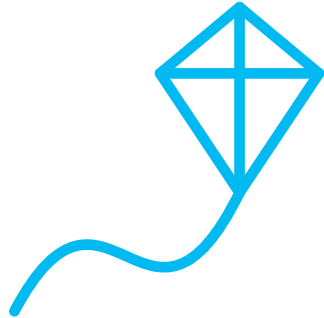
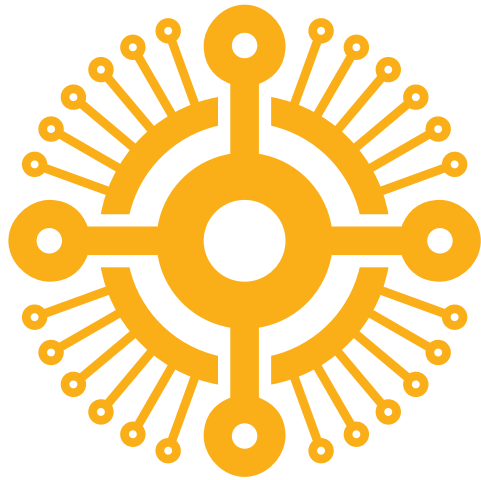


Budget Consultation 2018+

December 2017



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FOREWORD

We have a Vision for Birmingham to make it a city of inclusive growth where the opportunities and benefits of progress and investment are felt by all. Since 2010 the Council has had to make cuts of over £642m and we know that we need to go further if we are to tackle the challenges facing the public sector. We face huge decisions, but there are also opportunities for us to look at how we can better deliver our services to suit the changing needs of our citizens.

We must also find new ways to meet demand for services. Our staffing levels are much lower than they were seven years ago. Over that period, we've restructured, reorganised and sought new partnerships, but we know that we need sustainable solutions through long term policy-making, system-wide preventative measures and better public engagement. That is why your views really do matter when we make these tough decisions. This consultation document sets out how we plan to tackle the challenges facing the council and where we will focus the budget we have in order to continue to make a positive difference.

Over the next year we will focus on four key priorities, because we believe these represent the areas of greatest opportunity and challenge for all of us:

- Our Children
- Housing
- Jobs and Skills
- Health.

We want Birmingham to be a great city for our children to grow up in. This year we will introduce a new Early Years Health and Wellbeing Service so children and families have greater opportunities to access good quality early education and health services. The Birmingham Children's Trust will launch in 2018 and this will provide high quality services for those who are most vulnerable in our city, and help to give them the best start in life. We want to keep our children safe by working with schools, health services, police and other agencies to support and protect them, ensuring that their safety is a shared responsibility.

We want Birmingham to be a great city for everyone to live in. Through working with partners we will enable citizens to find and sustain housing that meets their needs, continuing to deliver a housing programme to ensure a further 750 affordable homes are built. This year we launched our Street Intervention Team working with partners to help those on the streets in a time of crisis. We will continue to provide advice and assistance for residents to either help them remain in their existing home, or to access safe and suitable accommodation to help to prevent a crisis where possible.

We want Birmingham to be a great city to learn, work and invest in. We are committed to carrying out our Birmingham Development Plan, which sets out how we're going to grow the city's economy

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through economic development and regeneration, including the creation of 100,000 jobs and £4bn of infrastructure by 2031. We will look at how we can better use our property assets for community development, regeneration and investment. We want to make sure that every opportunity for redevelopment such as Birmingham Smithfield in the city centre, brings new jobs, new commercial space, and improved public transport. By investing in our young people we will prepare them to leave school with the skills they need, in particular supporting 14-19 year-olds at risk of disengaging from education and training.

We want Birmingham to be a great city to grow old in. We will work with health and community partners including voluntary, third sector and faith groups to focus on more personalised social care support, making the most of individual and community assets (such as community centres and leisure centres) so that vulnerable people can continue living independently in their communities for longer.

Through this consultation we want to hear your views on our latest budget, which includes some changes to the services we provide. There will be opportunities for you to ask us questions while this consultation is on-going, and we look forward to hearing your views. Despite ongoing challenges, Birmingham is a great city of opportunity and we want that to continue.



**Councillor Ian Ward
Leader**



**Councillor Brigid Jones
Deputy Leader**

How you can have your say

**The formal budget consultation for 2018+ closes
on 15 January 2018**

**To let us know what you think fill in our online
survey at www.birminghambeheard.org.uk**

**Or you can join the conversation online:
#BrumBudget18**

THE PURPOSE OF THIS DOCUMENT

This is the formal consultation document for the Council's 2018+ budget.

The consultation document sets out the overarching approach the Council is taking to meet the budget reductions and achieve the required savings for 2018+. You can give your views on these proposals by completing the questionnaire on Be Heard (details in section five below). These views will be fed back to Council Members to inform their decision on the budget in February 2018.

Please note this document sets out broad issues for the corporate consultation and the overall budget position. There will also be consultations on specific service proposals in early 2018, and implementation will be subject to the required governance process.

The rest of this document is arranged as follows:

SECTION ONE

Summarises the broad feedback we have gathered through the Council's budget consultations over the last four years.

SECTION TWO

Details the current financial position.

SECTION THREE

Details our journey so far in transforming the council and meeting the financial challenge and the further steps we intend to take.

SECTION FOUR

Summarises the savings proposals 2018+

SECTION FIVE

Details how you can have your say on these proposals.

ALTERNATIVE FORMAT?

If you would like a copy of this document in an alternative format, please email: budget.views@birmingham.gov.uk

SECTION 1

Feedback from previous consultations

FEEDBACK FROM PREVIOUS BUDGET PLANS AND PRIORITIES CONSULTATIONS

We have consulted about our plans, priorities and budget proposals over the last five years with our stakeholders: residents, communities, partners, organisations and businesses. We appreciate this valuable engagement and your input has directly informed our decision-making.

Through the budget consultations over the last five years there have been some broad, consistent messages, namely:

- Concern about ongoing cuts to services for vulnerable and disadvantaged people.
- Support for targeting resources at those most in need, so prioritising supporting vulnerable people—tackling inequality and deprivation; safeguarding children; and ensuring dignity for older people.
- Importance of prevention and early intervention to avoid acute situations for affected people which are very costly to services.
- Need for greater partnership planning and working, alongside concerns about outsourcing to the private sector.
- Partnership needs to focus on prevention, on public education and on encouraging citizen and business responsibility and social action.
- Environmental concern, including parks and open spaces, nature conservation, street cleaning and maintaining the public realm.
- Strong support for the city’s cultural offer—museums and galleries, libraries and the arts.
- Enhanced communication, together with further integration of services and avoiding any duplication to deliver quality services.
- Support for greater collaboration across the city-region for strategic issues such as new housing and economic development.

Themes that emerged most frequently in terms of a broader vision were for a city that:

- Stands up for itself, where citizens have pride and dignity, have a sense of purpose and direction, and take responsibility.
- Is inclusive and with engaged communities providing for the needs of all its residents and protects and supports the most vulnerable.
- Is fairer and more equal.
- Has a strong community spirit where residents are informed and feel that they 'own' the city.
- Is a devolved city, where citizens have a say on local issues and services are democratically accountable.
- Values and provides education, training, employment and other opportunities for its young people.
- Through its active participation in the West Midlands Combined Authority (WMCA) as well its own advocacy for Birmingham, attracts investment and retains firms.
- Ensures investment benefits all parts of the city as well the city centre.
- Links into the digital economy where all can access the internet.

Key roles identified for the Council include:

- Providing strong but accountable political leadership and management at both a city-wide and local level.
- Encouraging community activity, particularly in areas where community organisation is weaker.
- Communicating good quality information in a way which makes sense to its citizens.
- Concentrating resources in areas where there is the greatest need, in partnership with others.
- Providing a 'one stop shop' for related requests for services in partnership with others, and investing in buildings where community groups can meet.

SECTION 2

Current financial position

CURRENT FINANCIAL POSITION

The City Council has always been heavily dependent upon Government grants to meet the costs of services, which has made it very vulnerable to cutbacks in those grants.

The Council has taken up the Government's offer of a minimum grant settlement for the period until 2019/20. This means that there is some certainty about the resources which will be available in the next two years.

However, beyond that there is significant uncertainty including:

Whether austerity will continue;

- What the Government will announce in the next Spending Review regarding plans for local government funding; and
- The impact of a 'fair funding' review being carried out by the Government on the distribution of local government funding – this is due to be implemented (at least in part) by 2020/21

At the same time as reductions in Government grant, the Council also faces pressures to spend more on services. These 'expenditure pressures' cover a range of costs, including the effects of inflation, and meeting increasing demand for adult social care services. It is expected that these pressures will require additional annual funding of £191m by 2021/22.

The Council has also undertaken a realistic assessment of its previous savings plans. In particular, whilst the Future Operating Model is expected to deliver savings in 2018/19, these will not be as great as previously planned. In cases where the assumptions underpinning the original proposals have changed or more detailed planning showed that there would be challenges with implementation, some of the original savings proposals have been replaced with new ones.

Planned cutbacks in core Government grants and other forecast changes mean that the Council expects to have to make savings of £111m per annum by the end of the next four year period.

Despite these challenges the Council's aim is to deliver a sustainable plan for future years. That is why the detailed information surrounding this consultation includes figures associated with our proposals on a four year basis.

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Inevitably, due to the scale of the financial challenge 2018/19 will be a transitional year where we start to put in place necessary changes, which will not take full effect until 2019/20 or later.

Our forecasts of future council tax include:

- An increase of 1.99% each year in council tax, and
- The continued take up of the ability to raise a 'Social Care Precept' by increasing Council Tax by a further 3% in 2018/19 to provide extra funding to meet costs of social care.

In common with the other Metropolitan District Councils in the West Midlands, we will continue to pilot a new system of 100% local retention of business rates from 2017/18 onwards. This means that all of the benefits of real terms business rates growth will, in future, be retained in the region.

Our forecasts of future council tax and business rates income have also been updated, and these are expected to provide an extra £117m each year by 2021/22.

Although the total 2017/18 Council expenditure is £3bn, a large proportion of our funding must be spent on specific services. For example, £713m of grant funding must be spent on school services, and another £550m is to reimburse the Council for meeting housing

benefit costs, and income from the provision of Council housing must be spent in providing that housing and related services £284m.

Other areas of spending, such as debt financing costs, are fixed and unavoidable. This means that only around a third of expenditure is directly controllable by the Council, and savings have to be made from this much smaller budget figure.

Taking all these factors together, the further savings that we now need to make (on top of the annual savings of about £642m that the Council has already made from 2010/11 up to 2017/18) are £111m, as summarised in the table below. This will mean total annual savings of £753m over the eleven year period.

We have previously consulted on some of the savings which are already included in the Council's financial plans including significant savings in the cost of 'back-office' services.

This consultation document concentrates on the newly identified proposals. These are shown in section 4 of this document. There are specific proposals totalling £8m and efficiency targets totalling £6m for 2018/19. By 2021/22, the savings from these new proposals rise to a total of £48m.

BUDGET CONSULTATION 2018*

The savings required can be summarised as follows:

	2018/19	2019/20	2020/21	2021/22
	£m	£m	£m	£m
Changes in corporate Government grants	27	39	38	37
Changes in Council Tax/Business rates and related grants	(71)	(78)	(98)	(117)
Expenditure pressures	98	133	151	191
SAVINGS REQUIREMENT	54	94	91	111
Savings in financial plan 2017+	(63)	(94)	(101)	(100)
Savings not delivered	23	40	36	35
Savings being consulted on	(14)	(27)	(39)	(48)
OTHER SOLUTIONS TO BE DETERMINED	0	13	(13)	(2)

NOTE: Numbers in the table have been rounded

The Council uses reserves to help the Council adapt to the financial challenge it faces and to provide a buffer against the risks associated with achieving the necessary level of organisation change and savings delivery. In these proposals, £20m of reserves are planned to be used in 2018/19 to help with the transition.

SECTION 3

Our priorities

CHALLENGES AND PRIORITIES—THE COUNCIL’S RESPONSE

Changing Birmingham

Great opportunity for our city goes hand-in-hand with great challenges. The most diverse major city in the UK outside London, almost half (46 per cent) of residents are under the age of 30. The city is thriving, its population (already over 1.1 million) will grow by 121,000 to 2031 as new businesses relocate here and existing communities grow. This makes affordable housing and homelessness a priority issue, with 89,000 new homes needed by then, but presently only land capacity in Birmingham for 51,000 of these. There are pressures however and waiting lists for social housing are already mounting. Poverty is highly concentrated in parts of the city, leading to wide disparity in life expectancy. 37% of Birmingham children live in poverty, with many affected by welfare cuts. The impact on the lives of many in the city is pictured below.

The national context

A growing and ageing population; social and lifestyle changes; widening cultural diversity and identity; intergenerational disparity; uneven urban growth; technological change; economic risk and social dislocation; and climate breakdown and environmental damage all pose major long-term challenges for local authorities.

The June 2017 election produced a minority government at Westminster, with the political system continuing to be preoccupied by Brexit. Low forecast economic growth and in particular the minimal future productivity growth anticipated in the November 2017 Budget underline pressure on tax receipts and consequently spending and borrowing stresses into the 2020s. Despite the headline housing investment, extra NHS spending and a range of regional infrastructure measures, the Budget did not provide extra resources for adult social care and children’s services, the greatest existing pressures on local government. Meanwhile the Local Government Association (LGA) has identified a £16bn reduction in

core funding from central to local government between 2010 and 2020.

Meeting the challenge

Our values and priorities mean we will work together for a city of growth in which every child, citizen and place matters.

We see the City Council’s role as providing strategic leadership for the city and ensuring the provision of decent services for all. We have a particular focus on supporting those least able to support themselves. We work with partners to take a ‘whole-system’ approach, with citizens and neighbourhoods at the heart of our decision making.

The landscape of local government is also changing in the wider West Midlands, with the creation of the Combined Authority in July 2016 and the election of the first Metro Mayor for the area in May 2017.

The challenge

Birmingham continues to wrestle with some deep-seated challenges...

OBESITY

25%
of 10–11 year olds are obese




20% National average

NOT SATISFIED

16%
of 15 year olds are not satisfied with life


1 IN 3
CHILDREN LIVE IN POVERTY



128,000
children (0–15 yr olds) live in the bottom decile households

10.8%
growth in number of children aged 5–15 over the next 20 years (2017–2037)

INFANT MORTALITY





7.9
Birmingham

3.9
National average

CYCLING

<1%


percentage of children who cycle to school

PHYSICAL ACTIVITY

(adults 19yrs+)

61.2%
Birmingham

64.9%
National



FUEL POVERTY

17TH


Out of 326 English local authorities, Birmingham ranks 17th for proportion of fuel poor households



LIFE EXPECTANCY

10.6yrs
less for men


8.2yrs
less for women



The difference between most affluent and most deprived areas

SOCIAL CONTACT

>50%



More than half of adult carers would like more social contact

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This provides a new framework for collaboration between the seven metropolitan councils, including Birmingham. It also brings new ways to improve efficiency and deliver better outcomes, particularly in economic development, housing and transport but also in public services and administration and areas of shared concern such as air quality

Birmingham City Council has played an active part in the creation of these arrangements and will continue to work closely with our neighbours in the interests of the people of Birmingham and the wider West Midlands.

We continue to recognise the need to change our organisation radically to manage with far less money, deliver on new expectations and respond to key drivers of change.

This requires very different ways of working. We will ensure that we are working with our partners to make sure that where we are no-

longer able to provide direct services they are able to help. Linking in with groups focused on improving the local area and using the contribution of voluntary effort and the community we will look to support service provision in a different way. As a City Council we want to be more effective as a strategic leader in Birmingham, as we become smaller we need to be able to work better with others to deliver services when we might be able to.

Partnerships will become even more important and we will focus on empowering communities to contribute to the future of the city, so it is a place everyone feels connected to.

Our services will move from being overly bureaucratic to being flexible and will enable partners to work with our staff in delivering services wrapped around citizens' needs rather than our internal structure. We will actively plan our services around the needs of the city and aligned to demands to avoid unnecessary pressures, and to support citizens to be more independent.

SECTION 4

Savings proposals

SAVINGS PROPOSALS FOR 2018/19

We have previously consulted on some of the savings which are already included in the Council's financial plans including significant savings in the cost of 'back-office' services.

This consultation document concentrates on the newly identified proposals. There are specific proposals totalling £8m and efficiency targets totalling £6m for 2018/19. By 2021/22, the savings from these new proposals rise to a total of £48m.

Service area	Summary of proposal	Latest Savings			
		2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Adult Social Care & Health					
Adult Packages of Care	<p>This proposal aims to:</p> <ul style="list-style-type: none"> • Enable vulnerable people, such as those with learning disabilities or mental health problems, to access services in the community, e.g. homecare/day care, rather than being in residential care. It aims to meet needs locally, providing support close to home rather than out of area. • Help older people by working more effectively with the NHS, to avoid admissions to hospital in the future. This work coupled with the intention to move to Community focussed Social Care teams and investment in the community will improve older people's resilience and move to a 'last resort' scenario for residential services. The motto will be 'Home First'. • Increase income from charges to clients by introducing a range of new charges on services. 	0.000	(5.500)	(13.000)	(20.500)

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<p>Social Work Assessment & Care Management</p>	<p>This proposal includes a restructure of the Social Work Assessment and Care Management Service which will increase the number of people reporting to individual managers (spans of control), further the moves to an asset-based assessment approach for citizens (focusing on what the citizen can do for themselves) and further the development of the community offer by working more closely with the third sector.</p> <p>The new approach will enable and empower people to develop and receive services in their own community by working closely with local GPs, communities and the Voluntary Sector. It is envisaged that a restructure will include increasing the span of control for the managers of the service and remodelling other services.</p> <p>The remodelling of the service will also include moving the specialist provision of Learning Disabilities and Mental Health into the Community Teams.</p>	<p>(0.500)</p>	<p>(1.493)</p>	<p>(2.600)</p>	<p>(3.893)</p>
<p>Corporate Director</p>	<p>The financial circumstances of Service Users eligible to receive care from the Council is assessed in line with Government Regulations, to work out what contribution they should make to the cost of their care.</p> <p>The Council raises bills to the Service Users to collect these contributions but some of these are not paid immediately. The Council uses a variety of means to collect these debts taking account of the circumstances of the Service Users. The Council will review the processes and methods used to ensure that the maximum amount of outstanding debt is collected.</p>	<p>(0.350)</p>	<p>(0.350)</p>	<p>(0.420)</p>	<p>(0.420)</p>

BUDGET CONSULTATION 2018*

<p>Public Health</p>	<p>It is proposed to re-direct discretionary aspects of the Public Health allocation into prevention and early intervention. This is in addition to the reductions of £4.78m planned for 2019/20 and beyond, which are due to forecast grant reduction.</p> <p>We are proposing the following changes to achieve this:</p> <ul style="list-style-type: none"> • Changing the school nursing service from a universal to targeted service (in 2018/19) • Further staffing redesign (2018/19), changes to the Young Persons substance misuse service (2019/20) • Stopping support to the financial advice service and the Young Persons homeless hub (2020/21) • Reducing the expenditure on the smoking/quit service and stopping the substance misuse homeless service (both from 2020/21). 	<p>(1.600)</p>	<p>(2.360)</p>	<p>(3.860)</p>	<p>(2.850)</p>
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BUDGET CONSULTATION 2018*

<p>Specialist Care Services</p>	<p>The proposal is to move away from institution based care to local community based activities.</p> <p>The Council will continue to provide and develop services that reduce the dependency on social care including Enablement (rehabilitation), Equipment, Home Adaptations and Occupational Therapy services. Through partnership, it will develop opportunities to reduce cost and improve effectiveness through integration with health.</p> <p>As the Day Opportunity strategy and model is developed with service users, this will reduce the reliance on building based care to reflect the changing needs of people. This will include further consolidation of younger adults day care as demand for this provision reduces. Support and access to meaningful activities such as employment will continue. Carers respite will continue and a greater range of options will be developed.</p> <p>We will review the use and cost effectiveness of our Care Centres and bed-based services in partnership with Health and the independent sector to ensure these services deliver best value. We will continue to develop alternatives to bed-based care and invest in Shared Lives and Homeshare to deliver alternative living arrangements that promote staying in the community and independence and have a lower average cost than Residential Care Placements.</p>	<p>(1.058)</p>	<p>(3.176)</p>	<p>(4.233)</p>	<p>(4.233)</p>
<p>Adult Social Care & Health total</p>		<p>(3.508)</p>	<p>(12.879)</p>	<p>(24.113)</p>	<p>(31.896)</p>

BUDGET CONSULTATION 2018*

Service area	Summary of proposal	Latest Savings			
		2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Children & Young People (exc Trust)					
Education Psychology	This proposal involves the removal of the joint head of service post across the Access to Education and Education Psychology teams, plus an additional post from the Educational Psychologists team. In addition the service is working to develop a more commercial model of service to sell to other organisations and work is beginning to identify areas where investment may be needed to grow the business further to increase revenue.	(0.100)	(0.100)	(0.100)	(0.100)
CityServe	There are three components to CityServe. These are Catering, Cleaning and Caretaking. Catering is the only service that is profitable. The proposal is to: <ul style="list-style-type: none"> Expand the education catering business beyond Birmingham borders, as well as working up a trading model (CityServe select) that supports clients who choose to provide school meals 'in-house'. Stop the caretaking business and the cleaning business. 	(0.050)	(0.237)	(0.437)	(0.437)
School Setting / Improvements	This service delivers school improvement support as well as oversight of school governance; and safeguarding. It also covers a range of activity involving support to Head Teachers; data intelligence; legal compliance and Post 16 Provision. This proposal involves reducing expenditure on areas such as: IT, data and performance management, HR support and some commissioned contracts. Safeguarding and governance have been protected.	(0.246)	(0.246)	(0.246)	(0.246)
School & Governor Support	School and Governor Support (S&GS) is a traded service that provides professional support and advice to schools and academies. The service also carries out statutory duties on behalf of Birmingham City Council.	(0.020)	(0.020)	(0.020)	(0.020)

BUDGET CONSULTATION 2018*

	This proposal involves reviewing the current subscription model for the service.				
Schools Financial Services	<p>The service aims to reduce financial risk to Birmingham City Council by undertaking a monitoring role to ensure that financial probity, governance and accountability for the use of public funds in maintained schools is being properly managed.</p> <p>As a traded service, it generates income to meet annual targets through the offer of financial support services to maintained schools and academies. Schools Financial Services has been a trading service since 1996 and 85% of maintained schools buy financial support service packages that enable the income target to be achieved as well as generating surpluses of approx. £200k.</p> <p>The proposal is to reduce staffing of the service by one member of staff.</p>	(0.035)	(0.035)	(0.035)	(0.035)
Children & Young People (exc Trust) Total		(0.451)	(0.638)	(0.838)	(0.838)

BUDGET CONSULTATION 2018*

Service area	Summary of proposal	Latest Savings			
		2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Place					
Sport & Events	<ol style="list-style-type: none"> 1. Cease contributions to the cyclical maintenance reserve for Harborne Pool. Places for People who operate Harborne Pool on behalf of the council have an obligation under their full repairing lease to carry out cyclical maintenance therefore this contribution by the Council is no longer required. 2. The Harborne pool operating model has recently been granted 80% business rate relief. This will therefore release monies set aside under the Council's premises budget to cover rates. 	(0.170)	(0.170)	(0.170)	(0.170)
Parks and Nature Conservation	It is proposed to accelerate the commercialisation of parks and look at a wide range of options which could include (for example) land trains, adventure golf, high ropes, and car parking charges.	(0.200)	(0.400)	(0.400)	(0.400)
Bereavement Services	<ol style="list-style-type: none"> 1. Stop providing contracted services for organists. Families will need to book an organist through a funeral director. 2. Implement transfer fee for 're-opens'. This will normally be for the purpose of re-opening an existing grave either where there has been a previous burial or where the exclusive rights of burial have been pre-purchased in reserve and is being used for the first burial and the owner of the burial right is deceased. 3. Re-negotiate medical referees fee. 4. Increase burial and cremation fees by 3%. 	(0.383)	(0.383)	(0.383)	(0.383)
Engineering & Resilience Services	<ol style="list-style-type: none"> 1. Delete a (vacant) post in the Resilience Team. 2. Charge external third parties for use of our CCTV service, to bring in additional income to the control centre. 	(0.098)	(0.098)	(0.098)	(0.098)

BUDGET CONSULTATION 2018*

	<p>3. Stop the use of consultants, and recruit a permanent post for the statutory role related to planning applications in the flood risk management team. Government grant is provided for this.</p>				
Register Office	<p>Increase fees that are not set by law. This includes enhanced wedding/civil partnership ceremonies in the ceremony rooms; and weddings at approved premises where two registrars must attend.</p>	(0.172)	(0.172)	(0.172)	(0.172)
Waste Prevention	<p>It is proposed to combine the current waste prevention team with the redesigned waste prevention service within waste management. This allows for a whole place approach and delivers economies of scale by moving the current waste prevention team back into Waste Management to work alongside the new roles. This will enable taskforce activity alongside the daily work/activity of the Waste and Recycling Collection Officers in the new role to maximise the outcomes required, increase recycling and reduce domestic waste.</p>	(0.110)	(0.165)	(0.165)	(0.165)
Neighbourhoods & Communities - Libraries	<p>Charging for reserving books. This is where residents/library members are seeking to borrow an item (e.g. book, CD) not available in their local library. This may be because it is already out on loan or is held at a library elsewhere in the city. The item is then obtained and made available for collection at their local library. It can also be returned to their local library.</p>	(0.017)	(0.017)	(0.017)	(0.017)
Neighbourhoods & Communities - Youth Service	<p>The proposal is as follows:</p> <ul style="list-style-type: none"> • Retain current Youth Centres • Retain match funding for city wide European Social Fund (ESF) bid supporting young people • Deliver the £630k pressure through: <ul style="list-style-type: none"> ○ £450k an increased contribution from ESF bid ○ £150k if pilot work on 'Return Home Interviews' is successful and the Youth Service secures this work going forward ○ £30k other income streams such as the Youth Participation/Your Voice funding <p>To deliver the above ultimately requires positive decisions from within the City Council:</p>	(0.100)	(0.100)	(0.100)	(0.100)

BUDGET CONSULTATION 2018*

	<ul style="list-style-type: none"> • Seeking to increase the allocation of work to the youth service from the ESF bid from £300k to £450k (Economy) • The Youth Service pilot being successful and then being Commissioned by Children's to carry out the work when the current contract ceases • That Commissioning/Public Health continue funding the Youth Participation work in 2018/19 <p>In addition to meeting the £630k pressure a further £100k general efficiency is delivered by the service.</p>				
Neighbourhoods & Communities – Community	Progress the closure and disposal of Newtown Community Centre and retain the revenue value of the capital receipt to deliver savings; transfer responsibility for the Friends Institute Trust for which BCC is Custodian Trustee to a third party; and let Coronation Play Centre to an external not-for profit organisation.	(0.040)	(0.120)	(0.120)	(0.120)
City Centre Management	Charge businesses for a licence to display A Boards (outdoor advertising boards) on the city centre public highway.	(0.030)	(0.030)	(0.030)	(0.030)
Housing Options	Stop using Bed & Breakfasts to provide Temporary Accommodation for households. Instead, use other (less costly) options, such as properties leased from private sector landlords and council-owned properties.	0.000	0.000	(0.500)	(1.009)
Shelforce	Shelforce manufacture PVCu windows and doors, and supply these to the construction companies contracted to replace windows and doors for the council's social housing. Our employment model is to support people furthest from the employment market while having a totally integrated work force, and currently 75% of Shelforce's workforce have disabilities. The proposal is to increase its trading activity to generate more income. This includes providing windows and doors to existing social housing and new housing built through the Birmingham Municipal Housing Trust.	0.000	(0.050)	(0.050)	(0.050)
Place Total		(1.320)	(1.705)	(2.205)	(2.714)

BUDGET CONSULTATION 2018*

Service area	Summary of proposal	Latest Savings			
		2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Economy					
Birmingham Property Services	Manages the Council's operational property portfolio. This proposal is to reshape and reduce staff capacity by 10%. This will mean reducing some areas of current activity - including the management of operational buildings and support the team provides in ensuring vacant possession of assets is obtained prior to disposal.	(0.173)	(0.231)	(0.231)	(0.231)
Employment Services	<p>Employment Services deliver the following.</p> <ul style="list-style-type: none"> • Employment Access - supports businesses to recruit unemployed job seekers from deprived parts of the city. This function also brokers the support provided by employers for young people in respect of Youth Promise Plus activities. • Youth Employment - reduces the number of young people Not in Employment Education and Training (NEETs) including delivery of 'Youth Promise Plus' - a European funded project. • This proposal intends to make a saving by removing 1.8 FTE vacant posts from the staffing and delivering the remaining balance by recharging permitted delivery costs to externally-funded projects. <p>This would:</p> <ul style="list-style-type: none"> • Retain the necessary resources to manage and deliver the current Youth Promise Plus project • Maintain the necessary staffing levels to draw together a further £23m to deliver employment schemes for low skilled adults and young people not in employment, education and training. 	(0.114)	(0.114)	(0.114)	(0.114)

BUDGET CONSULTATION 2018*

Housing Investment & Development	The proposal is to reduce the level of support to monitoring of housing association development activity.	(0.005)	(0.005)	(0.005)	(0.005)
Business Enterprise & Innovation	<p>Business Development and Innovation's (BDI) delivery model competes on a national and regional basis for grant funding for the region which requires City Council revenue match funding as a minimum. As the Accountable Body it uses the staff salary match funding to generate - on average - 55% of its income.</p> <p>A reduction in revenue budget for match-funding will reduce the ability to generate an equivalent sum in match-funding to deliver new programmes. The reduction is equivalent to two existing Grade 5 vacant posts which will be designated as 'self-funding' in the organisational structure and only recruited to in the event of new funding being identified.</p>	(0.105)	(0.105)	(0.105)	(0.105)
West Midlands Growth Company [Marketing Birmingham]	<p>The WMGC has a contractual relationship with the Council for the period 2017/18 to 2019/20 to deliver services in respect of promoting the city's visitor economy and supporting the city's economy and occupier offer by attracting additional businesses to relocate to the city.</p> <p>The proposal is as follows:</p> <ul style="list-style-type: none"> • Either end financial support for visitor economy or occupier attraction services from 2018/19. • Continue financial match support for WMGC's European Regional Development Fund (ERDF) Investing in Greater Birmingham project up until 2018/19. • Continue financial support for developing / delivering tourist information services at the Library of Birmingham. • Continue funding the annual contribution for pre-existing pension fund liabilities. 	(0.227)	(0.576)	(0.576)	(0.576)

BUDGET CONSULTATION 2018*

<p>Planning & Development</p>	<p>The service involves the following.</p> <ul style="list-style-type: none"> • Planning Management – determination of planning applications; planning appeals; enforcement; city design and conservation. • Development Planning – development and delivery of planning frameworks; compulsory purchase orders. • Policy and Programmes – production and monitoring of planning, transport and economic policy; programme management and bids for transport funding. • Corporate Director and Graduate & Apprenticeships programme <p>The Proposal is to cut 20% of the budget but to minimise impact on performance and delivery (especially around the priority areas of housing and jobs) with savings delivered by reducing headcount at senior management level (deletion of the Head of Planning Management and Householder Planning Manager roles), and reducing structure funding for a defined number of vacancies.</p>	(0.333)	(0.333)	(0.333)	(0.333)
<p>Transportation & Connectivity</p>	<p>The service includes:</p> <ul style="list-style-type: none"> • Infrastructure Delivery: Design, procurement and on-site delivery of the Transportation Capital Programme; Department for Transport Major Projects (£110m); Local Growth Fund (£35m), High Speed 2 (HS2) Connectivity Package (£1.2bn); Cycling (£20m); Public Realm (£20m); Management of private developments S278/S38 (£5m); • Project Delivery: Major regeneration projects and programme management office (e.g. Battery Park, Smithfield, Snow Hill); • Travel and Behaviour Change: Road safety education; safer routes to schools; sustainable transport; Birmingham Connected messaging around major developments and network disruption to influence people to change travel methods 	(0.213)	(0.300)	(0.300)	(0.300)

BUDGET CONSULTATION 2018*

	<ul style="list-style-type: none"> • Traffic Management: Development control; compliance with Traffic Management Act and network management duties; managing works on the highway; traffic regulation orders, street works coordination, permit scheme and HS2 construction; • Statutory Information: maintenance of statutory planning and highways registers, street addressing; and • The Council's contribution to the WMCA Transport Levy totals £47.667m in 2017/18 <p>We will class Traffic Management Approvals as a fundamental part of delivering the projects and as such we will include the associated costs within the overall project cost, subsequently funding them from capital as a part of the project implementation cost.</p> <p>An increased recharge target (60%) for the Head of Traffic Management will be applied along with a 20% target for the Assistant Director. In addition, activities in the Travel and Behaviour Change team relating to broader community engagement, schools, road safety and sustainable energy promotion would be scaled down.</p>				
Property Strategy	The proposal is to provide additional income from the Council's commercial property portfolio.	0.000	(0.500)	(1.000)	(1.000)
Economy Total		(1.170)	(2.164)	(2.664)	(2.664)

BUDGET CONSULTATION 2018*

Service area	Summary of proposal	Latest Savings			
		2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Strategic Services					
Commissioning and Procurement - Business and Commercial Development Team	This service generates income from contract management and advertising on Council land and property. The proposal is to generate more income through re-negotiation and/or re procurement of existing contracts and reduce headcount through voluntary redundancy.	(0.328)	(1.028)	(1.165)	(1.245)
Benefits	The Council's Benefit Service administers the Local Welfare Provision payments that enable the Council to provide financial support for vulnerable people in the city who find themselves in financial crisis. The proposal is to reduce local welfare provision in community support grants as it is currently within this area of Local Welfare provision that 90% of the available funds are utilised. This will leave crisis support untouched.	(0.500)	(0.500)	(0.500)	(0.500)
Customer Services Citizens' Voice	The Citizens' Voice Team have transferred to Customer Service in the recent transfer of support staff into Strategic Services. The team consists of 14 staff (13 FTE). Following the corporate redundancy trawl five staff (4.75 FTE) successfully applied for voluntary redundancy. All had a final day of 31 October 2017. The engagement activities undertaken by the team are under review with Adult Social Care to ensure they best meet the needs of Citizens and Adult Social Care service users with changes to be implemented during 2018.	(0.268)	(0.268)	(0.268)	(0.268)
Strategic Services Total		(1.096)	(1.796)	(1.933)	(2.013)

BUDGET CONSULTATION 2018*

Service area	Summary of proposal	Latest Savings			
		2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Corporate					
Efficiency	Services will be required to adopt a range of efficiency measures in order to deliver services at a reduced cost.	(5.665)	(5.665)	(5.665)	(5.665)
Commercialisation	Developing a more commercial mind-set in the Council's approach to services.	(1.000)	(2.000)	(2.000)	(2.000)
Corporate Total		(6.665)	(7.665)	(7.665)	(7.665)
Total Directorate Savings Proposals		(14.210)	(26.847)	(39.418)	(47.790)

SECTION 5

How you can have your say on these proposals

HOW TO HAVE YOUR SAY

The formal budget consultation for 2018+ closes on 15 January 2018:

To let us know what you think fill in our online survey at www.birminghambeheard.org.uk

If you would like to request a paper copy of the survey please email:
budget.views@birmingham.gov.uk

Or write to: Budget Views, Room M49, the Council House,
Victoria Square, Birmingham B1 1BB.

You can also attend the public meeting on:

- Wednesday, 10 January 2018
6.00pm to 8.00pm in the Council House
Victoria Square
Birmingham B1 1BB.

To book your place, visit: birmingham.gov.uk/brumbudget18

We cannot respond individually to comments made but all views will be recorded and incorporated into a full report to be taken into consideration when councillors take their decisions on Birmingham's budget.

Please note that this document is part of the corporate consultation and the overall budget proposals. Consultation with specific groups of service users is also taking place where appropriate.

The immediate process for taking forward these proposals will be to carry out consultation with employees, members of the public and other stakeholders as appropriate whilst service led equality impact assessment will take place with reference to each proposal. All the information will be available to the council's decision makers in order to ensure that they are fully informed of relevant concerns prior to decisions being made.

ALTERNATIVE FORMAT?

If you would like a copy of this document in an alternative format, please email: budget.views@birmingham.gov.uk