

**Birmingham City
Council Budget
Consultation 2012-13**

**Savings Proposals Fact
Sheets**

This document summarises each of the savings proposals for Birmingham's budget for 2012 to 2013. There are nineteen listed, split up according to department.

Contents

Adults & Communities savings proposals

- | | |
|-------------------------------------|----|
| 1. Commissioning Services | P2 |
| 2. Extending the Enablement Service | P3 |
| 3. Individual Budgets | P4 |
| 4. Preventative Services | P5 |
| 5. Financial Support from the NHS | P6 |

Children, Young People & Families savings proposals

- | | |
|---|-----|
| 1. Academies Cost Recovery | P7 |
| 2. Services for Children in Care | P8 |
| 3. Changes to Connexions | P9 |
| 4. Fostering, Adoption and Court Services | P10 |

Development savings proposals

- | | |
|---|-----|
| 1. Forecasting a reduction in the levy we pay to Centro | P11 |
| 2. 'Shelforce'- Business Options | P12 |

Environment & Culture savings proposals

- | | |
|--|-----|
| 1. Review of Grants for Community Development and Play Schemes | P13 |
| 2. Restructuring of Sports and Events | P13 |
| 3. Golf Course Management | P14 |
| 4. Review of Waste Procedures for Charities | P15 |
| 5. Review of Subsidies for Community Events | P15 |

Homes & Neighbourhoods savings proposals

- | | |
|---|-----|
| 1. Licensing of 'Houses in Multiple Occupation' | P16 |
| 2. Re-commissioning of Homelessness Prevention Services | P17 |
| 3. Supporting People | P18 |

Adults and Communities savings proposals

1. Commissioning services	
Current Service	The council provides a number of social care services, for example the Homecare service, using its own staff and resources.
Proposed Savings	£2.6m for 2012/13
Proposed Changes to Service	This proposal considers whether services can be provided by non-Council organisations, for example by independent, private or voluntary organisations. This may cost us less than if we provide the services ourselves. We would ensure that any services commissioned would continue to provide for all service users' needs.
More information	There is more information about the Adults and Communities Proposed Budget 2012-2013 Consultation on Birmingham City Council website: www.birmingham.gov.uk/adultsbudget2012-2013

2. Extending the enablement service

Current Service	<p>The enablement service supports people to learn or re-learn skills necessary for day to day living, that they may have somehow lost- if they have been in hospital for example. This enables them to remain as independent as possible and live in their own home.</p> <p>Enablement focuses on supporting people to live as high a quality of life as possible and be independent for as long as possible, reducing their need for support.</p>
Proposed Savings	£3.5m for 2012/13
Proposed Changes to Service	<p>We are designing a wider range of enablement support services to meet people's social care needs and support them to live as independently as possible, whilst making sure that our current Homecare Enablement Service is as cost effective as possible.</p> <p>We plan to offer this enablement support for up to 6 weeks to all new and existing service users who could benefit from it.</p>
Potential Benefits	<p>People could:</p> <ul style="list-style-type: none">• Remain independent for longer and stay out of care for longer• Have a less intensive on-going care need; or• Potentially avoid, or delay, the need for residential care.
More information	<p>There is more information about the Adults and Communities Proposed Budget 2012-2013 Consultation on Birmingham City Council website:</p> <p>www.birmingham.gov.uk/adultsbudget2012-2013</p>

3. Individual Budgets

Current Service	<p>We provide social care support to people who we have assessed as having social care needs that meet our eligibility criteria of 'substantial' and 'critical' needs.</p> <p>There is more information about our eligibility criteria on our website: www.birmingham.gov/adultseligibility</p> <p>We work out how much funding a person with eligible needs gets from Adults and Communities by using a process called a Resource Allocation System. There are different Resource Allocation Systems for people with a Physical Disability, Mental Health difficulty, Learning Disability and people who are Older Adults.</p>
Proposed Savings	£0.9m for 2012/13
Proposed Changes to Service	<p>Individual budgets are a central part of the personalisation agenda, the drive to give service users choice and control over the care services they receive. They are an allocation of funding given to a service user (after an assessment) which should be sufficient to pay for all of the support that they need.</p> <p>We want to move away from a system of overall entitlement to social care in all aspects of a person's life, towards more targeted support where there is clear evidence that there would be a risk of people losing their independence if services were not provided.</p> <p>To make sure that we always carry out our duty to meet assessed eligible needs and minimise the impact on individuals we will operate a system of 'moderation'. This will ensure that individuals receive the right amount of money needed to purchase the care and support they need. However, where we can demonstrate that eligible needs can be met at a lower cost, we will expect people to agree to this.</p> <p>We will introduce a Universal Resource Allocation System (URAS). We will use the same allocation system for everyone whose assessment shows they are eligible, regardless of a person's client group (for example physical disability, learning disability, or older adult). The URAS will still be supported by a process of 'moderation' to ensure that we can meet eligible need.</p> <p>No service user will see any change to their care without first having a full re-assessment of their needs, and we will ensure that any changes made will not affect our duty to meet people's eligible needs.</p>

Potential Benefits	People will have greater freedom to determine what care they need and how they would like to receive it.
More Information	There is more information about the Adults and Communities Proposed Budget 2012-2013 Consultation on Birmingham City Council website: www.birmingham.gov.uk/adultsbudget2012-2013

4. Preventative Services

Proposal	<p>Preventative services prevent, or delay, the need for people to receive intensive social care and support, helping to reduce overall costs. We propose working with the NHS to design a new set of services that will support people who may be at risk of having falls, developing dementia or having a stroke, to manage their condition for themselves.</p> <p>We will support people to make full use of electronic sensors and equipment such as personal alarms and automatic light switching sensors, to increase their safety at home and give them and their carers peace of mind. This equipment is called Telecare.</p> <p>We will make a saving on the budget that is currently spent on traditional services such as homecare. Telecare would be expected to be the first service that people will receive, until such time as their needs increase.</p> <p>We anticipate supporting a minimum of 200 people per week through Telecare.</p>
Proposed Savings	£7.3m for 2012/13
Potential Benefits	This should benefit both social care and health services by reducing the number of people needing intensive support and enabling them to live independently for longer.
More information	There is more information about the Adults and Communities Proposed Budget 2012-2013 Consultation on Birmingham City Council website: www.birmingham.gov.uk/adultsbudget2012-2013

5. Financial support from the NHS

New source of income	<p>The NHS will be transferring money to adult social care services to be used to fund services which benefit people's health, such as falls prevention services.</p> <p>This is being done in order to support social care services to cope with the spending reductions.</p>
Income	£10m for 2012/13
Note – how we will spend the income	Following the Adults and Communities Judicial Review findings earlier this year, this funding will now be needed to support the costs of providing social care services to people who we assess as having 'substantial' and 'critical' care needs.
More information	<p>There is more information about the Adults and Communities Proposed Budget 2012-2013 Consultation on Birmingham City Council website:</p> <p>www.birmingham.gov.uk/adultsbudget2012-2013</p>

Children, Young People & Families savings proposals

1. Academies cost recovery	
Current Service	<p>The council provides a range of services to support schools, including School Admissions, Education Welfare, School Improvement, Finance, Asset Management, School and Governor Support, Procurement, HR, Payroll, Special Needs Assessment and Support, Services for Looked After Children, Legal advice.</p> <p>Under the Academies Act 2010, schools converting to Academy status are no longer maintained by the council. As a consequence, the Department for Education has diverted an amount of funding from the council to pay directly to the Academies. Academies can buy the services they require, from the council or other providers. This may lead to a reduction in services required from the council.</p> <p>Currently in Birmingham, 14 secondary and 2 primary schools have converted to Academy status under the 2010 Academies Act, with a further 8 sponsor academies established under the previous Government. 9 more Birmingham schools are in the pipeline to convert as of October 2011.</p>
Funding gap	£4 million for 2012/13
Changes to Service	<p>As schools become Academies, the council will see a significant reduction in funding from central government. The council will only need to provide Academies with a small number of statutory services, but will still need to provide a range of services to local authority schools.</p> <p>In order to cover this funding gap, the council will need to generate an income by supplying services to Academies. However, this is unlikely to be sufficient to recover the full costs of the funding reduction, therefore it is likely that there will be a need for staffing reductions as well. Furthermore, we may have to reduce the range and quality of services that we are able to offer.</p>

2. Services for children in care

<p>Current Service</p>	<p>In Birmingham there are 1900 children in care. Around 70% are in foster placements, half of which are provided through the council and the other half arranged through external agencies. Most of the other 30% of children are in residential homes. The council runs 18 homes (each housing 4 – 8 children), and there are other homes run by external agencies. Birmingham funds all of these.</p> <p>It is not ultimately in the interests of looked after children for them to be placed in residential homes. There is significant evidence to suggest that the majority of children in care achieve far better outcomes (e.g. higher educational attainment, lower incidence of problems later in life) if they live in a family setting.</p>
<p>Proposed Savings</p>	<p>£6.5 million for 2012/13</p>
<p>Changes to Service</p>	<p>In order to improve outcomes for children, it is therefore proposed to review and reduce the number of children placed into children's homes, and increase the number of foster carers.</p> <p>This may mean that we reduce the number of care homes that we fund, and that levels of fostering will need to increase.</p> <p>We propose to focus on recruiting more foster carers and running an intensive campaign to encourage people to consider fostering.</p> <p>We propose to make other savings by:</p> <ul style="list-style-type: none"> - Re-commissioning existing residential, domiciliary and respite care packages, and reducing the length of stay with expensive providers - Reducing the number of foster placements arranged through external agencies - Reviewing the number and range of in-house residential placements
<p>Potential Benefits</p>	<p>Benefits of having more children placed within family environment (as outlined above).</p>

3. Changes to Connexions

Current Service	Connexions is a service for young people, providing advice, guidance, support and personal development (including careers) services for all 13-19 year olds, or 25 year olds for young, disabled people. It brings together all the services that help young people and gives them access to a personal adviser, someone they can trust.
Proposed Savings	£4.1million in 2012/13
Changes to Service	<p>This proposal will see the Connexions service being resized to fit available funds and operating as a 'fully traded' (and full cost recovery) service. This means it will charge for its service, rather than being paid for by the council.</p> <p>The new Education Bill alters some responsibilities held by councils and by schools relating to the provision of careers advice, which is part of the service provided by Connexions. Schools will be able to source this service from any provider, not just Connexions.</p> <p>Government has launched the 'National Careers Service' to take on some of the responsibilities previously held by Connexions, although this will usually be provided online or via an advice line, with face to face work only with young people who meet certain criteria.</p>

4. Fostering, adoption and court services

<p>Current Service</p>	<p>When children go into the council's care, the courts make decisions about the care arrangements that they need. In order to make these decisions, the courts usually order the council to fund an independent assessment of the child's needs. The council pays a specialist agency to do this.</p> <p>After children are removed from their families there is a need to facilitate contact between them, before final decisions are made in court about the child's future. The council currently provides these contact and escort services.</p>
<p>Proposed Savings</p>	<p>£2.3 million for 2012/13 (current overspend)</p>
<p>Changes to Service</p>	<p>We propose to find partners in the voluntary sector who can provide the independent assessment service more effectively- both at a lower cost and better quality. Rather than buying each assessment individually, we propose to identify the best provider and procure a 'block' of assessments for the upcoming year.</p> <p>The frequency and conditions of contact between children and their families are dictated by courts. We can't change these, but can look at <i>how</i> these services are provided, as well as the cost of doing so. We will therefore review whether contact and escort services can be provided more cost effectively, either directly by the council or by outsourcing to voluntary sector partners.</p> <p>Other specific proposals include:</p> <ul style="list-style-type: none"> • Reduction in the number of fostering service and adoption service staff • Introduce new eligibility criteria and extension of means tested contributions for Special Guardianship Orders, Residence Orders and Adoption Allowances
<p>Potential Benefits</p>	<p>Better assessments through using specialist, voluntary sector providers. Better assessments should lead to less delay in courts and speed up decisions about each child's future.</p>

Development savings proposals

1. Forecasting a reduction in the levy we pay to Centro

<p>Current Service</p>	<p>Centro is the West Midlands' Integrated Transport Authority. It promotes and develops public transport across the region. The Levy that the council pays helps to fund a variety of Centro's activities, including:</p> <ul style="list-style-type: none"> • Providing concessionary fares for children, the elderly and disabled travellers • Funding bus services that are socially necessary but not profitable to run, such as those in the early morning, evening or on Sundays • Providing travel information centres • Coordinating ticketing across the region <p>The authority is made up of 27 councillors from the seven District Councils which make up the West Midlands County (Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton). They work together to decide upon the policies and financial structure of the organisation.</p> <p>Centro does not run any trains or buses itself. It does own, promote and develop the Midland Metro but it does not operate the trams itself.</p> <p>Centro's income comes from council tax, European Community grants, the private sector and central government, as well as a levy from the West Midlands councils.</p>
<p>Proposed Savings</p>	<p>Potential £1.3m for 2012/13</p>
<p>Changes to Service</p>	<p>We're exploring the possibility of reducing the amount that the council pays into Centro. The decision about whether this can go ahead, and the possible size of the reduction, rests ultimately with the members of the Centro authority, not the council.</p> <p>Any potential changes to services will be decided by the members of the Centro authority</p>

2. 'Shelforce' – business options

<p>Current Service</p>	<p>Shelforce provides sheltered employment for disabled people, manufacturing PVC products. The service has been experiencing reduced sales due to the contraction of the construction industry.</p> <p>The definition of 'sheltered employment' is: <i>'Employment in an enterprise that is established specifically for the employment of people with disabilities, but which may also employ able-bodied people'</i></p>
<p>Proposed Savings</p>	<p>£1m for 2012/13</p>
<p>Changes to Service</p>	<p>Explore business options and supported employment opportunities. The options are:</p> <ol style="list-style-type: none"> 1. Maintaining Shelforce at existing employee and production levels which may require the council and/or other agencies to subsidise the operation to mitigate trading losses. 2. Substantially reduce the Shelforce operation and reduce the number of employees, to improve the trading position. This may require the council and/or other agencies to subsidise the operation but at a reduced level of subsidy. The council would provide a comprehensive support package to help affected employees to find other sustainable employment. 3. The third option is to develop a different operating model for delivering employment support to disabled people. We propose to support current Shelforce staff to gain jobs and training within mainstream employment. Supporting individuals into mainstream employment is a top priority.
<p>Potential Benefits</p>	<p>National research has found that providing jobs for people with disabilities through the sheltered business model does not always produce the best long-term outcome for them. Our current operation also limits us considerably in terms of the number of people we are able to support each year, and we would aim to increase these numbers through a new model.</p>

Environment and Culture savings proposals

1. Review of grants for community development and play schemes

Current Service	We fund a range of voluntary organisations to run community activities and play schemes. We have a team of council staff which administers and oversees the grants and supports the voluntary organisations.
Proposed Savings	£500,000 for 2012/13
Changes to Service	<p>In order to find the total proposed saving, we will need to both reduce the size of the team, and also the money available to fund the services.</p> <p>The directorate is consulting on the closure of Ladywood Arts & Leisure Centre from 2012 (linked to the Icknield Port Loop development).</p>

2. Restructuring of Sports and Events

Current Service	The council has a team that works to increase participation in sport, and support and improve facilities and opportunities in Birmingham. They also organise and support international sporting events, such as the Olympic programme, as well as cultural events.
Proposed Savings	£100,000 for 2012/13
Changes to Service	It is proposed to reduce the number of employees who organise sports and events activities across the city. This will be achieved by moving to commissioning and supporting other organisations to deliver these activities rather than arranging and delivering them ourselves.

3. Golf course management

Current Service	We manage 7 golf courses in Birmingham. It costs us £2.1m per year to run the golf courses but we generate a £1.8m income per year from them. Therefore, our net spend is £300,000.
Proposed Savings	£300,000 for 2012/13
Changes to Service	<p>The council has invited private sector organisations to bid to win a contract to manage the city's golf courses (a tender process). Organisations have applied and will be assessed on price and quality. Council employees in the golf service will transfer to the contractor.</p> <p>Contractors will be informed of our current fees and charges and we will expect them to be kept at a competitive rate. All bidders will be expected to have plans to increase participation in golf as part of their submission.</p>
Potential Benefits	This will provide investment and improved quality at golf courses

4. Review of waste procedures for charities

Current Service	<p>We currently allow a number of charities to take their waste to council tips and dispose of it free of charge.</p> <p>A number of charities place recycling banks on the streets of Birmingham. They make their own arrangements for emptying these banks. We used to allow charities to place their textile banks at council Household Refuse Collection Centres. We have now replaced these with council textile recycling banks.</p>
Proposed Savings	<p>£400,000 income generation for 2012/13</p>
Changes to Service	<p>We will review free tipping of waste for larger and nationally based charities as and when there is a change to the relevant legislation to allow this, potentially 2012.</p> <p>We are considering replacing charity textile recycling banks currently on the streets of Birmingham with council collection banks, which would increase the income the council receives from selling the textiles on.</p>

5. Review of subsidies for community events

Current Service	<p>We currently provide funding for community events, such as celebrations for St Patrick's Day, Vaisakhi and Christmas.</p> <p>We provide financial support to 14 events per year. A further 8 events are supported by staff time but not with financial contribution. Community contributions and sponsorship contributes around £1.7m to the cost of these events.</p>
Proposed Savings	<p>£400,000 for 2012/13</p>
Changes to Service	<p>Reducing the funding to community events would require partners to provide a bigger financial contribution, or mean that some of the events would need to be smaller.</p>

Homes & Neighbourhoods savings proposals

1. Licensing of 'Houses in Multiple Occupation'	
Current Service	<p>The Housing Act 2004 requires councils to issue licenses to landlords of properties of three or more storeys, occupied by five or more people or families. These are called Houses in Multiple Occupation (HMO).</p> <p>Councils can charge a reasonable fee for each license issued.</p> <p>The average fee is currently around £850. Licenses are generally issued for a period of 5 years, so this represents a cost of around £170 a year to landlords. The fee to reissue a license for a further 5 years is approximately £600.</p> <p>It is estimated that there are between 1,500 and 2,000 licensable HMOs in Birmingham. 1,600 licenses have been issued to date, so we think the vast majority of eligible HMOs in the city have been identified and licensed. In future, it is estimated that there will be around 50 new license applications per year from newly converted HMOs and small numbers of previously unidentified properties.</p> <p>HMOs house several client groups, mainly the student population, and single people on low incomes. Tenants of HMOs often represent some of the most vulnerable in society, and this scheme helps to ensure they are able to live in safe and satisfactory housing that is managed appropriately by the landlord.</p>
Proposed Savings	<p>Raising an additional £100,000 for 2012/13</p>
Changes to Service	<p>We propose to generate this additional income in two ways:</p> <ul style="list-style-type: none"> ○ Identifying additional licensable HMOs over and above the estimated 50 new applications per year. However, there is limited scope for this. ○ Further increasing fee levels. If the full additional income has to be found from increased fees alone, this would require an increase of £300 for each licence, bringing the average cost of a new licence to around £1,150 and a renewed licence to around £900. The balance of where the fee increase would fall between new and renewed licences, and smaller and larger properties, would need to be determined. <p>Landlords would not experience any changes to service received.</p>

2. Re-commissioning of Homelessness Prevention Services

Current Service	At present a range of specific services, such as debt advice and housing advice, are commissioned to assist in the prevention of homelessness. These services are delivered by a range of agencies across all sectors.
Proposed Savings	£400,000 for 2012/13
Changes to Service	<p>The saving will be made by changing the services we commission, and tendering contracts with providers that deliver better value for money in terms of price and quality.</p> <p>One of the services to be commissioned is an integrated housing advice service, which will be provided through the council's four homeless offices which are located around the city.</p>
Potential Benefits	The prevention services are designed to deliver positive outcomes to those affected by homelessness across the city. The delivery of these outcomes will help achieve broader impacts for Birmingham by reducing the social and financial costs associated with homelessness.

3. Supporting People

<p>Current Service</p>	<p>The Supporting People programme provides support services to a wide range of vulnerable people to promote independence, and prevent or reduce people's need for more intensive intervention in the future, either from council services, health, or police. In most cases, we pay external agencies to deliver these services.</p> <p>The programme benefits some of the most vulnerable citizens of Birmingham including:</p> <ul style="list-style-type: none"> • Women fleeing domestic violence • Young people (including leaving care, at risk of offending, at risk of gun and gang crime, teenage parents) • Homeless individuals and families • Older People • Ex offenders • People with HIV/AIDS • People with substance misuse problems • People with learning disabilities • People with mental ill-health • People with physical and Sensory Disabilities • Gypsies and travellers • Refugees
<p>Proposed Savings</p>	<p>£3.8m for 2012/13</p>
<p>Changes to Service</p>	<p>A review of how we will deliver the programme within the reduced budget is already in progress. This has included a detailed consultation process with service providers, service users and other stakeholders.</p> <p>A reduced budget would result in a reduction in funding to the voluntary sector, some decommissioning of services and a possible removal of some client groups from the Supporting People programme.</p>