

**BIRMINGHAM CITY COUNCIL
BUDGET CONSULTATION 2014+**

Erdington Public Consultation Meeting Report

Held at St Barnabas Church, Erdington on 10 December 2013

Introduction

The meeting was attended by 54 people.

The meeting started with a presentation by the Council Leader. It was followed by a question and answer session with a number of questions being taken together and then each question was answered by the relevant member of the Council Cabinet on the platform. This report consists of a summary of the key points made by attendees. This is followed by a more detailed summary of each question asked (in black) and a summary of the answers given (in blue).

Summary of Issues Raised

The **main theme** of the meeting was **major concerns about the impact of savings on vulnerable people**, raised by six of the 18 people asking questions or making comments. Concerns were expressed that many will be forgotten and end up in hospitals and other institutions when in crisis. Many service users were very worried about what it all meant for their future care, one speaking out at the meeting, and their fears needed addressing now. Furthermore, demand for services would go up as the population aged. Support was often too short-term with a neglect of needed 'step-down' support. One attendee criticised the needs assessment process. A member of the Supporting People's Citizens Panel said that, while he recognised the Council's financial position, cuts should be made carefully allowing for the development of new, more efficient but also effective services such as the proposal for a floating support worker.

This theme was linked with scepticism over the **ability of volunteers and voluntary (third sector) organisations to fill the gap** left by cuts to public services. One attendee saw a risk that volunteers would just substitute for and therefore undermine paid jobs. There was also **concern that transferring assets to voluntary organisations** to deliver services (called community asset transfer or CAT) would actually involve transferring liabilities because of maintenance, refurbishment and similar needs of the properties they receive.

While there was support for the ring-fencing of **children's safeguarding services** and the extra £9.2m that was being invested here, concerns were expressed that cuts in other children's services, such as in the number of educational welfare officers, would undermine safeguarding.

One attendee highlighted spending **cuts to some Children's Centres** that was having a detrimental effect. There was also a call for **better streamlining of teams providing children's services** as it was felt that there was duplication and a lack of talking to each other.

Issues around **large private sector contracts** were raised by three people who felt that they were not facing the same budgetary pressures as internal Council teams and that public money was being syphoned off in profits for shareholders. The **Veolia waste contract** was singled out because it was not being cut-back despite a belief that it was very lucrative for Veolia and because it was felt that the Council should not contract with firms that broke international law such as working in illegal Israeli settlements in Palestine.

Pressures on Council Departments to contract with **Acivico**, a private company set up by the Council, were seen to be adding to costs by one contributor.

Three questioners argued for **refusing to implement the cuts** and the setting of a needs/deficit budget together with a major campaign against the cuts involving the people of Birmingham.

A concern was expressed about cuts in funding for **parks and green spaces**, including removal of play areas. These were seen as essential for health and well-being.

One person decried reductions in the home and mobile library service and in **local libraries**. While he supported the New Library, there needed to be a balance with the much less costly community library services.

One contributor complained that cuts to staff in the **Benefits Service** were leading to backlogs and delays which impacted upon vulnerable people.

One attendee expressed worries about the **impact of decommissioning sexual health, teenage pregnancy outreach and other public health services**.

Notes on Questions and Answers

Q 1.Green paper proposes local communities can support vulnerable, what evidence is there of the availability of support in local communities? Is relying on charities reliable, effective and safe for vulnerable members of community?

Q2. If services that are preventative are reduced people will be forgotten. What is there in place to stop them being forgotten and ending up in hospital or similar?

Q3. Parks and green spaces usually the first to be cut as not seen as important. They are essential as it encompasses everything health and wellbeing. Will there be more cuts to park keepers, removal of play areas and so on?

Cabinet responses:

There is no doubt that capacity is reduced and we need to try and build it up, but there is an officer team working on picking up community and third sector organisations' offers to help and examining the extent to which we can deal with the needs of vulnerable people through the 3rd Sector and volunteering.

There is £2.6m proposed saving against parks. We already have substantial volunteering in parks and are hopeful that we can protect park activity and do more. There are various ways to achieve savings including reducing park keepers, rescheduling grass cutting, closing play areas etc., but we are interested in suggestions from the public about how to do things differently. We will listen to any suggestions.

These are concerns for the administration also, for our long term journey, which is why Stand-Up for Birmingham (#su4brum or SU4B) has been set up. The budget we are consulting on this evening will not fundamentally be removing services but seeks to make much more efficient use of what we have e.g. integration into single pot of 3rd Sector Prospectus, Supporting People, and Public Health to eliminate duplication, inefficiency and to make services simpler for people to access.

Q4. Benefits Service has lost quarter of staff and is top heavy with management. It's a front line service. How can you justify cutting the staff and allowing backlogs to build up affecting vulnerable people?

Q5. A theme in SU4B is about getting involved and Community Asset Transfer. How does the Council ensure that organisations, when they take on assets, don't take on liabilities too? What happens to the services that are currently operating from the assets?

Q6. Lots of information about Troubled Families at the moment but funding has been targeted at intensive short support, so what will happen to step down support that families will continue to need, including Home Start?

Cabinet responses:

Home Start is an important part of the Birmingham approach. The Council has inherited contracts from primary care trusts (PCTs) as part of its new responsibility for the public health portfolio. The Council is now looking at what works and provides consistent support across the city. There is a whole network of charitable voluntary organisations that can be involved so we're looking at how best to support activity and allow it to continue.

The Home Start work is part of a wider 'troubled families' initiative, tackling ongoing support needs of certain families in the city, but we need to shift spending to the preventative arena. We need to look at whether we can release long term savings. The programme structures in payment by results which means that the Council has every incentive to make this work but it is an open question if we can release longer term savings via lowering needs.

Council-owned buildings are not being used to their full potential, so the driver is to rationalise buildings. On a case-by-case basis we will talk to organisations about such matters including maintenance backlogs etc. If interested, talk to your District Chair as each building is different.

Support services are front line services that are being delivered. If we don't collect Council Tax we add to the problem we have financially and are unfair to households that do pay their Council Tax. We have provided extra capacity to deal with the extra problems of the Council Tax Support benefit and the bedroom tax. BUT this area needs to be scrutinised for £2.4m cuts and savings. We're looking to do cuts via driving efficiencies rather than reducing services. We will continue to help people to receive the benefits to which they are entitled.

Q7. Mencap's service users are concerned about scary information about cuts on the news and how it will affect them. Are there any consultation events that will be easier to understand for the people who need that? A service user added: What will the cuts do to us who are vulnerable?

Q8. People are affected by bedroom tax, food poverty; some people are working hard to keep services running via goodwill and limited capacity. You are saying further closures, services running on a shoestring, how will we get things back from private companies after services have been closed down?

Q9. What does SU4B mean? The Council is blaming the coalition government but Labour is committed to making the cuts too. It isn't a temporary but a permanent reduction. Isn't it about replacing paid workers with volunteers - we expect properly trained and paid staff. SU4B is complete capitulation to the 'Big Society' and getting people to do everything for nothing. SU4B should mobilise people to take on the government, refuse to set a budget and lead a nationwide campaign to stop the decimation of local government.

Cabinet responses:

We will set a legal budget and it will balance. We will do that so we don't give the Government the opportunity to send people in to administer Birmingham as they see fit. That would make things worse and would be out of our control. We do not like or relish the prospect of cuts now and in the future, nor that services and facilities will go. But we will try to act fairly on behalf of the people of Birmingham as a whole and enlist support of those who can help us make good some of the cuts and savings we have. Cuts are being exacted on every local authority but not fairly. We have lost £149 per resident. National average is £79 per head. In Wokingham it is £19 per head. Consequence is that there are People in city already suffering and will suffer more, but equally we can only pour out what we have got in, and try to do it as fairly as we can.

In the past we recovered when nationally the government started allocating on the basis of needs. If we can get through this to the next Labour government then there might be some respite. We are already lobbying to build services up again.

There will be a bespoke consultation event on 8th Jan for people with learning difficulties. We are consulting on the budget generally, but we have a responsibility to consult with individuals and clients in bespoke way on the specific services they use.

We have been benchmarking and looking at good and bad trends. In Birmingham we rely on residential and institutional care in a way other local authorities don't. We can create models to support independent living to support better quality of life, more dignity etc., **and** save money, by ending some residential care.

Q10. The Supporting People Citizens Panel is concerned about possibility if cuts but we do support Step 2 proposals for city wide floating support system. It does work if it's done properly. Recognise that cuts need to take place but there will be a growing number of older people many of whom will want to live in their own homes. It will be a sad day if vulnerable people suffer from cuts.

Q11. Is BCC protecting vulnerable people? SU4B is vacuous - where is the protest? It is a cover for doing nothing. The city is failing on child protection. There are 108 social worker vacancies that threaten children of Birmingham. £13m cut in children's services so actually providing less protection and less services. Public health decommissioning including sexual health and teenage pregnancies. Education welfare cuts: these officers can identify children at risk, harmed and beaten. Reduction in staff is an absolute disgrace. 160 people employed previously, 19 now. The Labour Party is complicit in the total failure to protect children.

Q12. Council speaks of inclusivity, equality, opportunity – the reality doesn't match rhetoric. Attempts to cut home and mobile library service taken up by partially sighted people, how does this fit with equality of opportunity? Support for the Library of Birmingham but shelves are empty and it cost £809m and it would be £4 to refurbish community libraries: how can you justify the cut? Look at the big contracts (Amey, Capita, Veolia) which are squandering money to pass onto shareholders. Need to ask why isn't something done to curb private sector excess. We want the Council to stand up and fight and protect vulnerable people. If you refused to implement cuts people would be behind you in large numbers.

Cabinet responses:

Thanks to the Supporting People Citizens Panel for their work and acceptance of step 2 cuts. Teenage pregnancy work is a success and the teenage pregnancy rate is now below the national average. Things are in place to support young women as they make choices. We are reviewing the £20m public health budget transferred from the PCTs. We have embarked on wide spread consultation with professionals as we need to maintain work that

we've done. We're proposing no changes in spend next year, but in future years there will be changes.

Education Welfare posts were moved into Family Support Teams to work across disciplines. We have made the decision that safeguarding can't go on being underfunded as it has been for so many years. So it has been ring-fenced and budget increased by £9.2m. We will use the money to pay Social Workers properly, bring systems up to speed, purchase equipment and make sure that children in the city are safe. There are 600 social worker posts and 87 vacancies. We need to get more great social workers, so we're investing in that.

We're proposing to reduce the PFI contract with AMEY but need to be careful as it is an arrangement between ourselves, AMEY and central government. If we take too much money out, we are at risk of the government doing the same, although we are looking to reduce the cost.

The Budget for the New Library of Birmingham is £12m annually; for local libraries it is £5m. We're proposing a reduction and we are trying to find efficiencies in the new building's operation. We will continue to negotiate with the Library of Birmingham Trust about how to raise the money to fill the budget gap. There is a stock of books still to be put on the shelves – it is a matter of logistics as so many people have been using the New Library which means staff haven't had the time to put all the books out.

£20m will be taken out of the Capita contract (Service Birmingham). It was signed in 2006, in a very different environment and we are now looking to get £20m from the core budget although there are other areas where we may be able to find further budget reductions.

Q13. Where is the ring-fence for safeguarding? Safeguarding is not just Social Care. How far does £9m go to address years of underfunding?

Q14. Veolia contract and the waste management contract are out of controllable spending. The Veolia contract is profitable, so where is there a cut/charge for green waste and bulky collection? Why are you dealing with Veolia, a company which profits from Israeli illegal settlements in Palestine? When there is a new contract, don't contract with it.

Q15. Council should open the books on AMEY/ Veolia. As it is under public control there should be an open book examination.

Q16. The assessment process is seriously flawed for people with disabilities, so how can you say we have identified 1000 service users on p6? How can you make changes without doing the assessment and meet legal obligations?

Cabinet responses:

The AMEY contract goes back to 2001-2 and the need to upgrade roads, pavements and street lights. The only way we could put money together was to go down the PFI route. It took 4 years of negotiation with central government. We are now, as a city, in a better position for having the contract as it is delivering, but we need to make it as efficient as possible. We built in upgrades so 10 years down the line we will be better in Birmingham than elsewhere.

In broad terms we spend £80m pa on household waste. Some elements are controllable and others non-controllable. We're coming to the final period of the 25 year contract with Veolia. We will have a windfall of about £10m by 2019. We need to look at what we can

control now; green and bulk waste charges are the only ways we can meet the challenge for next year.

The safeguarding ring-fence is around front-line social work. £9.2m is what is needed to bring the service up to standard to make it safe, so we went away and found it.

Three years ago the Council lost a Judicial Review on eligibility criteria for adult social care because it had not consulted adequately, so consultation is important. We have set out very clearly that we are **not** proposing to remove access to care services if you have substantial but not critical needs. We will continue to meeting substantial and critical care needs.

In the longer run, especially regarding elderly social care, we're looking to government to come up with a national consensus around how we legislate around care. We have also carried out some independent assessment. We are spending way above average when benchmarked against other councils and we need to find ways of reducing our spending. We do fund some expensive and inappropriate models of care which we need to review.

Waste was seen differently in 2000 in terms of green issues and ethical procurement. Now we have a Business Charter for Social Responsibility which has a set of principles that all companies working with us will have to abide by. This includes paying a living wage, being green and sustainable, having partners in the community, and ethical procurement including respecting human rights. We now have a framework to judge potential suppliers. The legal issues re Veolia are very unclear, but when we retender we will make sure they are clearer.

Q17. We should be defending services. Don't agree that Wokingham and Sutton should get equal cuts. We need a united campaign against cuts everywhere and not to divide and share out the misery. What if workers refused to work in Councils up and down the country? Council should use reserves and budgets to do what it needs, people will then get behind us. A united movement would stop Tories in their tracks. Need to stand up and fight.

Q18. How is the Acivico contract cost effective as we have saved money (in Children's Centre) by not contracting with Acivico? Services in CYPF have not been streamlined - there are no links between social care, CAF and the Family Support Team: we don't talk to each other. There have been Children Centre cuts year on year - 20% to 30% cuts.

Cabinet responses:

The District Committee budgets will be based on deprivation and need. We were trying to move away from historical budgets, and towards a needs based budget. We are trying to be fair and to protect the most vulnerable in the city. Where there is intervention by the City Council, subsidy will go into areas where the market does not provide.

The City Council has a large reserve that is allocated to PFI contracts, school reserves, insurance etc. We can't touch these reserves. Our allocated reserves are small; our auditor says they are too small. We have put more money into reserves to safeguard ourselves against something unexpected happening. Using our reserves is not the solution to the problem and would be very short lived.

The city has to find ways of getting people into work. We are a young population with a high level of youth unemployment. Jobs are a very big priority. We need to deliver the agenda for future employment and growth. We can only do this by doing things differently and it isn't just BCC that takes this on board. We have set up a multi-agency team linking our Jobs Fund with the DWP and the National Apprenticeship Service. We called for 1,000 apprenticeships from Birmingham businesses and we got 1,500.

We also need to build new 80,000 homes, create 30,000 additional school places, and 100,000 new jobs. This is the agenda to deliver on, with different ways of tackling it.

Acivico is wholly owned by the City. It enables us to trade outside of Local Government e.g. to other councils and in the private sector. Profits come to the Council, so it is a way of safeguarding jobs. (An attendee intervened to say that recharges to BCC by Acivico ratchet up costs, taking money from Peter to pay Paul.) Business was guaranteed for a certain time to give it stability to move off into private sector, but we are examining all details to see what's best in the long term for the Council in respect of overall net income.

There was a 10% cut across the board to Children Centres last year, with some facing larger cuts than others. The Centres funding is allocated on the basis of need. There have been no closures of Children's Centres or Council-run nurseries in the last two years. Early years is a messy sector and is a lottery, so in January we are doing a full 6 month review to try and stabilise and get it to work efficiently, and get it right. Not right at the moment. Agreed that services are not talking to each other and this needs to be tackled.

£12m is currently paid out of the General Fund, but it will not be out of the Direct Schools Grant. We'll pay for same things from a different pot of money.

The Leader closed the meeting thanking attendees. We didn't want to be in this situation, but we will bring forward a balanced budget. All contributions and views will be taken into account.