



UNISON West Berkshire Local Government Branch Budget Response 2021/22

Executive Summary

- UNISON is extremely concerned that the trade unions have been consulted so late in the process on this occasion and believes that this demonstrates a lack of commitment to fair and meaningful consultation.
- UNISON believes that the public consultation exercise quoted in the budget report, based as it was on a contrived and unrealistic budget simulator completed by only 200 people [0.01% of the local population], is far too limited an exercise from which to draw any accurate conclusions on what local people think this year's budget should look like. Much wider and thorough public consultation should have taken place.
- UNISON suggests that the council reconsiders the increase in member allowances which seem inappropriate at a time when staff are facing another three year pay freeze [a pay cut in real terms when inflation is taken into account], and unemployment and business failures are rising dramatically.
- UNISON urges councillors to rethink the proposed low level of Council Tax increase. Media outlets are reporting that a survey of 147 councils providing social care services shows that two thirds [93] of them are proposing an increase of 4.99% and that WBC is one of only 5 proposing a rise of less than 2%. In the past similar decisions by the council have led to it receiving less favourable government financial settlements than authorities who have set higher levels of increases due to WBC being assessed on a lower budget base than it could have been. Setting a higher level of Council Tax increase would actually seem the prudent course of action to protect the services that local people rely on and the jobs of those who deliver them.
- UNISON is concerned at the level of resources being devoted to non-statutory activities and believes that the council should give priority to ensuring front facing statutory services that directly benefit the public are adequately funded.
- UNISON is concerned about the council's borrowing and investment strategy much of which seems to involve questionable and risky out district investments which offer no tangible benefits to local people. It is suggested that investment should be targeted locally to provide benefits such as much needed social housing.

Full Comments

UNISON is grateful for the opportunity to respond to the proposed budget, since its provisions will inevitably have an impact on our members. However, we are extremely alarmed that we have not been invited to comment on the budget at a formative stage, rather than at a point where it had already been submitted and approved by the Council's Executive. To be clear, the Revenue Budget itself states that we had been consulted prior to the meeting of the 11th February, and we had not been, this is entirely incorrect. An uncharitable reading of events is that the council does not welcome the input, constructive criticism and scrutiny that comes with our participation, so has sought to side-line the voice of employee representatives as much as possible. Naturally, this has hardly left our branch executive feeling universally positive about the budget's contents or able to consider them in automatic good faith.

It shouldn't need to be explained that, for consultation to be worthy of the name, there should be some opportunity to contribute at a stage when the matter is in its genesis. This means the council is obliged to assess the options before it before making decisions based on the entirety of the evidence collected and subject to proper analysis. To be asked to comment at this late stage, when decisions have patently already been reached and endorsed, is frankly unreasonable and misleading and does not fill our members with confidence that the council is genuinely interested in hearing their voices.

Whilst we also acknowledge that due to the pandemic we live in unheralded times, and that the prevarication and capriciousness of the government in providing funding certainty for local authorities has hardly helped, there are question marks over the process of consultation more widely. At the point the budget was approved by the executive, a mere 200 local people had expressed any opinion on it whatsoever, and this was only by way of a "Budget Challenge" which could have been mistaken to be a "game" rather than a meaningful exercise which would go on to inform spending and taxation decisions. No opinion had been sought from local businesses or other stakeholders. What's more, the options that the 0.01% of the residential population that engaged with the exercise were confronted with were far too selective to be realistic or meaningful. The phrasing of the options simply manufactured consent for intentions that clearly already existed on behalf of the council by narrowly defining the parameters within which a respondent could participate. There was no option, for instance, to raise Council Tax beyond the statutory minimum that could be enabled without a referendum. There was no option to abandon increases in Councillor Allowances. There was no option to defer or abandon costly reorganisations. There was no option to increase staff wages in defiance of the pay freeze, an option that the Council does have at its disposal. Again, this is not good enough when the organisation is collectively asking for understanding, engagement and buy-in from local people who are wondering why they are being asked to contribute more of their money in the middle of a crushing economic downturn and equally wondering what it will be spent on. It is noted that there is no imperative to accept increased councillor allowances – in fact other Conservative councils such as Oxfordshire reached a more enlightened decision to refuse them altogether, mindful



of the perception of “nest feathering” they represent when so many residents and local businesses face financial peril.

In terms of the content and the decisions outlined in the budget, we are confronted yet again with the appearance of politicking masquerading as frugality. It is a contradiction keenly felt that councillors who are selected to safeguard and promote local services privately appear to welcome their reduction, or at least publicly have not disagreed with it, in the name of needless, failed and damaging austerity economics. One glaring example comes where the council has refrained from pursuing the potential 3% Adult Social Care precept. It seems to expect some kind of congratulatory recognition for its far-sightedness and prudence, but sadly it is clear from the council’s recent past experience that declining such opportunities has only served to disadvantage the council at later funding settlements due to it operating from a comparatively lower base than it might have done. In addition, it is understood that this 3% can be split over two years. It is inconceivable that the decision will not need to be taken in 2022/23 to raise the precept, again assuming that the option still exists (and there is no guarantee that it will, meaning again the council has potentially sabotaged its future budgets by failing to take bold and necessary action in this one). This decision flies in the face of a recent survey reported in the media in which two thirds [93] of 147 councils providing social care were planning a 4.99% and 6 others were planning rises of 4.9 or 4.98. In contrast WBC was one of just 5 councils proposing rises of less than 2%. It appears to us that by ignoring the example set by the vast majority of other similar authorities the council is repeating past mistakes. Our members in social care, who have served the local community so well during the pandemic, will not be heartened by no increase in the precept or by the dubious “mitigation” that a fair proportion of the service users who relied upon the service have died as a result of COVID19. The Medium Term Financial Strategy is full of references to “risks” and “unknowns”. It is baffling that the council should sacrifice a known and extant opportunity for funding (one that many other councils are also exploiting) on the basis that it “might exist next year” whilst simultaneously acknowledging the very real possibility that it may not.

For avoidance of doubt, UNISON is not positioning itself as automatically in favour of Council Tax increases. Indeed, we are extremely concerned that the most vulnerable in our communities have already been hit hard by punitive changes to the Council Tax Rebate Scheme in the past, a decision made freely by previous administrations with belated measures to ameliorate them subsidised by central government. Our primary interest is in protecting and enhancing public services, however achieving these aims might be manifested. However, we are also acutely aware that criticism for tax rises is often wrongly levelled at those who have no decision-making agency – staff – and who themselves are being forced into straitened circumstances by the public sector pay freeze. These same staff are also taxpayers themselves – there is no exemption from these payments for being a public servant. Staff are faced with a “double-whammy” – deterioration in the real terms value of their salary, and increased taxes on top of it. Our loyal, hardworking, and in many cases exhausted, members are telling us that investment in solar farms, cycle lanes and – yes – councillor allowances, sticks in their craw, when our own research indicates that there are significant numbers of WBC staff paid beneath the



national living wage, particularly in schools who have already faced huge challenges in the past year.

We are also aware of the council needing to undo previous damage that it has visited upon services it and other local organisations provide due to an ideological zeal to implement austerity. A prominent example can be seen with respect to the West Berkshire Citizen's Advice Bureau. Their funding was slashed by £80,000 in 2018, with the explanation that the CAB is not a service that "support[s] the most vulnerable people in our communities". The folly of this has been illustrated vividly by the reliance of the council on the CAB during the pandemic for their assistance in identifying vulnerable people (presumably the same vulnerable people that the CAB does not deserve funding to support) who may have eligibility for hardship loans.

On a more positive note, it is welcomed that no further redundancies appear to be directly planned – or at least mentioned in the papers provided – and that some investment is occurring. The worry continues to be that the investment is shackled to the council strategy rather than being targeted into statutory services which might not "fit" with what the Council has decided is important, headline-grabbing or politically expedient. Examples have already been seen in recent reorganisations where the resources made available for statutorily required work continues to be throttled in favour of investment in non-statutory services. In UNISON's view it is important that investment in non-statutory activities shouldn't be at the expense of the responsiveness and capacity of "bread and butter" statutory public facing services, especially without any effort to ascertain public demand for changes.

The continued reliance on borrowing to generate income is also worrying given the continued volatility and uncertainty in the investment landscape. Again, the council has made questionable and risky investments in far-off commercial properties rather than investing directly in assets which might be of direct benefit to the people of West Berkshire such as social housing. Changes in interest rates, demand and value can all damage the viability of this "creative financing" and at present even in best-case scenarios, servicing the debt will mean that income levels is reasonably expected to take decades to properly break even. In the meantime, demand for town-centre commercial property and office space has utterly collapsed and it is far from clear it will recover. This does not strike UNISON as being a responsible use of funding, but rather a short term speculative strategy which may well result in consigning the council to years of servicing debt in the long term.

James Gore and Dave Pearson

Joint Branch Secretaries

On Behalf of UNISON West Berkshire Local Government Branch