Resourcing Devolution

A report from Overview & Scrutiny

Contents

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Preface

By Councillor Neville Summerfield

Chairman Local Services and Community Safety Overview and Scrutiny Committee

The presentation of this report is fortunately timely given we are currently facing significant challenges as well as opportunities around what we broadly call localism and the emerging Big Society agenda.

Localism is a complex and evolving area and for this reason this report explores and focuses upon resourcing devolution which is just one of the four areas of work currently being undertaken by the Cabinet Committee Achieving Excellence with Communities (AEWC). This committee previously responded to the Cabinet Committee AEWC consultation on the *Future Shape of Localisation* and trusts that this current report equally helps to move this debate forward.

Challenges have traditionally been "council-centric" and have focused on the continuing tensions both perceived and actual between the "centre" and the constituencies. The issues and long running debates are familiar to all Members.

The new localism agenda presents further challenges and also some unique opportunities. Localism now goes beyond constituencies and the scope of previous discussions, but looks further towards wards, neighbourhoods and even localities and wider engagement on a whole range of activities.

To take full advantage of this new landscape of opportunities, cultural change, both within the city council and its public sector partners, as well as partners from other sectors will be essential. The other main themes running through the report are maximising resources, strengthening local influence and flexibility and building capacity.

Birmingham is particularly well positioned to move this agenda forward. This is demonstrated in a range of ways including through two recent documents. The Be Birmingham report, "Laying the Foundations of Localism" evidences the success of neighbourhood management (2009-11) and the city is now exploring through new flexible working practices, how the service can be provided in future. (The Selly Oak model is a good example, as previously noted in the committee's report to council in June 2011.)

Secondly our "Big City, Big Society prospectus" catalogues various initiatives, schemes and national pilots across the city led by a range of agencies, including the city council. It clearly demonstrates that Birmingham is indeed fertile ground for national funding, third sector and voluntary interventions and cross sector partnership working at neighbourhood and community levels.

Understanding, maximising and co-ordinating all the resources available, particularly at ward level will provide (and at no extra cost to the city council) enormous advantages in providing quality services and adding real and tangible added value for the citizens of Birmingham. This is our key challenge.

I would like to thank Scrutiny Officers Benita Wishart and Iram Choudry and our Link Officer, Chris Jordan for their hard work, and also Councillors Cotton and Hendricks for their input and time commitment towards this report. Finally, I would like to thanks Councillor Underwood for her valuable contribution to the recommendations.

N A Summerfield

Summary

For the past eight years wards and constituencies have delivered services and invested in local facilities to meet residents' needs. Following consultation the Cabinet Committee Achieving Excellence with Communities confirmed in February 2011 that these structures were to remain.

The Local Services and Community Safety Overview and Scrutiny Committee considered that further work should be undertaken to strengthen these structures, in the context of the unprecedented financial pressures on the council. The key question, therefore, of this review was:

> How can constituency, ward and neighbourhood working be strengthened, sustainably with particular reference to budgets and the delivery of services and community engagement required to support this?

The services managed directly by constituencies (through constituency committees) range from community libraries to local car parks. They also manage services such as refuse collection through service level agreements (SLAs). The budget for constituencies in 2011/12 is almost £100m, of which 60% is for services managed through SLAs. Constituencies, as with all council service areas need to make significant savings over the next three years (£21 million). In addition, each ward committee currently has an allocation of £100,000 for community chest to meet local priorities (£4 million total).

Many new Government policy directions impact upon working within wards and constituencies. Big Society relates to community empowerment, promoting social action and opening up public services. We suggest that local elected representatives and stronger ward and constituency structures are key building blocks towards achieving this. The Localism Act 2011 will also lead to changes at the local level.

As well as a range of specific recommendations, the report highlights a range of good practice examples and a number of "ideas for the future" which we would wish to see given consideration and developed further.

Key Findings

The golden threads running through the report are: achieving cultural change; maximising resources; strengthening local influence and flexibility; and building capacity. These are considered in turn.

Achieving Cultural Change

Our intent is that this report, the discussion in the council chamber and the actions which follow set a clear direction to officers, partners and residents that neighbourhoods, wards and constituencies (collectively termed as localities within the report) are at the heart of the council. The aim of this report is not to identify a further range of services which should be devolved, but rather to bring wards and constituencies closer to the strategic centre with more influence.

To provide wards and constituencies with more of a level playing field than they currently have, we propose that Cabinet Members and senior managers become more accountable to and have more

understanding of localities. This can be achieved through integrating senior officer support, making Cabinet Members more accountable to localities and ensuring decision-making takes more account of local needs.

In the first place we suggest a return to senior managers having some responsibilities to wards as ward champions. This would enable directorates to better understand the needs of wards and neighbourhoods and to provide some additional support to localities. To complement this we also propose developing directorate locality champions who would be in a position to identify common issues, concerns and opportunities and to help directorates respond appropriately.

A process has been approved previously by Cabinet Committee Devolution for agreeing how services could be devolved as pilots. We propose building on this, and requiring the Executive to be proactive in identifying areas which could be devolved. Accountability to wards and constituencies can be strengthened through Cabinet Members identifying the impact of decisions on localities and reporting on this as part of the decision making process and within annual reports.

We recognise the strength of the Constituencies Chairmen's Group and the cross-party approach it has adopted towards tackling local challenges. We feel that formalising the group, and therefore the Chairman's role is a positive step towards strengthening local accountability and decision-making.

Strengthening Local Influence and Flexibilities

Linked to cultural change is a need to enable localities to have more flexibility over local services and to have a greater input into decision-making. We propose that mechanisms are developed which enable localities to feed into the decision making process of the Executive.

We recognise that, currently, SLAs provide inadequate control to constituencies and urge that these are updated to ensure that constituencies have greater flexibility and service providers are more accountable. In particular we suggest that the current roll out of ward based cleansing provides opportunities for greater transparency and influence.

In order to build up an understanding and an evidence base of the added value of locality working we suggest developing a way of measuring this. One approach could be through adapting the "Valuing Worth" methodology embedded within the community asset transfer model (which we also regard as having potential for community empowerment and new approaches to service delivery if properly nurtured.)

Maximising Resources

There are opportunities to further direct resources to constituencies and wards. One example identified was of highways capital, more of which could be delegated with the support of Constituency Engineers.

There is also a range funding which can complement ward and neighbourhood working, such as the Government's Communities First fund. However, a strategic approach to the spending of local resources, rather than a pepper-potting approach can have more impact. It would be beneficial to develop additional Community Chest guidance regarding good practice, "invest to save" approaches, and aligning with other local funding streams.

The experience of Erdington showcases the role which constituencies can play in working closely with third sector organisations to maximise external funding coming into an area. This can help address local priorities, although funding streams my not be under the control of elected Members.

We believe that constituency infrastructure statements can help attract funding and enable additional funding to be spent quickly and strategically.

Building Capacity

Residents can play in valuable roles in helping prioritise local needs and solutions and through voluntary activity. There is a need to build the capability and capacity of those working at a local level to include support and training. We advocate developing mechanisms for exchanging good practice between localities and also developing a toolkit to support capacity building.

We suggest that Community Development Workers play a key role in this, and also in working with all stakeholders in maximising external income. Given the importance we attach to this role we consider it timely that the responsibilities for strategy and delivery be reviewed.

Localisation and devolution has meant that all Members, not just Committee Chairmen or Executive Members require skills relating to budget holding and decision-making. The new ways of working being piloted and the wider localism agenda also require new sets of skills to be developed. This report requires the council to change and so, as part of this we need to examine the existing councillor model to ensure it meets these new challenges. The training and support available to Members needs be further developed to reflect this as this underpins the cultural change of the organisation.

A range of pilots are underway within the council (such as community based budgeting and neighbourhood planning), often in conjunction with residents and partners. As Members we need to keep a close eye on these in order to work productively with officers in learning lessons and embedding any effective best practice.

This is a time of change, but it also provides opportunities for strengthening the links between the council and local communities. We are confident that the recommendations outlined in this report provide a steer in the right direction and the foundation for an essential change in culture.

Summary of Recommendations

	Recommendation	Responsibility	Completion Date
R01	That the Cabinet Member for Finance, in the proposed review of the Community Chest, considers the guidance required to maximise its impact, including links with other funding streams, both internal and external, such as the Community First Programme, section 106 funds, community infrastructure levy (CIL) etc.	Cabinet Member for Finance	August 2012
R02	That the Cabinet Member for Local Services and Community Safety: • Works with Constituency Chairmen to complete and implement the service review of Constituency Engineers to meet efficiency targets and improve the capacity of the team, with a view to being able to manage increased devolved budgets in the future; and • Reports on the service review. Local Services and Community Safety Overview and Scrutiny Committee to examine impacts arising after 12 months through receiving evidence from the Cabinet Member for Transport Environment and Regeneration, Cabinet Member for Local Services and Community Safety and appropriate officers.	Cabinet Member for Local Services and Community Safety	Reporting on progress August 2012 & February 2013 Completion August 2013
RO3	In the light of cultural change that the Cabinet Members for Transport, Environment and Regeneration and Leisure, Sport and Culture hold discussions with ward and constituency chairmen in order to: • Build flexibilities into updated service level agreements; • Ensure the effective delivery of SLA services in meeting local needs; and • Increase the local accountability of SLA services.	Cabinet Member for Transport, Environment and Regeneration and Cabinet Member for Leisure, Sport and Culture	November 2012
R04	That the Cabinet Member for Transport, Environment and Regeneration identifies ward costs for the refuse collection and street based cleansing services; and reports these to ward committees, once ward based cleansing is embedded. This is in order to facilitate redirection of services which ward councillors may choose in the future and to aid any future decisions about service delivery. It is understood that in the medium term this will not include apportionment to wards of associated central support and depot and vehicle maintenance costs, but these costs should be identified and reported separately.	Cabinet Member for Transport, Environment and Regeneration	February 2013

	Recommendation	Responsibility	Completion Date
R05	That the Leader sets out robust protocols to strengthen and clarify the relationship between the city council, including directorates, and parish councils. To include information on: • Sharing information with parish councils, including support for regular officer and multi-agency meetings; • Consulting parish councils; and • Delegation of services and budgets.	The Leader	November 2012
R06	That the Cabinet Member for Local Services and Community Safety: a. Implements the plans to appoint a Community Development Worker for each constituency within existing resources; b. Tasks the Community Development Workers to scope out the capacity needs of local communities and develop a constituency plan to build capacity; c. Enables the Community Development Workers to develop mechanisms and a structured approach to identify internal and external funding coming into a locality in order to determine how to maximise the impact of community chest and other local funding opportunities; d. Enables the Community Development Workers to develop skills to attract external funding; work with third sector organisations and residents; and liaise within the locality and across the city to ensure that areas and organisations are not competing unrealistically for the same funding streams; e. In order to assist Community Development Workers in carrying out their capacity building duty asks the strategic community development team to develop guidance (e.g. a toolkit) providing support and advice on processes and procedures for developing community capacity for Community Development Workers and other locality workers; and f. Provides feedback on the impact of this after 12 months (regarding the feasibility of one person delivering this challenging agenda and the impact on local communities).	Cabinet Member for Local Services and Community Safety	February 2013
RO7	The Cabinet Members for Local Services and Community Safety and Leisure, Sport and Culture review the accountability and service delivery arrangements of community development, with the aim of simplifying or clarifying arrangements.	Cabinet Member for Local Services and Community Safety and Cabinet Member for Leisure, Sport and Culture	August 2012
RO8	The Cabinet Member for Local Services and Community Safety to support Constituency Committees to develop mechanisms to ensure better exchange of best practice and lessons learnt for locality based activity (e.g. a web enabled data base and networking activities) within existing resources.	Cabinet Member for Local Services and Community Safety	Progress report August 2012 Completion by February 2013

	Recommendation	Responsibility	Completion Date
RO9	That the appropriate Cabinet Members [Deputy Leader, Cabinet Member for Transport, Environment and Regeneration; Cabinet Member for Local Services and Community Safety; Cabinet Member for Finance] report on progress and emerging lessons from the various localism pilots to Constituency Chairmen, highlighting the potential for appropriate good practice be rolled out in localities. The pilots include, but are not restricted to: Community Based Budgeting in Shard End; neighbourhood and small area budgets in Castle Vale, Shard End, Balsall Heath and Handsworth and Lozells; neighbourhood planning in Balsall Heath; and other existing and potential pilots.	Deputy Leader, Cabinet Member for Transport, Environment and Regeneration; Cabinet Member for Local Services and Community Safety; Cabinet Member for Finance	August 2013
R10	In the light of the cultural change to strengthen devolution, that the Cabinet Member for Finance develops appropriate assistance, support and resources to enable new Members (from the 2012 election) to carry out their roles effectively. This should include reviewing the induction process to reflect the new challenges for councillors in carrying out their roles, with particular regard to localism and locality working, and holding discussions with party leads about group member training programmes to complement this within existing resources.	Cabinet Member for Finance	August 2012
R11	That the Cabinet Member for Local Services and Community Safety investigates methods for measuring the added value of locality working (e.g. by adapting the Valuing Worth approach).	Cabinet Member for Local Services and Community Safety	November 2012
R12	That the Leader asks the Chief Executive to develop ward champions at JNC and Grade 7 level (excluding constituency officers) to: • Add management support into wards and constituencies; • Help wards avoid and navigate blockages and identify opportunities and ensure wards are better able to feed into the development of strategy; and • Ensure that directorates have a mechanism for better understanding of local issues. This should be embedded through performance development reviews (PDRs) and a six monthly seminar with the Chief Executive to identify common issues and trends.	The Leader	August 2012

	Recommendation	Responsibility	Completion Date
R13	That the Leader asks the Chief Executive to develop directorate locality champions. This would entail tasking a JNC lead officer in each directorate to co-ordinate and champion the work of the proposed ward champions and to support constituency and ward chairmen. The outcome of this should be for directorates and constituencies to have a better understanding of needs and challenges of the localism agenda; and to help localities navigate blockages and identify opportunities.	The Leader	August 2012
R14	That the Leader formalises the Constituency Chairmen's group and the Chairman of that committee is invited to attend Cabinet meetings.	The Leader	June 2012
R15	That the Leader requires all Cabinet Members to: a. Implement an annual review with constituency committees to examine budgets in order to identify if there are any budget headings which could be delegated to wards or constituencies; and b. Incorporate a constituency and ward element within each Cabinet Member's annual report to council [and six monthly updates to overview and scrutiny committees]. This should note: • The impact on localities; • Co-ordination of services with localities; • Liaison with local Members and other key stakeholders; and • A confirmation of when the annual review was carried out and the outcomes of this review.	The Leader	September 2012 report on progress Completion by June 2013
R16	That the Cabinet Member for Local Services and Community Safety works with the Executive to: Develop a process to enable wards and constituencies to feed into the financial and policy decisions taken by the Executive; and Ensure that the Cabinet Members systematically consider the impact their decisions have on localities. Our suggested approach is to develop locality impact assessments (which could sit alongside equality analysis): • The suggested focus of these is a constituency focus, but ensuring there is the opportunity to draw out any specific or disproportionate impacts for wards or neighbourhoods. It will be necessary to develop ways of consulting at a locality level with key stakeholders including, but not exclusive to Constituency Service Integration Heads and the proposed ward champions to develop a locality test.	Cabinet Member for Local Services and Community Safety	August 2012 on a trial to develop a process Completion by February 2013

	Recommendation	Responsibility	Completion Date
	• The locality impact should be included as a compliance issue on the decision-making template. • It is suggested that this approach be trialled and this be reported back in August 2012, prior to council-wide implementation. • The process needs to be easy to administer, cost effective and incorporated in the Executive decision making protocol.		
R17	Progress towards achievement of these recommendations should be reported to the Local Services and Community Safety Overview and Scrutiny Committee in October 2012. Subsequent progress reports will be scheduled by the Committee thereafter, until all recommendations are implemented.	Cabinet Member for Local Services and Community Safety	October 2012

Introduction

1.1   Localism in Birmingham

1.1.1   This report relates to some key issues at a city and national level: localism, localisation and devolution. For Birmingham the decision-making structures below council and the executive are 40 wards and ten constituencies. Each of these has a budget, although currently the key budgets for ward committees relate to Community Chest expenditure. At the time of writing local structures with local Members have been responsible for eight years of improvements to service delivery and investment in local services.

1.1.2   The background to devolution and localisation as it was implemented in Birmingham is set out clearly in the Local Services and Community Safety Overview and Scrutiny Committee's previous report of 2010[1]. Rather than repeating that information any reader unfamiliar with the history or the nature of delegations to constituencies and wards may find it helpful to acquaint themselves with that report [available on request to the Scrutiny Office – contacts as page 3].

1.1.3   That report was in response to a paper from the Cabinet Committee Achieving Excellence with Communities (AEWC) consulting on proposed changes to delegations (whether responsibility for services under the control of constituencies should be returned to directorates). It considered options for reducing the number of local structures by replacing constituencies with just four area committees.[2]   The Overview and Scrutiny (O&S) Committee response did not make recommendations, but rather set out a set of principles to be observed by the Executive in deciding on the future shape of localisation. It was submitted to the Cabinet Committee and distributed to all Members towards the end of 2010.

1.1.4   The AEWC response to the consultation was published in February 2011[3]. Two of the key recommendations in this were to:

> "Confirm that the principal council governance units, below that of city-wide governance, comprise of ward committees and constituency committees, in line with existing constitutional arrangements and existing guidance issued on localisation."

> "Confirm that the council's localisation arrangements are whole-council responsibilities and that all the council's governance arrangements at city-wide

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[1] Local Services and Community Safety Overview and Scrutiny Committee (November 2010) *Localisation: Response to the Consultation on the Future Shape of Localisation, July 2010*
[2] Cabinet Committee Achieving Excellence with Communities (July 2010) *Consultation on Future Shape of Localisation*
[3] Achieving Excellence with Communities, *Taking Forward the Localism Agenda – Outcome of Consultation on Localisation*, 10th February 2011

and sub-city levels should seek to work together to achieve excellence with communities."

1.1.5   At the time of the AEWC consultation paper being published the Committee was considering an investigation into Localisation, but agreed to focus on the narrower issues contained in that paper in order to feed into the decision-making process. However, a number of concerns were not explored at that time. Added to this and since the completion of the O&S report in October 2011 the financial pressures on the council have been unprecedented. It is for this reason that the Committee agreed to revisit the issue of devolved decision-making. The key question for the Review has been:

> How can constituency, ward and neighbourhood working be strengthened, sustainably with particular reference to budgets and the delivery of services and community engagement required to support this?

1.1.6   The focus was initially to revisit the issue of budgets and ensure the sustainability of budgets to support constituency and ward working, with a view to effective local service delivery. The theme of resources was taken to be broader than money, to include the local resources of staffing, residents, local partners and, of course, Members. Whilst much of the focus of the terms of reference related to examining financial issues and seeking new solutions, it became apparent that it was productive to also consider issues relating to cultural change. It was also agreed that communities should play a role in prioritising local needs and it was felt it was opportune to explore further the role that residents could play in the process of attracting funding and in decisions relating to budgets.

1.1.7   The term 'locality' is used in the report to refer to constituencies, wards and neighbourhoods. The report sets out recommendations. Alongside the formal recommendations each chapter highlights some issues as good practice or ideas for the future. The good practice issues were often ideas we had for recommendations, but found were already in place or were work in progress. The ideas for the future were generally not the most pressing issues, but ideas we felt warranted highlighting for future consideration.

1.2   The Challenges

1.2.1   This report is not exploring all issues of concern. Instead a number of opportunities and challenges have been identified and these are examined in turn:

- The current policy context;

- Financial issues including directly managed services and generating income;

- Effective services and service level agreements

- Community engagement;

- Partnership and collaboration;

- Officer and Member capacity; and

- Cultural change.

1.2.2   Four key themes run through the report, namely:

- Strengthening local influence and flexibility;

- Maximising resources;

- Building capacity; and

- Achieving cultural change.

1.3   The Review

1.3.1   This Review was carried out by the Local Services and Community Safety Overview and Scrutiny Committee which is chaired by Councillor Neville Summerfield and consists of: Councillors Gurdial Singh Atwal, David Barrie, Iain Bowen, John Cotton, Nigel Dawkins, Ernie Hendricks, Penny Holbrook and Carl Rice.

1.3.2   Some evidence gathering was carried out in Committee meetings with additional sessions being undertaken by a cross party working group consisting of Councillors Summerfield, Hendricks and Cotton.

2   Context and Challenges

2.1   Change

2.1.1   This a time of change, much of which impacts upon locality working. This chapter considers a number of issues. The Localism Act introduces new flexibilities and opportunities. We argue that locality working supports the Big Society agenda. Another government policy direction which is relevant is the Open Public Services White Paper.

2.2   Localism

2.2.1   At the end of the evidence gathering period the Localism Act received royal assent. Key elements of the Act are included below, and many have direct relevance to this report:[4]

- It allows for greater freedoms for local authorities with a general power of competence;

- There is a new right for communities to have an opportunity to bid to take over land and buildings which provide a community service;

- It introduces a new level of plan making at the neighbourhood level, giving the right to local communities to prepare Neighbourhood Development Plans and Neighbourhood Development Orders for their own localities (examined further in chapter 5);

- It paves the way for a mayoral referendum in May 2012;

- It allows for delegations currently held by government or quangos to be passed to local authorities or other local structures; and

- Housing finance will be reformed, along with changes to homelessness rights and allocations policies and an opportunity for social landlords to change security of tenure.

2.2.2   The Government is currently carrying out consultation on the role of a mayor.[5] Rather than attempting to crystal ball gaze, we propose that relevant issues are revisited at a later date.

2.2.3   One city-wide change being implemented (from February 2012) is that the council's Housing Revenue Account (HRA) is to become self-financing. In essence, the council is taking on the debt, but with many flexibilities from Government. There will be pressures on the HRA budget for the first five years to reduce debt levels and we understand that advice from the District Auditor is that the budget should continue to be managed centrally. However, in the medium term there should

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[4] DCLG (2011) *A Plain English Guide to the Localism Act* At:
http://www.communities.gov.uk/documents/localgovernment/pdf/1896534.pdf
[5] At: http://www.communities.gov.uk/publications/localgovernment/mayorsconsultation

be opportunities to inform ward and constituency committees of the costs of services and achievement of service standards within localities.

2.3   Big Society

2.3.1   Clive Betts, the Chairman of the Communities and Local Government Select Committee recently reflected on the terms of 'Big Society', 'localism', and 'decentralisation'.[6] He suggested that the Government has set out three core components of the Big Society agenda:

- Empowering communities;

- Opening up public services; and

- Promoting social action.

2.3.2   He cited the Minister for Decentralisation, Greg Clark's description of how Big Society and localism are related. The ethos is the aim of trying to do things at the most practical local level; the process to achieve this being decentralisation; and the outcome of this being Big Society.

2.3.3   As we were hearing evidence the city's response to this challenge was published: "*Big City, Big Society: Birmingham's Prospectus for the Big Society*". It was launched by Councillor Whitby and Philip Blond of Respublica at the 2011 Conservative Party Conference. We feel that localities are key drivers of Big Society for Birmingham and so set out, below, how our vision for localities supports the Leader's vision for Big Society.

2.3.4   The prospectus sets out some key themes for moving the city forward and highlights a number of case studies. Councillor Whitby's introduction emphasises the step change required in the next 12 months relating to cultural change; creating sustainable and stronger neighbourhoods; and promoting responsibility. We feel the proposals made in this report underpin these aspirations.

2.3.5   The chapter in the prospectus on "Birmingham's Distinctive Approach" states that:

> **"We need to do more to develop social responsibility amongst our citizens, to create opportunities and support communities to get involved in finding solutions to local problems and to give people more control over their lives."**

2.3.6   We suggest that local elected representatives and the strengthening of ward and constituency structures are key building blocks in supporting communities to find solutions to local problems. However, we also note the need for capacity building for community and voluntary organisations and emphasise the need to support this.

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[6] NALC (2011) *What is Big Society?*" At: http://www.nalc.gov.uk/Publications/Booklets_and_Resources.aspx

2.3.7   The messages in the prospectus relating to "Delivering More for Less" promote new approaches such as community asset transfer, community budgeting and checking future demand for services through preventative work. This report supports these approaches at a locality level with the issues of prevention relating to an "invest to save" approach.

2.3.8   One of the examples promoted within the *Prospectus for the Big Society* is the Community Chest and we would support the continuation of this in order to be able to support local priorities and to seek ways to enhance it over time. The prospectus notes the role of elected councillors which we believe is enhanced by local structures:

> "Elected councillors in their role as community leaders and with their unique knowledge of their place and residents have a crucial part to play in driving forward the Big Society and developing stronger, more empowered and more resilient communities. Councillors understand the problems faced by their residents and are ideally placed to bring residents, businesses, voluntary organisations and others together to solve problems collectively and develop very localised 'bottom-up' solutions."[7]

2.3.9   One way of achieving the benefits of Big Society in Birmingham is through localised structures: neighbourhoods, wards and constituencies. Elected Members need to work with local officers, residents and partners to ensure excellent and relevant services are provided at a local level.

2.4   Open Public Services White Paper

2.4.1   The Open Public Services White Paper[8] was subject to consultation over the summer of 2011 and is similar in direction to the previous two issues. One particular theme we considered was the intent that:

> "Power should be decentralised to the lowest appropriate level."

2.4.2   The consultation paper proposes the establishment of parish councils and the opportunity for such councils to take on more services (explored further in section 5.2).

2.5   Administrative Boundaries

2.5.1   There are, of course other challenges. For example, the present consultation by the Boundary Commission could lead to a further reduction of the number of parliamentary constituencies, and

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[7] Birmingham City Council (2011) *Big City, Big Society: Birmingham's Prospectus for the Big Society*
[8] HM Government (2011) *Open Public Services White Paper.* At: http://www.cabinetoffice.gov.uk/resource-library/open-public-services-white-paper

create some cross-boundary parliamentary constituencies. However, this does not have to have an impact upon the city's constituencies and we have not considered this in the report.

2.6   Members' Views

2.6.1   Another dimension of the context for this debate are the existing views of elected Members. We understand that views are very diverse on these issues. Although only a few Ward Chairmen replied to our survey these responses indicated the range of views. These Members were largely supportive of devolving further powers, if possible:

> "As far as I am concerned devolution to constituencies was working reasonably well, but the Executive has failed to transfer additional powers to constituencies."

> "Are there further services which you think could be delivered and managed locally? – Unless larger budgets are forthcoming, no."

> "As a general rule, we should consider delegating anything that isn't of a strategic nature or subject to a regulatory regime."

> "Much greater devolution and localisation with a smaller strategic corporate centre."

> "Keep things more ward based, rather than throwing it open to constituencies."

2.7   Conclusions

2.7.1   The policy arena is changing rapidly and it is clear that this report is unlikely to be the last word in localism and devolution for Birmingham. The direction of travel supports a strengthening of local influence and flexibility which we would like to see translated to localities within Birmingham. It also points to a desire by Government to increase the influence of communities which reinforces the importance we set on building community capacity. The context also is a stark reminder of the financial pressure which the whole of the council is under.

2.7.2   The following chapter examines the budgets available to constituencies and wards and explores opportunities for increasing the influence of localities and identifies some good practice in maximising local resources.

3 Financing Locality Working

3.1 Financial Overview

3.1.1   Constituency budgets cover a range of services directly managed by the constituency and a range of services provided under Service Level Agreements (SLAs), over which the constituency currently has limited influence. Directly managed services include:

- Local Car Parks;

- Community Libraries;

- Community Development;

- Children's Play;

- Sport and Leisure;

- Neighbourhood Advice & Information Services;

- School crossing patrols and

- Community Arts.

3.1.2   These services are managed by constituency teams, which include the Constituency Ward Support Officers. Altogether there are 1,204 established posts.

3.1.3   Service Level Agreements (SLAs) include: highways, refuse collection, street cleansing and grounds maintenance (and are considered further in chapter 4).

3.1.4   The budget for constituencies in 2011/12 is almost £100m. Table 1 indicates that 60% of this is for SLAs. 42% is employee costs for directly managed services, with 26% being non-employee costs for these (including buildings and fuel). Leisure accounts for £13m; libraries for £8m and neighbourhood offices for £7m.

3.1.5   The base budget is constructed from historical needs with the budget allocation principles established in 2004. Essentially the budgets for directly managed services related to existing services, such as a library or leisure centre, whilst the SLAs depended on the quantity of activity, based on crude measures, such as the length of roads. The principles were revisited and endorsed by Cabinet Committee AEWC in July 2009. As a consequence budgets for constituencies vary from £8 million for Edgbaston and Hodge Hill, and £14 million for Ladywood, with a typical budget being £9m (2011/12).

Table 1: 2011/12 Constituencies' Budget[9]

Budget Head	Current Budget £m
Employees	40.5
Non-employee Costs	25.0
Pay Back of Prior Year Overspends	1.7
Savings Programme	(10.7)
Grants & Income	(18.4)
Sub Total	38.1
SLA Services	57.7
Total	95.8

3.2 Budget Challenges

3.2.1 This is a time of "unprecedented financial challenges"[10] which has seen the city council being required to make savings of £350m over a four year period in response to the Government's efforts to reduce the deficit in the national public finances. Of this, £213m had to be achieved in the first year (2011/12). This has had an impact on services at a local level, although efforts are being made to protect front line services.

3.2.2 Constituencies need to save £21 million over three years (10.7m by 2011/12, £15.2m by 2012/13, and £20.9m by 2013/14). To meet the 2011/12 targets the areas of most pressure are sports and leisure (£2.85m), neighbourhood offices (£2.02m), management and support (£1.6m) and libraries (£1.3m).[11]

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[9] Report of Assistant Director (Finance) Homes and Neighbourhoods to Local Services and Community Safety O&S Committee, December 2011. *Constituency Services – Financial Review at Month 6 (September) 2011/12*

[10] Birmingham City Council (October 2011) *Business Plan and Budget 2012+ Public Consultation Introduction by Chief Executive* At: http://www.birmingham.gov.uk/budgetviews

[11] Assistant Director (Finance) Homes and Neighbourhoods

3.2.3   One specific challenge is managing prior year overspends. These amount cumulatively to £3.6m as at end 2010/11 and it was intended that repayment be planned over three years.

3.2.4   At a local level constituencies have been remodelled with impacts upon core staff including deletion of Constituency Directors' posts and changes to senior managers and officers and Ward Support Officers. A series of service reviews are being undertaken with the aim of identifying the required efficiency savings and improving services to customers. At the time of writing actions were in place to meet 64% of the savings for 2011/12.

3.2.5   The budget strategy for 2011/12 was to reinstate Community Chest to £4m (£100,000 per ward) and to carry out constituency service reviews to reshape services within reduced cash limits. The intention is to maintain services in local communities through reducing management and employee costs, developing more efficient working practices and shared "back room" services and to encourage community participation, such as through community asset transfer.

3.2.6   At the time of evidence gathering constituencies were half-way through the eighth financial cycle. All constituencies had successfully managed their revenue budget until 2006/07 when difficulties in balancing budgets began to be experienced by some constituencies. From that time the situation worsened and the difficulties became more widespread. We were told that had services had not been devolved and had facilities been managed centrally by directorates, the difficulties faced in meeting the budget pressures in areas such as leisure services would have been the same.

3.2.7   While it was acknowledged that directorates could construct an argument about economies of scale, it was stressed that from 2007/08 onwards there had been greater emphasis on performance management to deliver economies of scale within constituencies. Constituencies also argue that there are savings to be made through local integration and that efficiency savings can be made with less impact on communities as locally based officers and Members understand local needs and priorities.

3.2.8   The Homes and Neighbourhoods Directorate has developed constituency services reviews for all localised services which they are confident will enable £11 m savings to be made and local services to be retained without closures. Much good practice has been developed in managing budgets.

Sutton Coldfield Constituency

There is a dedicated Finance Officer and monthly meetings are held to monitor budget spend. Principles of financial management have been set and included the need for collective agreement to any expenditure above £1,000; examining trends and setting targets; reporting on performance to the Constituency Committee, reviewing each vacant post; and adopting an "invest to save" approach. The Chairman and Vice-Chairman of the Constituency Committee are updated weekly on the financial position.   The Constituency Investment Statement underpins all this and set out the priorities in each ward.

3.2.9   When the Executive agreed to the retention of wards and constituencies one of the caveats related to ensuring high standards of financial management and delivering allotted savings.

3.2.10   We explored opportunities for changing the basis of constituency budgets and we accept that there is limited ability to fundamentally change budgets without changing where services are delivered from and the historic pattern of provision.

3.2.11   One line of enquiry was of the potential to top slice directorate budgets so more could be within locality budgets. It would give further flexibility for localities to set the level of services and spend the budget on local priorities. Whilst we see benefits to this approach, it proved difficult with the current financial pressures to easily identify how this would currently happen. It is an area which should be explored again in the medium term.

3.2.12   Where central funds are to be spent in localities but are not fixed to specific posts or assets then each of these should be examined to determine whether constituencies and wards could exert more influence or control and, if so, how. For example, within the Development Directorate there is a capital pot of £5 million, some of which is spent on the strategic highways network and some on local highways priorities. Recently £20,000 has been delegated to each ward from this, which we welcome. We believe there is potential for localities to have greater influence and control, and opportunities to devolve some funding based on (and to be spent relating to) city-wide priorities.

3.2.13   We understand there are concerns about the capacity of Constituency Engineers across the city. However, when the Cabinet Member for Transport, Environment and Regeneration and the Chairman of the Constituency Chairmen's Group agree that capacity is available then we suggest that some of the highways capital is delegated to constituencies.

3.2.14   Following that principle we suggest that all directorates examine their capital allocation on an annual basis and consider if anything can be devolved to localities. This could be reported back in the annual reports to council and overview and scrutiny committees.

3.2.15   Some city-wide strategies impact directly on constituencies. The Be Active scheme has impacted positively on inner city areas in terms of the health benefits and the subsidy had assisted constituencies with income budgets. The challenge is to sustain the scheme given that the subsidy has been reduced by almost half compared with the previous year and may cease in the future.

3.3   Capital

3.3.1   Capital investment can come from within the council or through external sources. One mechanism for identifying how available funding can be spent is a Constituency Investment Statement. Many constituencies have developed these, although in some areas they have been felt by Members to be unnecessary.

3.3.2   A significant capital pot has been section 106 (planning gain). Constituency managers are provided with six month updates on section 106 in their locality. In the future planning gain will be provided through a different route with the introduction of the Community Investment Levy (CIL; see further details in chapter 5). The CIL is intended to meet strategic city-wide priorities as well as some local priorities. Some site specific investment in the form of section 106 will still be possible in certain cases.

3.3.3   We suggest that all constituencies draw up a Constituency Investment Statement which sets out local priorities requiring both capital and revenue. This would ensure that, if limited funding does become available, there is clarity about what the priorities are. Equally, it may help local partners bidding for external funding to demonstrate that it would be used to meet a wider priority.

3.3.4   We suggest elsewhere that Cabinet Member annual reports to council have a section on localities. These can also confirm the fact that constituency priorities have been considered.

3.4   Community Chest

3.4.1   The argument for retaining Community Chest is strong as it helps meet ward priorities and maximises community engagement, and can enable long term savings through an "invest to save" approach.

Community Chest in Yardley

Here the wards have collaborated to deliver projects which had been valued by communities funded from Community Chest allocations from all four wards. Three projects are:

- The Burglary Reduction Initiative which offers practical assistance in making properties more secure and reassurance to residents;

- The Gating Scheme to limit access to shared alleyways to householders. A consequence of this is that it brought residents together as they were responsible for completing the application form.

- The Street Games project had responded to anti-social behaviour issues and had been developed in partnership with the Police. Detached youth workers worked with young people who were at risk of involvement in crime and anti-social behaviour.

All these projects had impacted positively on neighbourhoods.

3.4.2   We have a long term aspiration to increase the value of the Community Chest, but concluded that we were not able to identify suitable opportunities at the present time.

3.4.3   We did identify good practice in using Community Chest strategically to boost income (e.g. Sutton Coldfield wards working collaboratively – see paragraph 3.5.3). We would encourage ward

committees to be strategic in their use of Community Chest in order to maximise its impact, and feel that mechanisms should be explored to enable exchange of good practice. Members and locality staff (including Ward Support Officers and Community Development Workers) should be supported in addressing the pepper-potting of funding coming into localities to achieve a greater impact.

3.4.4 A strategy for maximising the impact of Community Chest and other national programmes with similar objectives, such as the new Communities First Programme would be beneficial. This could include opportunities for accessing new models of social finance and external funding.

3.5 Generating Income

3.5.1 Constituencies have an income of over £18 million of which the majority (£14m) relates to sport and leisure. We have identified some options for increasing revenue funding in localities. Having a commercial approach to generating charges can be productive. One approach to this is the "invest to save" model, whereby investment is made to generate future income. This is examined below. Working more closely with partner agencies and residents can lead to additional funding being attracted in, as can having an officer with a specific responsibility to seek external funding and drive up income.

3.5.2 One of the priorities set by the Leader has been "preventing problems to avoid big costs later".[12] This "invest to save" agenda has merit in localities as well as strategic directorates and is a positive move forward in many situations. This can also be about identifying investment which can maximise future income generation. Small amounts of investment can help lever in other funding streams.

3.5.3 A good example in Sutton Coldfield was the example of the wards all pooling Community Chest to invest £60,000 in self service equipment at the main library in order to improve services to customers whilst achieving efficiency savings and £40,000 in reconfiguring Wyndley Leisure Centre in order to be able to rent to a commercial coffee shop and make income on that sum within two years.

3.5.4 Investment by directorates at a local level is also welcome. In Erdington, for example, Homes and Neighbourhoods Directorate staff were concerned about the loss of a police post. They argued for a small amount of innovation funding and the officer appointed is now able to raise all of his own costs.

3.5.5 The 'invest to save' approach links closely to payment by results (PBR) and the social impact bonds (SIB's) which are currently being developed around children in care and early interventions. This work also closely links to the programme which looks to tackle 120,000 families with complex

[12] Birmingham City Council (2011) *Business Plan 2011+* At:
http://www.birmingham.gov.uk/cs/Satellite/budget?packedargs=website%3D4&rendermode=live

needs across the country and has an identified budget of £448m. This money will be used to develop PBR with local authorities. One of the aims is for the funding to be directed to a locality as opposed to a specific agency. This could provide an opportunity to link PBR and SIB's and locality work alongside the neighbourhood budget pilots (see section 6.4).

3.5.6   Links with the voluntary sector can be important. The example that most struck us was in Erdington, again, where best practice has generated over £4 million in the last 4.5 years. Although this has not primarily contributed directly to constituency and ward budgets it has been spent by community organisations to meet constituency priorities. Erdington is being utilised as good practice in an external funding group which the council has set up to seek out and assist with external funding opportunities.

Income Generation in Erdington

In April 2007 Erdington received some funding under the Neighbourhood Element Programme (external government funding), of which a proportion was allocated to fund an external funding coordinator.

From April 2007 to June 2011 local groups with the constituency support have been successful in drawing down £4.6 million of external funding from a range of trust and grant funders. Most of this directly meets constituency and ward priorities:

- In response to the levels of alcohol related crime in the constituency partners worked together to develop a local alcohol strategy, identified a lead agency and applied to the Big Lottery. £390,000 was awarded to combat alcohol related crime in the area.

- In response to an identified need with young carers (one in four of the local young people act in some capacity as a carer) a partnership has been formed that has successfully drawn down £600,000 funding.

Capacity building proved to be the essential precursor to any applications for external funding. A key element to the model was to ensure that local third sector organisations were working in partnership with each other rather than a number of groups all chasing the same goals and pots of money. Initial conferences were conducted locally with all groups identifying their goals and current activities. This helped them identify commonalities and to start the processes of the agencies working with, rather than against each other.

Good practice activities have included:

- Developing a flourishing third sector;

- Developing cross-organisation working at ward and neighbourhood level;

- Leading on opportunities to attract investment into neighbourhoods and ensuring that funding applications build on neighbourhood planning; and

- Ensuring organisations are trained and kept abreast of all relevant legislation.

With the financial pressures being placed on statutory bodies and funding becoming less readily available the Erdington Constituency has now set up its own "External Funding and Development Team" for third sector partners with organisations such as Aquarius, Malachi Trust and YMCA employing their own workers who are managed, trained and guided by the officers within the Erdington Constituency.

3.5.7 Small amounts of funding can make a difference in localities. Ways in which voluntary and community organisations could get more support in identifying and applying for funding could be explored. Local residents, for example, could be identified who could provide help. Equally, as part of a culture of change, city council officers could have locality objectives in their annual performance development reviews (PDRs) which could also provide support on this issue.

3.6 Conclusions

3.6.1 Constituencies currently face many challenges in balancing their budgets and, in the light of efficiency savings required across the council, no solutions were identified to easily remedy this situation. However, there should be opportunities for directorates to examine budget headings and decide when decisions could best be taken at a local level to maximise these budgets and increase local influence.

3.6.2 It was suggested that in the medium term business plans need to be developed for each constituency, bringing together the local services and including details of income and trading, charges and income generation. In the longer term it would be possible to incorporate the details of centrally managed budgets into this.

3.6.3 It was also suggested that a Constituency Investment Statement can be a mechanism for identifying local priorities in order to attract additional funding.

3.6.4 Community Chest is the only funding common to all ward committees. To maximise its impact it should be used strategically and there are examples of wards collaborating to make it more effective. The Erdington example indicates the benefits of building capacity and the council exerting some leadership with voluntary and community organisations.

Refer to Recommendation 1

Good Practice

Constituency committees are encouraged to develop:

- A strategy for driving up income and identifying "invest to save" opportunities; and
- Constituency Investment Statements, incorporating broader opportunities than section 106 alone.

4 Effective Services

4.1 Overview

4.1.1 All constituency services are undergoing service reviews to ensure they meet efficiency targets. Even services delivered directly by directorates need to be more responsive to localities and the Members representing them. This chapter first covers geography of managing services; co-location of services; and the development of trusts. It then considers a particular service area; highways.

4.1.2 A number of services are delivered through service level agreements. There seems to be some agreement that constituencies have the responsibilities for these services, but without adequate accountability and influence. These issues are examined below.

4.1.3 A concern has been the view that localities have too little influence over service delivery. We did, however, hear of examples when local arrangements have been made. Some years ago residents felt that the street cleansing service in Stockland Green did not accord with where the need was. Consultation with residents and Members was undertaken and services were moved around and reallocated according to local views on need

4.2 The Geography of Delivery

4.2.1 Services can be delivered at different levels and it is necessary to get the right balance between meeting local priorities and obtaining economies of scale.

4.2.2 The building blocks of the council are 40 wards and ten constituencies which can be grouped together to facilitate delivery. The basis for locality working for directorates should be based on these. Deviations can, of course, be acceptable to allow for alignment with other partners or for other specific reasons.

4.2.3 There may be reasons for different geographies. Externally, we welcome West Midlands Police's work through Programme Paragon to ensure that their policing units became co-terminus with the city's administrative boundaries. Although they operate four Local Policing Units these are built up from wards and constituencies.

4.2.4 Equally, internally, the Homes and Neighbourhoods Directorate has not set up ten local housing management or community safety teams, but have mapped against constituencies and local policing units and have used these to build up a new geography of delivery (see over).

Homes and Neighbourhoods – Matrix of Local Delivery

Housing Areas				
Edgbaston & Northfield	Selly Oak and Hall Green	Yadley and Hodge Hill	Ladywood	Perry Barr, Erdington and Sutton Coldfield
Constituencies									
Edgbaston	Northfield	Selly Oak	Hall Green	Yardley	Hodge Hill	Ladywood	Perry Barr	Erdington	Sutton Coldfield
Locally Based Community Safety / ASB Teams				
Edgbaston, Northfield and Selly Oak	Hall Green, Yardley and Hodge Hill		Ladywood and Perry Barr	Erdington and Sutton Coldfield

4.3   Co-location of Services

4.3.1   We have noted that traditionally budgets at a constituency level have been linked to the pattern of premises. Currently attention is being paid to streamlining the number of buildings the council delivers services from.

4.3.2   Where possible there could be somewhere for mobile working within constituency offices to encourage other officers to come in and be a part of a wider locality team.

4.3.3   There is an opportunity for services, whether delivered by constituencies or by directorates to look at opportunities for co-locating. We heard of an example of officers involved in the development of a new building appearing not to consider opportunities to also relocate another constituency run service. In that case there may have been reasons for this, but we would suggest that consideration be given to opportunities to co-locate appropriate services and this should be properly considered in any capital new build or refurbishment scheme.

4.3.4   We feel the Working For the Future Business Transformation stream is the way forward and were pleased to hear about the first shared services hub being developed at Sparkbrook - Farm Road (Sparkbrook Community and Health Centre) which has been developed by the health service with the council buying a 125 year lease. It is due to open to the public in early 2012. The council will have:

- A Customer Service Centre - for benefits and housing advice etc and first response to council services. There will also be a homelessness team based there;

- A neighbourhood library;

- A community and training space; and

- A social enterprise space.

4.3.5   In addition, the Heart of Birmingham PCT will have GP practices, dentist, midwife service and a pharmacy. The council will close two existing neighbourhood offices, the housing homelessness office, the existing community centre and a library.

Total Community Yardley

The Total Community pilot in Yardley mapped all public buildings in the constituency and found over 100. The final report[13]concluded that:

Many of these are in poor condition, in the wrong place (i.e. not easy to get to or far from the people they serve), inflexible, costly to run and demotivating for staff. They are managed not as a single public resource but building-by-building.

A cross-public sector group taking forward Total Community since the end of the pilot has been examining how to achieve a new public service offer which includes property rationalisation to improve accessibility and decrease capital and revenue requirements. This also offers opportunities for integration of services too.

The on-going work by the council and other stakeholders to develop a shared front line service has been an outcome of the Total Community pilot.

4.3.6   There are further opportunities to decouple service delivery from existing pattern of buildings connected to directorates. For example, the Homes and Neighbourhoods Directorate recognises how the library network has enabled the roll out of choice based lettings. They are seeking opportunities to build on this e.g. exploring the possibility of developing letting suites in libraries to enable residents to interface with the council in the most convenient way to them. West Midlands Police also deliver services from housing offices.

4.4   New Approaches

4.4.1   Many new models of service delivery are being explored, such as co-production and payment by results. These all do have the potential to change locality working considerably over the next few years. We took an interest in the trust model being developed by the Environment and Culture Directorate, given the importance of the sports and leisure budget within constituencies.

4.4.2   There are strengths and weaknesses to this model. It can enable savings to be made (including through tax savings) and provides opportunities for more commercial approaches to running facilities. It does offer protections in contractual levels of service, such as prices and minimum opening hours. However, Committee Members had some concerns of the potential for leisure

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[13] Be Birmingham (February 2010) Birmingham Total Place Pilot Final Report. At:
http://www.bebirmingham.org.uk/documents/TP_Birmingham_Final_Report_version_2.pdf

facilities with the potential to be profitable being put into a trust, leaving the city with those requiring the most subsidy.

4.4.3   Councillors can be appointed to serve on the trust boards, ensuring that the trust has local information and accountability. We think it is important that this should always be the case.

4.5   Relationship Between the Strategic Centre and Local Delivery

4.5.1   Many devolved services do have a relationship with some central support or city-wide strategic direction. We heard, for example, that a proportion of the central sports and leisure budget is spent on activity to support constituencies, such as managing direct debits. The centre also holds a marketing role. Another example is Be Active which having started within one constituency has been rolled out across the city, being owned by the centre, but having a considerable impact (generally very positive) on constituency budgets.

4.5.2   In the long term it would be possible to investigate ways for the constituencies to build some collective ownership of central support and strategy, where it directly impacts on their activity.

4.6   Highways

4.6.1   Turning to examples of specific services, the Highways Private Finance Initiative (PFI) contract with Amey plc is over a year old now. Although there have been localised concerns over quality or consultation and communication, many lessons have been learnt. We understand that Amey are keen to build a good basis for true partnership working over the remaining years of the 25 year contract. Getting the relationship right with Members will help ensure that local priorities are delivered and help aid communications with residents. The Transportation, Environment and Regeneration O&S Committee carried out a review into the first year of this new partnership which was reported to council in January 2012.[14]   We would support the recommendations relating to improving communication and consultation with Members.

4.6.2   The contract with Amey is for maintenance of the highway structure and there could be the opportunity to add value by linking other local improvement work with Amey's maintenance programme. This idea is being piloted (as noted in 3.2.13) with the allocation of £20,000 for each ward for local capital programmes. It is for the Constituency Engineer to make the linkages with Amey so that they know when work is being carried out and could be co-ordinated. Efficiencies could be achieved with this improved planning.

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[14] Transport, Environment and Regeneration Overview and Scrutiny Committee (January 2011) *Highway Maintenance and Management Services in Partnership*

4.6.3   Members are aware of pressures on this service across the city. In 2004 there were two Constituency Engineers per constituency (subsequently reduced) and at the time of writing the service was being reviewed.

4.6.4   It has been suggested that the relationship between Amey Highways Stewards and Constituency Engineers is an important part of ensuring that Members and residents know what works are being undertaken. We suggest exploring with Amey the potential to increase the number of stewards from six to ten and some form of co-location where that would be beneficial to both parties.

4.6.5   Having a closer relationship between Constituency Engineers and elected Members has improved their ability to be responsive to local issues. The Environment and Culture Directorate agrees that Constituency Engineers should remain localised, but would prefer to see direct management by the Highways Service reintroduced, given the responsibilities and liabilities involved in discharging the highways function.

4.7   Service Level Agreements (SLAs)

4.7.1   Service level agreements (SLAs) form 60% of constituency budgets (ranging from 47% in Perry Barr to 68% in Hodge Hill). The way the SLAs are currently constructed means that 60% of the constituency budgets are, therefore, not within the direct control of localities.

4.7.2   In total service level agreements amount to £58m (net). The key services are highways (£28m), refuse collection (£12m), street cleansing (£7m), and grounds maintenance (parks and allotments) (£10m). Other services (£1m) include pest control. These are managed by directorates or external providers. In terms of the current budget challenges there are historic issues relating to the inflation allowances and previous efficiencies.

4.7.3   SLAs generally work by the strategic centre providing a service within the constituency. There is one SLA which works the other way around. The Constituency Engineers are currently employed within and by constituencies and work under a SLA to provide a service to the strategic centre.

4.7.4   It was acknowledged by one witness that the current procedure for SLAs is absurd as these funds just pass through a constituency budget and go out on an equal basis every month. There is no correlation between these budgets and specific service activity and no opportunity for controlling and managing this budget. SLAs currently have notional budgets and so any steps to fully devolve SLA services would require a budget to be created.

4.7.5   There were a number of options proposed for the future management of SLA services, namely to:

- Pass the delegations back to portfolios;

- Pass the delegations back to portfolios with greater accountability to wards and constituencies;

- Retain the delegations;

- Retain the delegations with greater accountability to wards and constituencies; or to

- Devolve the management of some or all services to constituency committees or groups of committees.

4.7.6   To create a more contractual SLA, decisions will have to be taken for each service about whether the service specification should be outcome or input related or a combination of both. For example, outcomes could specify the standard of service required while input would state the staffing requirement but not specify what was to be achieved. A combination of both would allow the directorate to be held to account, although there could be different views amongst Members as to the standard of service to be achieved.

4.7.7   With street cleansing for example, enforcement, regulation and education contribute to keeping areas clean. To meet service standards a range of interventions outside the remit of Fleet and Waste Management would be required. Evidence shows that without those interventions the level of personal responsibility for the environment diminishes. There is a concern that over time the loss of the Environmental Warden service will impact upon service targets. This is a clear example of central decisions having an impact upon local outcomes.

Ward Based Cleansing

At the time of writing there are over 40 refuse collection rounds which do not align with ward boundaries and some wards are served by two depots. Fleet and Waste Management have been running a pilot in Sheldon and Yardley to reconfigure collection rounds relating to the SLAs for domestic waste collection and street cleansing with the intention being that each ward will have a single refuse collection round, with street cleansing being carried out the following day. This will be rolled out in phases until July 2012.

4.7.8   The development of ward based cleansing teams is an important first step to understanding real local costs and demands. Once services are aligned to ward boundaries it should be possible to produce comparative performance information and we would encourage regular reporting to ward committees. The concern that we had about this was that a long lead in is required to get residents used to the idea of changed collection days and that this needed to improve with later roll out phases, learning from what has been effective.

4.8   Conclusions

4.8.1   There are opportunities for increasing the local accountability of resources for highways improvements following increasing the capacity of the Constituency Engineers. The service review into this area should offer a way forward.

Refer to Recommendation 2.

4.8.2   A number of new models of delivery are being developed and it is important to ensure that Members can influence local delivery. The Transport, Environment and Regeneration Overview and Scrutiny Committee recommendations regarding improving communication between Amey and Members indicate how this can be developed over time in a PFI model. Equally, with regards to the trust model being developed in Sports and Leisure it is important to build local accountability into each one.

4.8.3   It was noted that:

> "The accountability issue has been a common thread for a number of years now and urgent action is needed. Flexibility and meeting local needs are also critical priorities but may require detailed review on how this could be implemented"[15]

4.8.4   The construction of SLAs needs to undergo some changes to ensure that there is greater accountability and more opportunity for localities to influence services. The ward based cleansing pilot offers a possible approach for deconstructing budgets to ward level.

Refer to Recommendations 3 and 4.

4.8.5   The co-location of services is evidence of some cultural change. It should also be seen as an opportunity to increase the capacity of local delivery teams through closer partnership as well as physical proximity. Finally, in the future, further consideration can be given to those central services which support local delivery (such as managing direct debits for regular leisure centre users) and the opportunity for constituencies to collectively own these in some way.

Ideas for the Future
Following the service review of Constituency Engineers that the Cabinet Member for Transport, Environment and Regeneration liaises with the Chairman of the Constituency Chairmen's Group to agree when capacity is available within the Constituency Engineers' service in order to delegate some of the highways capital to wards (or constituencies).

Good Practice
That the Working for the Future Business Transformation scheme continues to look at opportunities for co-location of services whether they be managed by constituencies, directorates or partners.

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[15] Letter from Chairman of Constituency Chairmen's Group, December 2011

5 Community Engagement

5.1 Potential for Engagement

5.1.1 Local structures and activities offer a genuine chance for interface between the council and residents and an opportunity for residents to have a say. The extent to which residents do feel they have a voice differs across the city. Formerly the annual opinion survey measured residents' overall satisfaction with opportunities for participation in local decision-making provided by local public services. The 2010 annual opinion survey indicated that between 42% of residents (in Hodge Hill) and 68% of residents (in Selly Oak) feel that they can influence public sector organisations.

5.1.2 West Midlands Police suggested to us that the response from citizens after the disorder in Birmingham had demonstrated that there was as yet an untapped resource in terms of active citizenship.

5.1.3 There are already a range of structures in the city whereby residents and community and voluntary organisations can have an input into their area. These are also developing with new models and new funding streams (such as the Government's Communities First fund). This chapter examines the issues through a series of case studies and themes: a parish council; approaches to working with community and voluntary organisations; volunteering in the activities of leisure, sports and culture; and a neighbourhood forum engaging in the new planning framework.

5.2 Structures: Parish Councils

5.2.1 As noted in chapter 2 the Public Open Services White Paper sets out an intent that parish councils should play more of a role than they currently do. Birmingham currently only has one.

New Frankley in Birmingham Parish Council

This is the only parish council in Birmingham, created in 2000. It sits in the south west of Birmingham bordering the Lickey Hills within Longbridge ward. It is a 1970's development and has around 3,500 properties, of which under half are now owned by the Homes and Neighbourhoods Directorate.

The 12 councillors are elected and the parish council can raise a precept (local council tax). In Frankley this amounts to over £80,000 or around £30 per property.

The council has offices open each week day morning in a parade of shops. The volunteers there signpost residents about resolving issues, many of which are the responsibility of the city council. For example, the environment, such as the state of the walkways are frequent concerns of residents, and they deal a lot with housing staff, resolving issues for residents. Other issues are street lights, potholes, and anti-social

behaviour. In addition, the office is a source of green refuse bags, poop scoop bags and gardening tool loans.

The office is used by ward councillors for a monthly surgery and is available to other local groups too.

From the precept the parish council part funds a Neighbourhood Caretaker scheme. This means that two Homes and Neighbourhoods operatives come each morning to remove fly tipping and other rubbish which is very effective. The caretakers also cut hedges, clear paths and remove graffiti. The parish council representatives felt this was a good model as they do not want to employ staff, but do wish to take on additional services.

From the precept the parish council also makes grants to local groups and activities (such as children's play schemes, the local newsletter, and an elders' Christmas meal), and maintains the multi-use games area. A Chamberlain Awards winning trainee scheme which has now involved thousands of trainees started as a partnership between the parish council and the constituency before being rolled out.

Unlike many rural parish councils, the council has no assets and the bulk of the land is owned by the Homes and Neighbourhoods Directorate.

5.2.2   The parish council model has much potential, but currently New Frankly in Birmingham Parish Council does not have much local influence beyond the important services they provide with the precept. Their current aspirations are not extensive and they wish to focus on the areas of complaints, such as paths and hedges. They want to be able to make improvements but feel they have too few powers to do so. For example, there are 12 litter bins and they could put in more, but as the city is the litter authority they have not been able to. They would like to take on additional services. As this would cost, a possible model could be to take on some of the existing council budget, but improve delivery.

5.2.3   However, there is no regular forum or mechanism by which they meet with the city council, nor other statutory and third sector partners (such as through a neighbourhood strategic partnership). An example of this was that they were unaware of the proposed roll out of ward cleansing. They feel they need a champion in the city council now to help them resolve difficulties and would like meaningful dialogue with the city council over things it is responsible for such as litter, highways and horticulture. Given the length of time the parish council has been in place we were surprised that no mechanism existed for formal dialogue with the council, let alone a regular meeting with directorates and third sector partners. They told us that they developed a charter to clarify and codify the relationship between the parish council and the city council, but that no progress had been made in agreeing this.

5.2.4   Councillor Ken Wood (Chairman Northfield Constituency and Longbridge Ward Councillor) concurs that the relationship between the parish and city councils needs to be formalised.

5.2.5   There is a need for the parish council to make appropriate linkages with all levels of democratic structures within the city. Given the emphasis given to parish councils in the Open Public Services

White Paper there is a need to revisit the charter they proposed, to set out mutual expectations and to consider what appropriate support can be given by the city council.

5.3   Third Sector Organisations

5.3.1   We noted in chapter 3 the importance of working strategically with community and voluntary organisations to maximise income in localities. However, there is a varied pattern of such organisations and community engagement across the city. One officer warned that in their constituency there are relatively few voluntary organisations and this means that residents have few places to turn except for public services:

> "Lots of organisations in the Constituency need a lot of capacity building before they would even be able to consider applying for funding."

5.3.2   There are a number of approaches to developing co-production being explored in Birmingham, whereby residents and service users work alongside professionals to specify and deliver services. One opportunity for communities to become more involved in service delivery is through community asset transfer (CAT). In Birmingham this is a mechanism through which bone fide not for profit third sector organisations can have a long lease (generally 25 years) for a building or area of land. The commercial rent is offset according to a methodology known as "Valuing Worth" which identifies intended community benefit.

5.3.3   The Cabinet agreed a protocol for CAT in March 2011. This also set out new ways of working which moved CAT on from being a demonstration project to a mainstream approach supported by all directorates.

5.3.4   It was made very clear that CAT should never be seen as a way of offloading assets or services. Rather, it provides an opportunity to develop a real partnership with a third sector organisation. It also requires both sides to have time, capacity and finance. We were told:

> "It won't happen by magic. [It] needs investment – resources for capacity building and a mind set for it to be a sustainable viable option."

5.3.5   It is clear that capacity building is regarded as necessary for effective third sector organisations in the city. It is worth this investment as a recent report concluded that:

> "Co-production does deliver 'more for less'. That is: more in terms of the value of outcomes….; and less waste from delivering services badly."[16]

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[16] Slatter, P (2010) *Looking Sideways: A Community Asset Approach to Coproduction of Neighbourhoods and Neighbourhood Services in Birmingham*

5.4   Volunteering

5.4.1   Volunteering plays a valuable role in the city. Using conservative cost estimates the Environment and Culture Directorate have calculated that its services benefit from over £5 million a year of volunteering activity (e.g. parks, resilience, libraries, and museums).

Hall Green Library

The Chair of the Hall Green Ward Committee reported that[17]:

Last year we saw the paid position of a security person removed leading then to the possible closure of the meeting room after library official opening hours, thus leading to voluntary community groups leaving the library and moving to other venues for the meetings. This could have been disastrous, not just for the library but for the community. The Friends of Hall Green Library (FOHGL) was relaunched, and each of the community groups that used to meet at the library was invited to join the FOHGL. They were all given training in how to lock up the library, how to evacuate people in an emergency, how to operate lift should it get stuck and how to set the alarms in order to keep the place safe.

They then did fundraising to raise money to get public liability insurance for the sum of £5 million, which the library insisted on. It now operates efficiently, and is growing from strength to strength. So now the library meeting room is being used at night for the community, which brings in fees to the library service. The community gains by keeping its library meeting room and the Friends of Hall Green Library are supporting the library by organising fund raising events which engage the local community and provide entertainment for local people.

There is one excellent example of something money was raised for. Groups having talks with slides used to complain that the tatty old curtains up in the meeting room did not stop the light from coming in. The answer: FOHGL paid for new set of black out blinds to be erected in place of the tattered curtains. This provided an instant improvement to the room visually and served a purpose as now groups could have their presentation properly in the dark. This is how true engagement with the community can work, for everyone concerned.

5.4.2   Turning to parks as an example, there are over 140 Friends of Parks Groups across the city. In 2010/11 2,404 individuals volunteered to work with the Ranger Service, delivering 5,422 volunteer days and equating to an in-kind value for Parks of £271,100.[18] The work involves helping at sites, habitat management, and planned site maintenance work, but does not include all the volunteer time given by Friends working on their own parks without supervision (such as litter picking and children's activities)

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[17] Scrutiny Office survey of Ward Chairmen
[18] Based on Natural England's lowest valuation of volunteer time

5.4.3   A survey by the Birmingham Open Spaces Forum carried out some years ago showed that Friends' Groups each provided the equivalent of 1.5 additional staff in terms of volunteer hours. More up to date figures from Friends of Cotteridge Park show an average of 100 hours a month of volunteer time during 2011.

5.4.4   There are some barriers which stop us maximising the benefit. For example, any group or individual volunteering with a member of staff is covered on the city's insurance. But the small number of Friends' Groups wishing to work more independently with no staff present , albeit doing tasks agreed with parks officers, need their own public liability insurance (costing approximately £280 per year), which is money they have to raise. Officers are exploring the potential of some blanket insurance for trained volunteers and we strongly recommend that a solution is found to support our volunteers.

5.4.5   Friends' Groups are also a good vehicle for levering in additional resources into the city's parks as they can access money for park improvements and activities which the council can not. The survey by the Birmingham Open Spaces Forum carried out some years ago showed that the Friends' Groups which responded brought in an average of £35k a year to a site in additional funding. The Ranger Service sees this support as invaluable recognising that a small amount of expenditure can make a real difference to practical outcomes and improvements on parks.

5.4.6   One "invest to benefit" suggestion for the medium term is that a suitably experienced member of staff could facilitate an immediate increase in daily volunteer activities across the city. Demand for opportunities to take part is increasing year on year - with more Friends' Groups asking for staff to support their work on their local sites both during the week and at weekends.

5.4.7   One respondent to our Ward Chairmen's survey was mindful of the role of the council in this relationship:

> "Partnership working in the wards with community groups has assisted greatly, but you cannot rely solely on Friends' Groups and volunteers where pressures are placed on the voluntary groups to do more and more, it is not fair on them to be used more and more as unpaid labour. It has to be joint working together avoiding those pressures."

5.5   New Opportunities for Engagement: Planning

5.5.1   One area where the Localism Act provides a potentially radical change of approach is within land use planning and the right given to local communities to prepare Neighbourhood Development Plans and Neighbourhood Development Orders for their own localities. Such plans must fit within national and local planning frameworks and meet procedural requirements. Whilst neighbourhood planning is not to be used to prevent the delivery of new homes and businesses it allows communities to influence the type, design, location and mix of new development. Once adopted a

Neighbourhood Development Plan could potentially draw in benefit from the new Community Infrastructure Levy.

5.5.2   Balsall Heath has been designated by the Department of Communities and Local Government as a Neighbourhood Planning Front Runner First Wave Pilot. This has allowed the city council and Balsall Heath Neighbourhood Forum to work with central government to test out the approach.

Balsall Heath Neighbourhood Plan Pilot

The Department for Communities and Local Government is supporting a pilot project in Balsall Heath to enable a neighbourhood plan to be developed that is led by the community, supported by the council. In line with the neighbourhood planning process this will require an independent examination followed by a community referendum prior to adoption.

Neighbourhood plans are statutory land use plans, but can sit alongside other local plans such as Constituency Investment Statements and wider strategic plans.

On behalf of the Balsall Heath Forum a local resident and community architect is drawing up the plan with support from Planning Aid and the Prince's Foundation, as well as council officers. Using the existing community structures local stakeholders are being engaged which is creating a sense of ownership by that community. It was noted that Balsall Heath has established community structures and engagement, unlike other areas of the city.

5.5.3   There are potential benefits of this for neighbourhoods and an opportunity to benefit from the CIL (see paragraph 3.3.2). However, we do have some concern about the potential for differential take up and capacity around the city, with some neighbourhoods not being in a position, in the short term, to engage with and lead on the process. It is likely that leadership will be required by elected Members in some areas.

5.5.4   We also think it important that any land use plan sits in the context of other plans, such as Constituency Investment Statements and neighbourhood management action plans.

5.6   Community Engagement Support

5.6.1   Overall we had some concerns about the reduced capacity of staff to work with communities and third sector organisations. We want to emphasise that community development is not an add on. It needs to be core business for the council, as well as partners.

5.6.2   Currently community development services sit under two portfolios, and also with constituencies (as indicated in the diagram below). It would seem sensible for a review to be carried out to assess how to simplify the strategic, accountability arrangements and service delivery

arrangements. This should explore any financial and service benefits to locating the non-constituency services within one directorate.

Community Development – Current Reporting Lines and Responsibilities

Cabinet Member Local Services and Community Safety	Cabinet Member Leisure, Sport and Culture
Community Development Strategy	Strategic Community and Play Service Community Centre Facility Delegations
Constituencies Management of community and play function	**Strategic Community & Play** Management of grant aid to community groups, commissioning of play and community and play strategy

5.6.3   We were encouraged that steps are being taken within the Homes and Neighbourhoods Directorate to examine roles of front line staff in localities (such as Tenant Involvement Officers) to ensure resources were being best deployed. We also welcomed the refinement of the Community Development Worker role (the job description was being consulted upon at the time of evidence gathering) with the intention being to move the role away from managing buildings to capacity building and the aspiration for each constituency to have such a post.

5.6.4   Community Development Workers already undertake ongoing analysis of capacity needs as part of their service offer. As part of the day-to-day service planning arrangements they will be in a good position to develop constituency plans for building capacity.

5.6.5   Training can be valuable for residents who want a voice. New ways of delivering this will need to be found to maximise accessibility within reduced budgets.

5.6.6   Support can also come from within communities. Balsall Heath Forum suggested that their approach of employing part time community organisers from the locality has been very cost effective. There may be opportunities in the medium term to identify opportunities to test this elsewhere.

5.6.7   The Government's Community Organisers programme also builds skills and capacity within local communities. Local Services and Community Safety O&S Committee and the Cabinet Member should assess the impact this has both in terms of residents feeling they have a voice and on the ability of the public sector to be able to respond appropriately.

5.6.8   Ward Chairmen could consider how to develop the role of community champions to build on the skills and interests of local residents. They could enhance the role of the ward advisory boards, by interpreting the role of champions, building on skills and volunteering experience, and local needs. In this way community champions can become effective links between ward advisory boards and elected Members and local services.

5.6.9   Capacity building, support and training are building blocks for Big Society and the council needs to use its existing resources to invest in this.

5.7   Conclusions

5.7.1   There are many opportunities to increase resources (financial and other) through, for example, working with community and voluntary organisations to attract external funding. In the medium term it would seem that there are opportunities to attract funds through engagement in the planning process and benefitting from CIL.

5.7.2   Increasing local influence is not just about changing Members' roles, but ensuring that there are channels of communication with local residents too. One potentially strong way to increase local influence is through a parish council model. However, the lesson from New Frankley in Birmingham Parish Council is that the right structures and support need to be in place to make this work.

Refer to Recommendation 5.

5.7.3   Although the Localism Act 2011 has repealed the duty to involve, the council needs to consider how to embed an approach to consultation. We have concerns about the how this social capital will be built. Residents should be able to influence service delivery and priorities (especially with constrained budgets), and engage in co-production, and new models of delivery. It is important that all neighbourhoods and communities find ways to have a voice. We welcome the reshaping of the Community Development Worker role, but note that one person in each constituency can not deliver this single-handedly.

Refer to Recommendation 6.

5.7.4   The position regarding the delivery and accountability of community development within the council could usefully be reviewed.

Refer to Recommendation 7.

5.7.5   It has been suggested that in future residents will be expected to do more for themselves and this will redefine the relationship between citizens and services. The nature of public sector service provision is changing and third sector organisations are likely to have more opportunities to run services. The role of volunteers is likely to become more important and community and third sector organisations will continue to be able to access funding which will benefit localities which the council cannot access.

5.7.6   It was noted that this is a time of redefining the relationship between residents and council, which in itself will require a culture change. This is not something that can be left to a few staff to deliver, but will need to become more embedded in the ways directorate and constituency staff operate.

Good Practice

Community Asset Transfer (CAT) needs to be embedded across the council to ensure opportunities are raised with communities and voluntary sector organisations and there is a consistent approach taken across the council. Although each service area should have a lead officer, some central strategic support is likely to still be required.

Ideas for the Future

Ward Chairmen should consider how to develop the role of community champions to fit local circumstances and needs.

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6 Collaboration and Partnerships

6.1 Overview

6.1.1 Working in conjunction with partners takes on additional importance, but also brings with it additional challenges in the present financial circumstances. There are opportunities for identifying duplication and prioritising services which can lead to more effective services and making saving with partners. Constituencies and wards already collaborate over some issues and this appears very effective.

6.1.2 The Director of Be Birmingham set out some of the key challenges and opportunities for partnership working in the city. She suggested that:

- Services need to be better integrated to reduce silo working within the council and with partner agencies;

- Community capacity needs to grow as residents will be expected to do more for themselves;

- Social inclusion needs to be considered to ensure all communities benefit from local working;

- Prevention can save money and can work best at a local level;

- Opportunities are provided by pathfinder projects and pilots e.g. Community Based Budgeting;

- Neighbourhood working and neighbourhood management also provide opportunities; and

- Constituency Strategic Partnerships have been inconsistent, but valuable when successful.

6.1.3 A number of these issues are addressed below, in particular approaches taken by constituencies to work together; and engagement at a local level, such as with the police or through constituency strategic partnerships and neighbourhood management approaches. In addition, this chapter considers a number of pilots taking place. These indicate opportunities in the future for closer working at a local level in order to make savings and deliver services more effectively.

6.2 Constituency Collaboration

6.2.1 Collaboration across constituencies is important. We have heard examples of constituencies working together to meet efficiency targets and deliver improved services. Economies of scale can work at this level, without having to be across the whole city. We understand that by working together on procurement issues savings have been found relating to swimming pool cleaning chemicals.

6.2.2 There are many issues of constituencies taking a lead on partnership working. In Sutton Coldfield, for example a health working group sits under the local strategic partnership. This has close links with the local PCT and third sector organisations and has tackled issues together such as smoking.

6.2.3   We have also heard about many great initiatives at a local level. As key staff move on and Members change we would like to encourage the development of a data base so that local staff and elected Members can identify actions, costs and impacts. It could also provide advice about when something might work or not work or key attributes for success and failure. There is also potential for sharing experiences at effective networking events for which a regular forum could be established.

6.2.4   The informal Constituency Chairmen's Group is an effective way of tackling city-wide issues. As a group and working effectively cross-party the Chairmen have considered issues including:

- The integrated service delivery model within the Children, Young People and Families Directorate and the collective responsibilities for the children of the city with each constituency to develop an action plan where possible;

- Neighbourhood tasking; and

- Sport and leisure challenges of financial targets and income pressures and innovative income generation and the Be Active scheme.

6.2.5   They have recently explored with the third sector how to best deliver more outcomes with fewer meetings. They would like to be an effective mechanism to enable dialogue with Strategic Directors and Cabinet Members are actively encouraged to address the Chairmen's Group on their priorities and opportunities for working together.

Constituency Strategic Partners

6.2.6   We were informed that there has not been a consistent approach taken across the city. Although some partnerships had worked successfully, more engagement with partners was needed at that level across the city council.

Neighbourhood Management

6.2.7   The city ran one of the most ambitious neighbourhood management programmes in the country with Working Neighbourhoods Funding. The Committee's previous review into this area[19] noted that "neighbourhood management can make a difference" and that "for most Neighbourhood Managers community engagement and capacity building underpinned the work carried out".

6.2.8   We welcome the Homes and Neighbourhoods Directorate's intention to put in place a way of working through the Selly Oak approach and a community led approach that will sustain their successful neighbourhood working.[20]

6.2.9   An evaluation carried out on the 2009-11 Neighbourhood Management Programme[21] noted seven lessons, including:

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[19] Local Services and Community Safety O&S Committee (2011) *Neighbourhood Management*
[20] Cabinet Member for Local Services and Community Safety report to Local Services and Community Safety O&S, 8th November 2011

- That neighbourhood management works;

- Any approach to tackling issues needs to be underpinned by community engagement;

- In time neighbourhood management can deliver more for less;

- City-wide overview and support is required, including commitment from all agencies to their work having a neighbourhood dimension; and

- Understanding that neighbourhood management can not solve all problems, but can provide a platform for engaging communities with city and sub-regional institutions.

6.2.10   It suggested that the programme has created a strong foundation for neighbourhood management in the priority neighbourhoods and that the challenge to the city is to build on what has been achieved.

6.3   Engagement with West Midlands Police

6.3.1   One of the partners involved in neighbourhood management was the Police. As noted in chapter 4 West Midlands Police has aligned its boundaries to the constituencies. Evidence from the service indicated that this has facilitated partnership working and enabled a joined up approach to community engagement.

6.3.2   It was suggested that one lesson learnt from neighbourhood management was that shared aims can contribute to partnership working and facilitate participation in multi-agency work e.g. Multi-Agency Risk Assessment Conferences (MARACs). It is important for communication with the community to be at the lowest level and the ward structure is key to that.

6.3.3   There is a risk that, with shrinking budgets, agencies can become more introverted to focus on their own re-structuring and organisational priorities, rather than seeking to collaborate on joint approaches. However, we were assured that West Midlands Police is committed to continuing the local policing model.

6.4   Emerging Opportunities

6.4.1   The Government focus on localism is having an impact within localities with the city being involved in a number of pilots and pathfinders exploring new ways of working. There are some real opportunities here, but is too early to draw conclusions from these yet and we have been told that:

> "This agenda is moving fast so things are developing on almost a daily basis."

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[21] Be Birmingham / Birmingham City Council (2011) *Laying the Foundations for Localism: 18 Months of Neighbourhood Management in Birmingham Priority Neighbourhoods, 2009-2011.* (Prepared by CSK Strategies Ltd)

Community Based Budgeting

6.4.2   Community Based Budgeting (CBB) follows on from the Total Place pilot in the city and is another example of "invest to save". The aim of CBB is to create efficiencies through better collaborative working, pooling resources and creating community budgets.[22] The current pilot in Shard End is bringing together agencies to work more effectively with families with complex needs. The aim is to roll out this approach across the city in 2012-13.

Community Based Budgeting, Shard End

The project is adopting a whole systems approach, focusing on early intervention and prevention as well as family advocacy, where families are experiencing difficulties. A new multi-agency team is working with the families, empowering them to access the right support to address their problems.

The programme includes:

- Family Common Assessment Framework (fCAF) – multi-agency working;

- Integrated Family Support Teams (IFSTs) – advocacy support for families;

- Family Intervention Programme (FIP)– for families with the most complex needs; and

- Worklessness Co-Design (WISH) –addressing barriers to work with Job Centre Plus

Good progress is being made, including appointment of fCAF co-ordinators, programmes rolled out into 11 schools, community engagement, surveys and the feasibility testing of a social impact bond with the Cabinet Office.

Neighbourhood Budgets

6.4.3   Neighbourhood budgets are a mechanism to provide local control of local services. This initiative is not about providing new funding streams, but is intended to involve communities in designing and commissioning services. The approach builds on the Total Place concepts, bringing partners together to better align services and potentially pool budgets.

6.4.4   The aim is to shape and improve those services, and involve local people in providing them. The budgets can devolved or staff can be seconded to the neighbourhood. A wide range of partners can be involved (e.g. city council, housing associations, police, fire, local voluntary services) and also other assets like buildings, volunteering, other forms of finance. Once the principle and the structure have been established it can develop incrementally. Three neighbourhood budget pilots are being undertaken in the city, plus a small area budget initiative.

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[22] Be Birmingham, *CBB Families with Complex Needs E-briefing*. At:
http://www.bebirmingham.org.uk/documents/CBB_FCN_ebriefing_issue_1_FINAL.doc

6.4.5   Over the last 18 months, since Total Place, Be Birmingham has developed a methodology to identify funding and services in a particular area: Resource Mapping in Localities. They have (at the time of writing) mapped resources in Soho / Handsworth /Lozells, Balsall Heath and Shard End. This piece of work also involved mapping priorities against inputs and outputs and relating them to outcomes. They have attempted to map resources relating to third sector organisations which turned out to be quite a difficult task and they are liaising with BVSC to try and develop this.

Balsall Heath Neighbourhood Forum

Balsall Heath is a Department of Communities and Local Government pilot for neighbourhood budgeting. Directed by a Neighbourhood Strategic Partnership (NSP) which mirrors the CSP the focus is on the safer, greener, cleaner agenda.

The aim is to move from a situation of reliance on external support to generating savings with partners and receiving some of that benefit. Whilst the NSP had been operating as a voluntary body without a formal constitution it had been recognised that to deal with a devolved neighbourhood budget it should be formalised.

It was believed that where there was customer influence over budget spend this could lead to more effective and targeted use of resources, but it was very difficult to persuade budget holders to adopt this approach. The assistance of the city council on this could be helpful.

There were difficulties in engaging with the business community and their representation on Neighbourhood Strategic Partnerships could be beneficial.

6.4.6   Clearly these approaches to aligning funding and activity at a local level is a challenging agenda, but neighbourhood budgets and CBB offer opportunities for bringing decision-making closer to front-line delivery and increasing accountability for and transparency of budgets.   The structures to support this will need to be robust.

6.5   Businesses

6.5.1   Working with local businesses within the localities has focussed on local centres through the WNF funded town centre managers and Planning and Regeneration's Local Centres Programme. A number of Business Improvement Districts outside the city centre are in the process of being established.

6.5.2   Evidence from Balsall Heath highlighted the barriers of engagement to local businesses and the mutual benefit of local businesses and locality structures working together.   Business in the Community has seconded a manager to help with businesses engagement. One intention is to act collaboratively to ask insurance companies to lower their premiums to acknowledge the increase

safety of the area. Together, businesses could do much more to attract inward investment and market the area to the outside world.

6.5.3   There are opportunities to hold discussions with Business in the Community to see what possibilities there are for replicating this approach elsewhere in the city. The role of businesses as local anchors has also been recognised in the Localism Act 2011. Businesses can play a key role in neighbourhood fora set up to develop neighbourhood plans and have a voice in local referenda which determine whether or not these are locally supported.

6.6   Conclusions

6.6.1   Localities can not work in isolation and there are opportunities for them to collaborate with each other, and also to build local partnerships with statutory and voluntary organisations.

Refer to Recommendation 8.

6.6.2   The pilots being carried out around neighbourhood budgets have the potential to significantly change local relationships and, through this, make budgets more effective. However, it is too early to be able to draw conclusions yet.

Refer to Recommendation 9.

6.6.3   There are opportunities for strengthening local influence by working in partnership with statutory and third sector organisations. Constituency Strategic Partnerships can be a mechanism for joint working, but have been more effective in some parts of the city than others.

6.6.4   Locality working can also be strengthened by improving links to businesses and this may require capacity building on both sides.

Good Practice

Localities are encouraged to strengthen and possibly formalise their links locally with local business and business organisations, such as Business Improvement Districts and local traders' associations for mutual benefit.

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7 Internal Resources

7.1 Overview

7.1.1 The council's resources include, in addition to money and physical assets, its staff and the leadership of its elected Members. This chapter also suggests that measuring the added value provided by locality working is important.

7.2 Officer Capability and Skills

7.2.1 We welcome the increased locality focus by many directorates and service areas, such as Planning and Regeneration, Homes and Neighbourhoods, the ward based cleansing teams in Fleet and Waste Management and the integrated service teams in Children, Young People and Families.

7.2.2 One witness suggested that there is more clarity of thought if decisions are made closer to those who are affected, as officers and decision-makers can see the impact and are accountable for their decisions.

7.2.3 As the ward based cleansing teams are rolled out we were informed that the intent is to increase their visibility and accountability. This can be achieved through photographs of teams being made available and even a direct phone number provided for each so queries and concerns be dealt with quickly. We think there is scope, in the short term to identify other local teams to become more accountable in this way. We accept that for some activities linking staff to localities may not be the most effective way forward. Planning and Regeneration, for example, suggested that savings had been made by stopping senior planners from answering local routine queries which now go through the planning enquiry telephone number.

7.2.4 It was noted that there are fewer staff in localities. Efficiency savings have had an impact and so has Business Transformation. By moving staff to a central contact centre, fewer staff are based in localities. The management complement for constituencies has also been reduced, although the intention was to protect front line services. However, the Homes and Neighbourhoods Directorate has taken steps to increase management capacity in constituencies with the Service Director and Heads of Service each supporting three or four constituency managers.

7.2.5 In addition to the ward and directorate champions proposed in our recommendations, staff across the council could be given locality targets. The aim of this approach would be to build links between the strategic centre and neighbourhoods. This could range from encouraging staff to build relationships and informal networks at a local level and with external staff (such as health), to spending ten hours during a year working with a community group to identify external resources, or assist with a funding application process.

7.3 Members' Role, Capability and Skills

7.3.1 Localisation and devolution has meant that all Members not just Committee Chairmen or Executive Members require skills relating to budget holding and decision-making. The new ways of working being piloted and the wider localism agenda also require new sets of skills to be developed.

7.3.2 This report is asking the council to change and so, as part of this, we suggest that councillors need to examine the existing councillor model to ensure it meets these new challenges. Views were also expressed that it would be beneficial to improve contact and dialogue between officers and Members at a variety of levels.

7.3.3 There are numerous plans, panels and reference groups which exist in or relate to localities. Numerous, layered plans exist. In Shard End, for example, there are (or are being developed) a steering group for Community Based Budgeting for families with complex needs; a panel for allocating Communities First funding, two neighbourhood management boards; and a new neighbourhood budget pilot. It was suggested that someone needs to hold the needle and thread to pull these together to form a consistent, coherent view for a locality. In many cases elected Members will be best placed to do this.

7.3.4 Chapter 3 considered Community Chest. As this is a key area of funding under the control of ward Members it is worth reiterating the point made elsewhere of the need for Members to have a better understanding of funding coming into localities in order to maximise the impact of this funding stream. Clear guidance and good practice relating to this could usefully be developed.

7.3.5 Note was made earlier of the opportunity to develop community champions. Positive relationships between Members', volunteers, leaders from the community and voluntary organisations can make a real difference to localities.

7.3.6 Training remains important for Members. It was suggested that there are opportunities for Members to receive joint training with officers, which may often be very effective. One example is through the accredited Chartered Institute of Housing training which the Homes and Neighbourhoods Directorate is delivering to its front line staff.

7.3.7 It is clear that these new ways of working (such as community based budgeting and neighbourhood plans) will require skilled input from local Members. For this to be undertaken effectively this is likely to be time consuming. It is worth considering, in the longer term, what potential there is to grow Member support within the council in order to provide further case work support to free up Members to focus on areas where representative leadership is beneficial, and even necessary.

7.4 Measuring the Value of Locality Working

7.4.1 There are numerous examples of constituencies adding value. This report provides examples of them facilitating collaborative working, developing capacity in third sector organisations and

attracting additional funding into their localities. We found that this value is not currently calculated. There is a benefit, though, in being able to identify the value of local structures and resources, beyond the financial speadsheets.

7.4.2   Section 5.3 on community asset transfer noted Birmingham's "Valuing Worth" methodology which is applied to organisations to calculate a discount from the market rent based on the community value they provide.[23] This includes the extent to which projects meet neighbourhood priorities; community engagement; and savings made. There is also a national approach which has been developed by the Cabinet Office: the social return on investment (SROI).[24]

7.4.3   Whilst neither of these will be specifically applicable to measuring the value of locality working there is potential to develop a methodology such as "Valuing Worth" in the medium term. This would aid a better understanding and robust evidence of the contribution of locality working.

7.5   Conclusions

7.5.1   This chapter has focussed on the need to build the capacity of staff and also Members to be able to make most effective use of opportunities. Given the complexity of local budgets and local decision-making, Members are in a good situation to help draw this together strategically. As the direction of this report is towards devolving decision-making in a context of change, it is important that effective support and training is available to Members.

Refer to Recommendation 10.

7.5.2   We suggest that some attention is given to measuring the impact of locality working in order to develop further evidence of its benefits.

Refer to Recommendation 11.

Good Practice

Building on opportunities being explored through the ward based cleansing roll out, service areas should investigate the feasibility and impact of increasing the visibility of locality staff. For example, where appropriate photographs and contact details of staff delivering local services could be posted on notice boards and in newsletters and leaflets.

In the medium term opportunities to link more officers to localities through locality targets could be explored.

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[23] Birmingham City Council (2009) *Draft Asset Transfer Social Value Tool* At: http://communityassettransfer.com
[24] Cabinet Office (2009) *A Guide to Social Return on Investment.* At: http://www.neweconomics.org/publications/guide-social-return-investment

8 Cultural Change

8.1 Placing Localities at the Centre of the Council

8.1.1 Most of the proposals within this report are what one witness suggested as relating to "evolution, not revolution". This Committee's 2010 report set out an argument for the retention of wards and constituencies which still stands today. For both that report and this, we have heard evidence from those within locality structures and those who work closely with them which leads us to conclude that local structures, staff and Member leadership add value to the council.

8.1.2 Although, as noted in Chapter 3 the financial pressures are unprecedented, we believe that there are opportunities to build this local strength. The step change that is required is a cultural change which places localities at the heart of the council.

8.1.3 It requires localities to exert more influence. For this to happen there needs to be a culture in which there is a presumption that localities have a good understanding of local needs and that much decision making and delivery can be more accountable to local structures and Members.

8.1.4 Many witnesses have commented that with clear direction set by elected Members a strengthening of the localisation agenda is possible. Our intent is that this report and the associated discussion in the council chamber set a clear direction to officers, partners and residents that neighbourhoods, wards and constituencies are at the heart of the council. The purpose of this report is not to identify a further range of services which should be devolved, but rather to bring wards and constituencies closer to the strategic centre with more influence.

8.2 Local – Central Relations

8.2.1 The basis of decision making within the council is laid out in the constitution which outlines where decisions are delegated and the roles of constituencies and wards. City council's delegations can change or be refined further over time.

8.2.2 The evidence gathering conducted indicates that there are still differences of opinion as to where decisions could be taken. There will always be different views between those favouring a city-wide strategic approach for certain services, offering efficiencies at that scale, versus local decision-making to meet local needs.

8.2.3 The ongoing tensions were summed up in one evidence gathering discussion as:

"The centre can either be a partner or the enemy."

8.2.4   The Chairman of the informal Constituency Chairmen's Group suggested that Constituencies can either feel ignored and be left to get on with their activities, or alternatively feel that difficult to manage issues are given to them.

8.2.5   Given the council is a single corporate entity with a reasonably simple overall objective to serve the people of the city, it would suggest that further steps need to be taken to minimise this tension where it occurs.

8.2.6   Even if this overstates the problem, there is a challenge about drawing constituencies into strategic development further and ensuring that central priorities and targets are delivered in the best way in localities and that local priorities and targets can be reflected in the strategic centre's planning too. There is a need to clarify the relationship between the centre and localities.

8.3   Strengthening the Voice of Localities

8.3.1   In terms of decision-making within the council, localities lack at seat at the top table. During the discussions for the 2010 report, the Committee noted that there is not a Cabinet Member with executive responsibility for promoting the needs of localities formalised within the constitution. There is a lack of clarity over the role of the Local Services and Community Safety Cabinet Member, being neither poacher nor game keeper. That is not helpful in the context of planning to strengthen localities.

8.3.2   The Chairman of the informal Constituency Chairmen's Group also does not have a formal conduit for reporting to the Executive and being engaged in decision making. This should be re-examined. We feel that there should be a constituency champion to drive this agenda.

8.3.3   We examined two options regarding strengthening the voice of localities: either strengthening the Cabinet Member role as a localities champion; or developing the existing role of the Constituency Chairmen's Group.

8.3.4   The role of the Constituency Chairmen's Group has developed over time and we suggest that there is a further development. We suggest that this group should be formally constituted and be able to have a formal influence, in addition to having ongoing informal meetings. This should lead to an invitation to Cabinet meetings. This would be an important measure to facilitate bringing a local perspective on decisions being made at executive level. This Committee Chairman could also present an annual report to council.

8.3.5   We also suggest a return to the early days of devolution and localisation whereby senior managers (at JNC level) at the centre were champions for wards. There are two sides to this. To support wards this could include advocating for them within the centre, and helping to find ways through blockages caused by council structures and procedures and the work of other public sector organisations. Expectations as to this role can be made clear through processes such as performance development reviews (PDRs), a process which makes staff accountable for what they deliver.

8.3.6   The other side of this is to aid directorates as part of a process to ensure local needs and Member aspirations are recognised in central decision-making processes. It was suggested by one witness that the ward champion process can help senior managers to "talk more fluently about local issues" and this can only be welcomed. The added value comes by bringing together these champions with both their ward hat and strategic hat to discuss common issues and barriers and consider the impact of the strategic centre on localities. We would suggest such a forum meets regularly and be chaired by the Chief Executive.

8.3.7   To support this we propose that each directorate nominates a localities champion to:

- Consider issues as they affect wards and constituencies;

- Have an overview;

- Help deal with blockages; and

- Be a further conduit between directorates and localities, with Member relationships forming a key part of that role.

8.4   Tying Localities into Strategic Decision Making

8.4.1   This cultural change can not happen within localities. It requires a corporate agreement for all directorates to engage with this leap forward. Above all, it requires bringing wards and constituencies further into the central strategic planning process for policies and finances.

8.4.2   One current gap appears to be that there is no requirement or expectation that directorate officers or Cabinet Members question their own proposals to ask "Does this meet the need of each ward and constituency and what would be the impact on localities?" Linked to this are opportunities to bring localities into the financial planning process at an earlier stage. The benefit of this would be that the impacts of budget and service delivery changes for localities can be understood and incorporated.

8.4.3   We would like a formal process to be developed which considers the impact of decision making at the strategic centre on localities, but would like to avoid this being a bureaucratic burden.

8.4.4   There may be opportunities for a financial decision-making protocol agreed between the strategic centre and localities that could be developed which relates both to the start of long term planning (e.g. developing a three – five year programme) and as part of the annual cycle.

8.4.5   One element of this could be to develop a locality impact assessment. This could fit alongside existing equality analysis (which were equality impact need assessments - EINAs) as this is a process which is undertaken for all new policies and business plans. Equality analysis consider any impact of decisions on equality; whereas this proposal is to consider the impact on localities, including communities with a geographical focus. In addition, the process would act as an additional risk assessment. It could be recorded through Officers completing a simple template.

8.4.6   We suggest that constituencies form the basis of the locality impact assessment. However, this would need to be informed by some understanding of services and communities' needs at ward and neighbourhood levels. Developing robust information gathering and consultation processes will be required to make this meaningful. This could be promoted and supported by directorate locality champions.

8.4.7   Outcomes from this could be referred to in (amended) decision-making reports, especially with regards to changes made to a policy or mitigations put in place arising from the locality impact assessment process. This would act as a check as to how decisions will meet local strategies and priorities and to enable dialogue between directorates and localities.

8.4.8   Cabinet Members' annual reports to council and overview and scrutiny committees should include a section setting out what they have done to meet constituency, ward and neighbourhood priorities and to engage with localities.

8.5   Further Options

8.5.1   Currently, it has been suggested, there is a presumption that if localities ask for something from the centre the request will not be granted unless a very strong argument is made. This could be turned about with a presumption that unless there is an overriding reason not to enable a change, such requests be granted.

8.5.2   Over the medium term directorates need to, collectively, look at their key resources – people, and explore how locality teams could be built. This does not have to involve co-location, but can be a way to build local capacity and a clear locality focus. Front line staff working in localities, whether managed from within the locality or the centre will be in a position to identify overlap and unnecessary gaps and need to be given mechanisms to contribute to this knowledge to decision-making.

8.5.3   A key reason for devolution is to place local Members at the heart of local decision-making. It has been suggested that relatively few officers have opportunities to interact with Members. Whilst we recognise that senior managers often feel they need to report directly to ward and constituency committees and we recognise steps being taken to reduce officer numbers at meetings, we feel there is scope for more junior officers to be exposed to this layer of decision making and would encourage such steps.

8.6   Conclusions

8.6.1   The discussion indicates that there are currently inadequate ways for localities to influence the council and so the proposals below are intended to strengthen local influence and increase local flexibility. Three approaches are proposed:

- Tasking senior managers with roles to champion localities;

- Ensuring decision-making considers localities; and

- Ensuring all Cabinet Members are accountable for their relationship with localities.

8.6.2   These proposals increase opportunities for maximising local budgets, through embedding an approach to considering local needs. The two-fold approach to developing ward and directorate locality champions ensures that there is greater local influence and greater dialogue between localities and the centre. Although not impacting on the number of front line staff this proposal builds the capacity of local teams.

8.6.3   These recommendations set an agenda for real cultural change, setting constituencies and wards on a level playing field with directorates.

Refer to Recommendations 12- 16.

Ideas for the Future
In the future the roles of Cabinet Members should be reviewed to ensure that these are most effective in the context of localism. There are opportunities to build a formalised role for a Cabinet Member as a Localities' Champion.

9   Conclusions: Achieving Change

9.1   Overview

9.1.1   There are some threads which weave through the report and offer opportunities, both now and in the medium term to constituencies, wards and neighbourhoods. Throughout the report consideration has been given to opportunities for maximising resources and strengthening local influence over resources. Another key theme has related to building social capital. It is clear that these individual recommendations require a broader cultural change to strengthen locality working. Finally, legislative and policy change at a national level is providing many opportunities to strengthen locality working. These conclusions draw on these four golden threads.

9.2   Maximising Resources

9.2.1   In spite of pressures on budgets there are resources available at a local level and the challenge is about being strategic about these. As part of mainstream funding for services at a ward and constituency level there are opportunities to redirect further resources and decision-making to localities in order to increase local influence. One example identified was some of the highways capital with the input of Constituency Engineers. Alongside this, is external funding, such as that of local partners in the statutory and third sectors, and private sector investment, such as through the ten business improvement districts (BIDs).

9.2.2   There is also a mix of funding to support ward and neighbourhood working. For example at ward level there is Community Chest, and in many areas Communities First funding, and funding to support national pilots such as community based budgeting, neighbourhood budgets and neighbourhood planning. However, a strategic approach to spending local resources, rather than a pepper-potting approach can have more impact. Guidance and sharing of good practice relating to Community Chest funding may be useful in this regard. This could incorporate good practice regarding "invest to save" and also about aligning Community Chest with other local funding.

9.2.3   We believe that constituency infrastructure statements are a mechanism for being able to attract funding and quickly spend any additional funding strategically.

9.2.4   Resources do not just relate to finance and we have identified opportunities for building local resources which are considered below. For example, by providing additional support for locality working through senior officers acting as ward champions.

	Recommendation	Responsibility	Completion Date
R01	That the Cabinet Member for Finance, in the proposed review of the Community Chest, considers the guidance required to maximise its impact, including links with other funding streams, both internal and external, such as the Community First Programme, section 106 funds, community infrastructure levy (CIL) etc.	Cabinet Member for Finance	August 2012
R02	That the Cabinet Member for Local Services and Community Safety: • Works with Constituency Chairmen to complete and implement the service review of Constituency Engineers to meet efficiency targets and improve the capacity of the team, with a view to being able to manage increased devolved budgets in the future; and • Reports on the service review. Local Services and Community Safety Overview and Scrutiny Committee to examine impacts arising after 12 months through receiving evidence from the Cabinet Member for Transport Environment and Regeneration, Cabinet Member for Local Services and Community Safety and appropriate officers.	Cabinet Member for Local Services and Community Safety	Reporting on progress August 2012 & February 2013 Completion August 2013

9.3 Strengthening Local Influence and Flexibility

9.3.1 We argue that providing greater local autonomy can often lead to efficiencies through service integration and better decision-making as decisions are based on a better understanding of local needs. Service level agreements do not currently provide the local accountability that they should do and this needs to be addressed. The developing ward based cleansing and refuse services provide opportunities for greater transparency and future redirection of services.

9.3.2 There are opportunities for tying local and central decision-making together. In particular we would like to see an approach developed which requires the Executive to consult with localities and formally consider the impact of decisions upon localities.

9.3.3 Given the budget challenges there is a need to develop an evidence base which measures the benefits of locality working. This could be through adapting other approaches, such as the Valuing Worth methodology used in community asset transfer.

9.3.4 In the long term, building on a track record of meeting local needs, localities should be well placed to act as commissioning bodies for directorates.

	Recommendation	Responsibility	Completion Date
R03	In the light of cultural change that the Cabinet Members for Transport, Environment and Regeneration and Leisure, Sport and Culture hold discussions with ward and constituency chairmen in order to: • Build flexibilities into updated service level agreements; • Ensure the effective delivery of SLA services in meeting local needs; and • Increase the local accountability of SLA services.	Cabinet Member for Transport, Environment and Regeneration and Cabinet Member for Leisure, Sport and Culture	November 2012
R04	That the Cabinet Member for Transport, Environment and Regeneration identifies ward costs for the refuse collection and street based cleansing services; and reports these to ward committees, once ward based cleansing is embedded. This is in order to facilitate redirection of services which ward councillors may choose in the future and to aid any future decisions about service delivery. It is understood that in the medium term this will not include apportionment to wards of associated central support and depot and vehicle maintenance costs, but these costs should be identified and reported separately.	Cabinet Member for Transport, Environment and Regeneration	February 2013
R11	That the Cabinet Member for Local Services and Community Safety investigates methods for measuring the added value of locality working (e.g. by adapting the Valuing Worth approach).	Cabinet Member for Local Services and Community Safety	November 2012
R16	That the Cabinet Member for Local Services and Community Safety works with the Executive to: Develop a process to enable wards and constituencies to feed into the financial and policy decisions taken by the Executive; and Ensure that the Cabinet Members systematically consider the impact their decisions have on localities. Our suggested approach is to develop locality impact assessments (which could sit alongside equality analysis): • The suggested focus of these is a constituency focus, but ensuring there is the opportunity to draw out any specific or disproportionate impacts for	Cabinet Member for Local Services and Community Safety	August 2012 on a trial to develop a process Completion by February 2013

	Recommendation	Responsibility	Completion Date
	wards or neighbourhoods. It will be necessary to develop ways of consulting at a locality level with key stakeholders including, but not exclusive to Constituency Service Integration Heads and the proposed ward champions to develop a locality test. • The locality impact should be included as a compliance issue on the decision-making template. • It is suggested that this approach be trialled and this be reported back in August 2012, prior to council-wide implementation. • The process needs to be easy to administer, cost effective and incorporated in the Executive decision making protocol.		

9.4 Building Capacity

9.4.1 The report indicates a need for building the capability and capacity of those working at a local level. For this agenda to be successful, there needs to be opportunities for residents to be supported and for training in its widest sense to be available. Officers will require support to work outside silos with a locality focus where possible and appropriate. In particular we suggest finding mechanisms for exchanging good practice between localities.

9.4.2 Members too, need to understand their roles as civic leaders and facilitators. Appropriate assistance and support needs to be available for Members to ensure that all localities benefit.

9.4.3 The role of the Community Development Workers in constituencies will be invaluable, but they alone can not provide all the support which communities require. At the time of writing the future operating model for this service was undergoing consultation. Currently different strands of community development sit under two directorates and the constituencies. It is suggested that this is reviewed to check whether this can be simplified.

9.4.4 There are many mechanisms for enabling engagement at a local level. One structure advocated in the Open Public Services White Paper is the parish council. Although Birmingham currently only has one parish council, within the Longbridge ward, we felt it was timely to develop principles relating to the relationship between the city council, constituencies and wards and parish councils.

	Recommendation	Responsibility	Completion Date
R05	That the Leader sets out robust protocols to strengthen and clarify the relationship between the city council, including directorates, and parish councils. To include information on: • Sharing information with parish councils, including support for regular officer and multi-agency meetings; • Consulting parish councils; and • Delegation of services and budgets.	The Leader	November 2012
R06	That the Cabinet Member for Local Services and Community Safety: a) Implements the plans to appoint a Community Development Worker for each constituency within existing resources; b) Tasks the Community Development Workers to scope out the capacity needs of local communities and develop a constituency plan to build capacity; c) Enables the Community Development Workers to develop mechanisms and a structured approach to identify internal and external funding coming into a locality in order to determine how to maximise the impact of community chest and other local funding opportunities; d) Enables the Community Development Workers to develop skills to attract external funding; work with third sector organisations and residents; and liaise within the locality and across the city to ensure that areas and organisations are not competing unrealistically for the same funding streams; e) In order to assist Community Development Workers in carrying out their capacity building duty asks the strategic community development team to develop guidance (e.g. a toolkit) providing support and advice on processes and procedures for developing community capacity for Community Development Workers and other locality workers; and f) Provides feedback on the impact of this after 12 months (regarding the feasibility of one person delivering this challenging agenda and the impact on local communities).	Cabinet Member for Local Services and Community Safety	February 2013

	Recommendation	Responsibility	Completion Date
RO7	The Cabinet Members for Local Services and Community Safety and Leisure, Sport and Culture review the accountability and service delivery arrangements of community development, with the aim of simplifying or clarifying arrangements.	Cabinet Member for Local Services and Community Safety and Cabinet Member for Leisure, Sport and Culture	August 2012
RO8	The Cabinet Member for Local Services and Community Safety to support Constituency Committees to develop mechanisms to ensure better exchange of best practice and lessons learnt for locality based activity (e.g. a web enabled data base and networking activities) within existing resources.	Cabinet Member for Local Services and Community Safety	Progress report August 2012 Completion by February 2013
R10	In the light of the cultural change to strengthen devolution, that the Cabinet Member for Finance develops appropriate assistance, support and resources to enable new Members (from the 2012 election) to carry out their roles effectively. This should include reviewing the induction process to reflect the new challenges for councillors in carrying out their roles, with particular regard to localism and locality working, and holding discussions with party leads about group member training programmes to complement this within existing resources.	Cabinet Member for Finance	August 2012

9.5 Cultural Change

9.5.1   Chapter 8 set out an agenda for achieving cultural change to underpin the other recommendations. Above all, the intent is to provide wards and constituencies with more of a level playing field than they currently have. This can be achieved through integrating senior officer support, making Cabinet Members more accountable to localities and ensuring decision-making takes more account of local needs.

9.5.2   The first two recommendations are intended to improve communication and understanding between directorates and localities. The two roles proposed are intended to complement each other with senior officers incorporating these tasks into their existing jobs. Ward champions, one for each ward, would enable directorates to better understand the needs of wards and neighbourhoods and provide some additional support to localities. The directorate locality champions, one for each directorate, would be in a position to identify common issues, concerns and opportunities and to help directorates respond appropriately

9.5.3   A process has been approved previously by Cabinet Committee Devolution for agreeing how services could be devolved as pilots.[25] Our recommendation builds on this, but will require a proactive approach by the Executive to identify areas which could be devolved on an annual basis. Executive Members will also be expected to use their annual reports to identify the impact of their decisions on localities.

9.5.4   One other element of cultural change relates to the Constituency Chairmen's Group. We feel that formalising the group, and therefore the Chairman's role is a positive step towards strengthening local accountability and decision-making.

	Recommendation	Responsibility	Completion Date
R12	That the Leader asks the Chief Executive to develop ward champions at JNC and Grade 7 level (excluding constituency officers) to: • Add management support into wards and constituencies; • Help wards avoid and navigate blockages and identify opportunities and ensure wards are better able to feed into the development of strategy; and • Ensure that directorates have a mechanism for better understanding of local issues. This should be embedded through performance development reviews (PDRs) and a six monthly seminar with the Chief Executive to identify common issues and trends.	The Leader	August 2012
R13	That the Leader asks the Chief Executive to develop directorate locality champions. This would entail tasking a JNC lead officer in each directorate to co-ordinate and champion the work of the proposed ward champions and to support constituency and ward chairmen. The outcome of this should be for directorates and constituencies to have a better understanding of needs and challenges of the localism agenda; and to help localities navigate blockages and identify opportunities.	The Leader	August 2012

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[25] Cabinet Committee Devolution, *Devolution and Localisation Action Plan – Recommendation 14 – promoting pilots in Constituencies,* 21st March 2007

	Recommendation	Responsibility	Completion Date
R14	That the Leader formalises the Constituency Chairmen's group and the Chairman of that committee is invited to attend Cabinet meetings.	The Leader	June 2012
R15	That the Leader requires all Cabinet Members to: a. Implement an annual review with constituency committees to examine budgets in order to identify if there are any budget headings which could be delegated to wards or constituencies; and b. Incorporate a constituency and ward element within each Cabinet Member's annual report to council [and six monthly updates to overview and scrutiny committees]. This should note: • The impact on localities; • Co-ordination of services with localities; • Liaison with local Members and other key stakeholders; and • A confirmation of when the annual review was carried out and the outcomes of this review.	The Leader	September 2012 report on progress Completion by June 2013

9.6 New Horizons

9.6.1 The world of local government is changing rapidly and the city has to embrace the emerging localism agenda. The national policy context outlined in chapter 2 provides opportunities to strengthen locality working across the city

9.6.2 As Members we need to keep a close eye on the various pilots taking place across the city (area budgets, neighbourhood planning and community based budgeting) in order to work productively with officers in learning lessons and embedding any effective best practice.

	Recommendation	Responsibility	Completion Date
RO9	That the appropriate Cabinet Members [Deputy Leader, Cabinet Member for Transport, Environment and Regeneration; Cabinet Member for Local Services and Community Safety; Cabinet Member for Finance] report on progress and emerging lessons from the various localism pilots to Constituency Chairmen, highlighting the potential for appropriate good practice be rolled out in localities. The pilots include, but are not restricted to: Community Based Budgeting in Shard End; neighbourhood and small area budgets in Castle Vale, Shard End, Balsall Heath and Handsworth and Lozells; neighbourhood planning in Balsall Heath; and other existing and potential pilots.	Deputy Leader, Cabinet Member for Transport, Environment and Regeneration; Cabinet Member for Local Services and Community Safety; Cabinet Member for Finance	August 2013

Appendix 1: Achieving Excellence with Communities Work Strands

The February AEWC 2011 report confirmed the ongoing role of constituencies and wards, but set out four work strands designed to modernise and update guidance and operational delivery. The timescales have slipped due to the priority of ensuring that constituencies are meeting their efficiency savings. A constituency governance partnership event was held on 19th January 2012 and feedback on these areas of work is expected by the end of 2011/12.

Policy Review and Innovation Work plan			
Policy Work Strand 1 *Governance*	**Policy Work Strand 2** *Resources & Innovation*	**Policy Work Strand 3** *Local Services*	**Policy Work Strand 4** *Better Outcomes Locally*
Officer Lead: Margaret Yates, Head of Democratic Services Project Officer: Fiona Hughes, Constituency Director	Officer Lead: Alison Jarret, Assistant Director Corporate Finance Project Officer: Lesley Poulton	Officer Lead: Chris Jordan, Constituency Director Project Officer: Gill Taylor, Constituency Director	Officer Lead: Rob James, Constituency Director Project Officer: tbc
Scope: ⇨ Review number and cost of meeting commitments for Members, partners, stakeholders and citizens ⇨ Review Local Partnership structures and commitments ⇨ Review Implications of Localism Bill on community groups and citizens ⇨ Review potential of Big Society as a key driver for localisation	**Scope:** ⇨ Constituency finances and detailed scrutiny and control mechanisms ⇨ Capital resources ⇨ External Funding ⇨ Ward Community Chest operating procedures ⇨ Local commissioning and innovation ⇨ Community Budgeting	**Scope:** ⇨ Impact of service transformation and modernisation programmes on Constituency services ⇨ Trusts and Service Investment ⇨ Customer focus and service standards ⇨ Other local delivery arrangements ⇨ Service Level Agreements	**Scope:** ⇨ Neighbourhood working ⇨ Community safety – integration of local teams ⇨ Local Delivery Groups ⇨ Neighbourhood Tasking
Work Programme Each policy work strand will provide a six-weekly update to the Chair and Vice Chair of Cabinet Committee Achieving Excellence With Communities and final reports to July and September Cabinet Committee AEWC meetings.			

Appendix 2: Witnesses

Attendance at Committee and Review Group Meetings

Elaine Elkington, Strategic Director, Homes and Neighbourhoods

Sharon Lea, Strategic Director, Environment and Culture

Sukvinder Kalsi, Assistant Director Finance, Homes and Neighbourhoods

Ifor Jones, Service Director, Homes and Neighbourhoods

Lesley Poulton, Service Integration Head - Ladywood

Gary Ladbrook, Service Integration Head – Sutton Coldfield

Mike Davis, Service Integration Head – Erdington

Karen Cheney, Service Integration Head – Selly Oak

John Mole, Constituency Ward Support Officer

Virginia Yates, Constituency Ward Support Officer

Olive O'Sullivan, Constituency Ward Support Officer

Fiona Hughes, Service Integration Head - Localisation and Neighbourhoods, Homes and Neighbourhoods

Steve Hollingworth, Assistant Director - Sport (Strategic) & Events, Sports, Leisure and Culture

Kevin Mitchell, Assistant Director, Fleet and Waste Management

John Blakemore, Director, Highways & Resilience

Ghaz Hussain, Area Manager, Planning and Regeneration

Hayley Anderson, Principal Contributions Co-ordinator, Planning and Regeneration

Neil Vyse, Principal Development Planning Officer, Planning and Regeneration

Chief Superintendent Jim Andronov, West Midlands Police

Jacqui Mould, Director, Be Birmingham

Dr Dick Atkinson, Chief Executive, Balsall Heath Forum

Ian Bruckshaw, Chairman, New Frankley in Birmingham Parish Council

Roger Griffiths, New Frankley in Birmingham Parish Council

Steve Ashton, New Frankley in Birmingham Parish Council

Councillor Anne Underwood, Chairman of the Constituency Chairmen's Group

Written Evidence

Jayne Bench, Finance Director, Be Bimingham

Members

Member input into the review was sought through the initial letter to all Members and a survey of Ward Chairmen.