

**Budget 2009/2010 to 2011/2012 Labour Group Proposals**

Labour Group supports in principle the proposed Revenue Budget council tax increase and use of balances and the Capital Plan to continue regeneration and investment in these difficult times. We believe that T&W has a role and responsibility to help get the economy going again. However we would change revenue and capital priorities, we ask for some alternatives to the proposed £3.8million savings and most importantly we would put in place a rigorous monitoring regime to track and report on the capital programme every 3 months.

This "monitoring regime" must show the impact on investments; future interest income; and the movement on the market value of delayed capital receipts assumed to repay the capital funding used in the regeneration and investment plans.

At a strategic level we would propose to move the T&W Civic offices to Dawley to regenerate and bring income to the town.

The Labour Group has therefore decided not to propose a full alternative Budget proposal but, indicate as stated above that we are agreeing in principle to the wider need for more investment in service provision such as, social housing provision and where possible economic regeneration of Telford as a whole.

So, in principle we are broadly supportive of the direction of travel set out in the Administration's Budget proposals that take us to the end of the current three yearly Government CSR which ends in 2011 but we disagree with some of the detail.

We would therefore wish to submit the following items of detail as amendments to the administration's proposals:

Social Housing

One key area of difference to the administration proposals we would increase expenditure in the area of Housing and Homeless, an area highlighted by many in the community and even more necessary in these times. We would strengthen the homeless team by at least 2 and increase "the bond scheme" by at least £100,000; give more support to Stay & Kip; use the Growth Fund money (£3million per year) to increase the provision of social housing and consider mechanisms to purchase houses being sold by the WHT. This strategy would have some impact on funding sources for regeneration. We welcome the £100k 'Pilot' initiative to avoid putting people in bed and breakfast which itself escalates costs which are disproportionate when compared with temporary housing. We would therefore still like to put in the additional sum of £100k shown above using the Growth Fund to finance additional housing for the homeless.

We would seek to make an amendment for the provision of more social housing as highlighted in the recent 'Housing Summit' held by David Wright MP for Telford.

Perhaps this could be best achieved in a partnership with WHT or another RSL within the Borough using Growth Fund (GF) money of which there is £9m over three years in the proposals. .

We believe that the Growth Fund should not be used in its entirety within the Telford Town Centre development. The residue of £4m of the (£9m GF over 3 years) after spending £5m on the Town Centre project should go to help fund more social housing with registered social landlords.

#### Town Centre proposed 'Credit Crunch' –Advice One Stop Shop

The Labour Group thinks that the proposed expenditure could be spent differently in order to still provide a borough wide advice service. We welcome the Administration's decision to use Telford Town Centre Library for the one stop advice centre. We would still however, wish to see the service extended by the use of mobile libraries as indicated below.

WHT are going out to the public with one-stop shops in partnership with other agencies why doesn't T&WC link in with this initiative this would give wider access for our residents.

This would also allow people in rural areas to access the service without the prohibitive cost of travelling to the Town Centre.

We could also use our mobile Libraries and / or, the two (little used) Youth Buses which are kitted out for IT that would make them ideal for use as mobile Information outlets?

#### BSF Funding

It is reported that the Madeley Court buildings are scheduled for demolition in late July this year.

There are consultants presently looking at use of the site after it's been cleared.

We considered questions around -Is this a T&WC or a Madeley Court Trust asset? And if it is T&WC s then the asset realisation could be used for social housing or elsewhere?

We are pleased that the asset realised from Madeley Court will come to the Council and would reiterate that it be used assist the sourcing of social housing.

Savings appendix 4 Cabinet Paper D 8<sup>th</sup> December 2008

The Savings Proposals (£3million now increased to £3.8m), we believe several proposals are CUTS or what should be normal practice not efficiency savings.

We would ask officers to seek more savings in the cost of bureaucracy and review the following proposals:-

Re-provision of Children's Home Service (in view of the Baby P case is a wise move?); capitalise R&M is not an efficiency saving it is taking capital resources); Council Tax Surplus and Treasury initiatives are not savings but what should happen normally.

The £250k from the Children and Families Service could be for example re-directed to provide more social housing but we are satisfied that the £250k referred to is being spent appropriately on Children and Family Services. We would suggest that the administration should look at finding additional funding over and above that to ensure that this volatile area is adequately resourced.

### Monitoring Capital Projects

We need to have regular monthly or quarterly monitoring reports on all capital projects and immediately prior to any realisation of assets takes place. We believe that this monitoring would best be carried out by the VFM Scrutiny Group which is already well versed in Budget monitoring activities.

To reiterate what we said in the opening comments above-this "monitoring regime" must show the impact on investments; future interest income; and the movement on the market value of delayed capital receipts assumed to repay the capital funding used in the regeneration and investment plans.

### Reserves and Balances

We would seek to direct the proposed use of additional balances, in a way that complements and enables us to maximise the numbers of available social housing.

This could be through a direct building initiative or by purchasing suitable unsold new properties that are currently available in the local housing market; this would have the effect of stimulating the local economy by creating more demand and at the same time keep the building trade jobs functioning here in Telford and Wrekin.

We welcome the additional use of balances in the revised Budget figures.

### Civic Offices

On the Civic office we propose the sale of the Civic office as already planned, but instead we would build the New Civic offices as part of Dawley regeneration.

This would make Dawley regeneration more assured and bring a substantial new spending into the town with the increased foot-fall in Dawley.

We can still have a Civic outlet in the new proposed Library in the Town Centre or perhaps a shared outlet with say the PCT in the centre, so that residents can pay council tax or make queries.

Back office activities do not have to be in expensive offices in the Town Centre and there would certainly be considerable savings in placing them in Dawley with the added benefit of freeing up some of the capital receipt to assist regeneration elsewhere.

The Labour Group would still want to seriously look at other options including Dawley for relocation of Offices.

We would still continue to have Darby House as an outlet within the Town Centre and there would still be scope for an executive presence there as well as providing a customer interface availability if required.

There would always be the option to vacate and rent out Darby House completely or partially if the above suggested use is taken up, thereby creating a revenue stream for the Council.

We believe that the re-location of the 'back-office' activities to Dawley and/or other Centres would give more flexibility and better value for money in the use of the capital receipt from the sale of the present Civic Offices.

Indeed it may be that the new offices could be developed on the existing 'New Town House' site area which would then make that a civic quarter including the Courts and the Police at Malinsgate.

Finally we would seek to have those suggestions relevant to next year's budget as amendments to be voted on at the Council Meeting for setting the Council Tax if the Administration does not adopt them . We would also welcome agreement that those proposals around funding of future investment decisions such as the Civic Offices ,will be considered as part of the Investment Strategy review being carried out as part of the 2010/11 budget process starting soon.

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