigger in order to provide better quality of services and avoid future acute financial problems for Adult Social Care. Either a larger or different fund is required to make a real difference, helping the transformation of Adult Social Care in future together with integration with NHS operations. This has been put forward by the Kings Fund, suggesting a 'genuine health and social care transformation fund with new money to meet the running and transition costs of changing how and where care is provided.'⁸⁷

6.7 Promote in-sourcing within local government and other public agencies

There are a number of lessons and best practice to take forward which should be applied and further promoted across the country. Having early involvement of staff and trade unions is central in returning services in-house. It provides the opportunity to redevelop capacity and reshape expertise, and can help in new smarter working to reduce levels of waste and develop and design more efficient services

6.8 Working with public service unions

Develop partnership working with public service unions to promote engagement and employee voice in the design and delivery of services as well as protecting and promoting the best employment standards through:

- ❑ Supporting the living standards of public service workers, promoting equality and boosting recruitment and retention by lifting the public sector pay cap, promoting collective bargaining and national pay determination and promoting equal pay through the increased use of equality audits and pay reviews.
- ❑ Promoting trade union recognition and partnership through a range of measures including the extension of national and local tri-partite structures such as the NHS Social Partnership Forum, supporting facility time, check off procedures and the use of public procurement to protect against blacklisting and promote adherence to ILO conventions in support of trade union freedoms.
- ❑ Promote mechanisms for the protection of employment standards and collective bargaining through the strengthening of TUPE, the creation of a new Two Tier Code of Practice and the adoption of mechanisms to extend existing sectoral collective agreements to all providers of services.

6.9 Develop a new framework of collaborative work with the voluntary and community sector

There needs to a shift in thinking from public sector agencies in how they deal with the voluntary and community sector, with an approach that ensures appropriate community and voluntary sector partners have a voice in the design and commissioning of services, where appropriate.⁸⁸ This requires an understanding in both national and local government as to the different types of funding models which allow the sector to operate in the most effective way, which shows an appreciation of the strengths of the sector and its diversity.

⁸⁷ Source: The Kings Fund (July 2014) Better Care Fund? Better read the small print <http://www.kingsfund.org.uk/blog/2014/07/better-care-fund-better-read-small-print>

⁸⁸ What we do not call for is mass commissioning of services which are better delivered in-house. There needs to be consideration of which services are being tendered and why.