

**BIRMINGHAM CITY COUNCIL
BUDGET CONSULTATION 2014+**

Handsworth Public Consultation Meeting Report

Held at the Nishkam Centre, Soho Road on 12 December 2013

Introduction

The meeting was attended by 60 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

A major theme at this meeting was the **impact on young people** which was raised specifically by five of the 19 people who spoke from the floor with others referring to the high youth unemployment in the city. One person pointed to the worrying cuts to a number of educational support services to schools and the reduction in the number of educational welfare officers which would increase absences. Another welcomed the increase in resources for safeguarding but that some of this would be undermined by cuts to youth services. A complaint was made about a cut to a youth club in Erdington. The risks of taking Connexions staff out of the Youth Offending Team were highlighted by another attendee.

Concern about the future of **sports centres and swimming pools** were expressed by five people with three focusing on the **Laurel Road Centre**. Concerns were around a loss of facilities, the lack of information, that centres would be run down through a lack of investment in maintenance and then handed over to the private sector despite major volunteering investments by local communities, and transferring the Laurel Road Centre to a community organisation was not viable without Council funding. One person suggested that profits on sports centres should be shared with local communities.

Three contributors raised concerns about Centro's proposals to cut **Ring and Ride** which, some said, emanated from the Council's proposal to make savings on the transport levy. The contributors said that this would impact heavily on older, frail people and people with disabilities for whom the Ring and Ride service was a lifeline to the outside world and social contact. Cutting Ring and Ride would lead to an increase in residential care rather than the decrease aimed for in the Council's proposals.

Concerns about the **outsourcing services to private contractors** were raised by four people. Comments ranged from the large profits made by Veolia on their 25 year waste collection contract and the need to renegotiate or end this contract in the context of Birmingham's business responsibility charter because Veolia is helping Israel with its illegal settlements; through a need to see the figures on these contracts so that decisions on whether they can be brought back in-house can be made properly – a report was quoted that said it would be cheaper to bring the Capita/Service Birmingham contract back in-house – to a comment that large private firms always do well out of contracts because they have better lawyers.

There were four interventions calling for the Council to 'just say no' to the government's cuts and for a **more vigorous campaign** by the Council with petitions, mass meetings and a joining up with other cities to protest to government.

The importance of meeting the **needs of vulnerable people** in the city was an underlying theme of many of the contributors with one saying that the cuts would just pass problems onto the NHS and that we needed a proper assessment of needs. Another highlighted the failure to introduce drop-curbs on pavements throughout Birmingham which was hindering access of wheel-chair users to city facilities. Being passed from pillar to post when phoning the Council does not help people with disabilities either.

A concern was expressed that the Council was considering **decommissioning pregnancy outreach services** as part of the review of the public health initiatives it had inherited from the health service. The speaker from the floor explained that this service also helped address issues of high infant mortality rates.

Concern about the cuts to **the parks budget** was raised by two people, one asking: *'Birmingham wins awards for its parks; are they now going to go downhill?'* The huge volunteer effort by 'Friends of the Park' groups was highlighted but that volunteers could not substitute for park keepers.

Cuts to **libraries** were raised as a worry by one attendee.

One attendee called for the Council to ensure a 100% collection rate for the **Council Tax** collection while another said that the structure of this tax should be revised as it hit poorer people more than wealthier people.

The Council's **'soft' loans to the NIA, Warwickshire County Cricket Club** were questioned by one questioner who argued that they should pay commercial rates.

The holding of **District Committee meetings** in the city centre rather than in the relevant District was criticised by one person. Another asked about the distribution of reductions in **District budgets** and whether these were being **weighted by relative deprivation**. He also asked about the extent that relative distribution within a District would be taken into account in District Committee spending decisions.

Notes on Questions and Answers

Q1. Leisure services – new pools will go out to private contractors. Could you expand on how you are going to go out with these and when they will come back? How are you going to fund that? E.g. Moseley Road Baths.

Q2. Volunteering already takes place in this local community. Volunteering is no substitute for properly paid workers and proper services. We will be losing park rangers, play areas, community centres and parks. We will go back to the "bad old days"; libraries will be taken out of service. We want to stand up for Birmingham but should do it by not implementing cuts. Why doesn't Birmingham together with Manchester etc. just say no? This plan is bringing chaos to the City.

Q3. Has there been a service review of the benefits of the Ring and Ride service? A line in the Council's budget proposals says we're going to save significant amount on the levy to transport authority. There are only two places it can come from one of which is the Ring and Ride service. Vulnerable, elderly people use this service to get out. Removing the service

will require more care in their homes or move to care centres which will cost more than the Ring and Ride service.

Cabinet responses:

- We will not be setting a deficit budget. No other authority is contemplating this. The consequence would be no budget and the government would step in and impose a budget. Any councillor who willingly takes forward illegal budget will be disqualified. It will not happen in Birmingham or anywhere else in country. Not sure if general election will have an impact in 2015. Government not likely to want to go into general election with some councils going bankrupt. Would rather do cuts through Labour administration which will look to keep essential services. New Homes Bonus – given to authorities that build new homes. – George Osborne top sliced it and gave it to smaller district authorities. This was a political move as these authorities are Conservative. Cuts for Birmingham are £149 per head, £79 per head average across UK and £19 per head in Wokingham. This is not fair.
- If we accepted the Heritage Lottery Fund grant for Moseley Baths, we would still not have enough to maintain them. We would need 3 times that amount. Better to invest that money across the City e.g. new baths in Sparkhill which will service people in Moseley. Harborne Baths is being operated by the private sector at no cost to City Council. It will be open with admission prices and conditions set by BCC. BCC is losing hundreds of thousands of pounds on our old baths. Therefore we are finding a way to invest £36m, a loan which is serviced by savings from not paying for baths. The new facilities will guarantee sports and leisure facilities for next 20 years.
- Cuts in parks are not comfortable with BCC and as part of the consultation we are looking for alternative way to support parks.
- Ring & Ride – Transport Authority has a controllable element to its budget although of £145m, £87m is not controllable as it funds OAP bus passes. The required £14m savings has to come out of remainder. 20% already cut which only leaves child services and Ring and Ride. Need to do equality impact assessment. Possible that Districts themselves could take on service and run it for their area. All difficult decisions. Centro and the Council want to give public opportunity to comment and make suggestions.

Q4. Why don't we look at the young unemployed as volunteers? They could develop a trade and help a service. Ring and Ride – has a family member who without Ring and Ride would be dead because it takes her to groups and events. Without Ring & Ride people will be stuck in their home and the need for residential care will increase which is the opposite of the proposals on p 107 of the White Paper.

Q5. We have been told that Service Birmingham would be tackled in the past but we're still spending money on them. People who are blind need Ring & Ride. There's no justice in the Council Tax rates. We pay the same rates as the wealthy. You should re-structure the rates and impose a mansions tax. Why are we giving soft loans to the NIA, Warwickshire County Cricket Club? They should pay commercial rates.

Q6. Outsourced contracts are seen as more work done for less money and a better service, but it's not true. The 25 year contract with Veolia for waste management should be renegotiated. They cost £35m per year and they have made £8m profit over 2 years. There is an international campaign against Veolia because it is helping Israel and its illegal settlements. Birmingham has a charter for corporate responsibility, so it needs to look at this contract in the context of this charter.

Cabinet responses:

- We can't force anyone to become volunteers. We do support young people to find work. We have set aside £2m for a single jobs fund. Working with DWP and the national apprenticeship service, we put a bid in to the Government's Cabinet Office and won £4m for this jobs fund. Working from a single multiagency office, we've been more successful in creating job opportunities than central government schemes. Targeting young people from high unemployment areas. We set a target of 1,000 apprenticeships to be offered by businesses in 100 days and achieved 1,500 apprenticeships.
- We would welcome a restructuring of how local government is financed. We have a £3,500m budget. A lot goes to schools etc. What we have left as a 'controllable budget' is £1,200m (net budget). Only 30% of that comes from Council Tax and the rest comes from central government. Taxes should be raised locally and not nationally.
- Veolia contract ends 2019. We have sought reductions in the contract sum. Nobody in their right mind would sign a contract like that now but it was signed in different times when no one wanted waste. Now waste is a valuable commodity. BCC gets money from waste paper and the remainder is owned by Veolia. However, there is a contract and to get out we would have to pay. We will move to negotiations of what happens in 2019, when we will get the plant back. The view now is that we shouldn't be burning waste as there are other ways to deal with residual waste. We're looking at options and have not yet made decisions.
- We have a business charter for social responsibility which we are proud of. It includes a living wage, local jobs and social responsibility. In future contracts these will be further enforced.
- People with substantial and critical needs will be assessed for transport and the cost will be picked up by BCC. Impact assessments will be made of further isolation issues and we are consulting. The 27 members of Independent Transport Authority are legally responsible for the decision.
- Service Birmingham – We're negotiating for a £20m reduction and looking at what we would have to do to end the core ICT contract. We would need to find money to terminate the contract and set up an in-house IT service. We need to consider what would deliver the biggest saving.
- The loan to the cricket club (WCC) is at commercial rates. There has been a decision to restructure the loan because they have potential problems with repayment. WCC are partners. If we foreclose on the loan it will mean no international cricket in the city. It was a sensible decision to restructure the loan over a longer period and WCC will not pay less than if we'd not restructured.

Q7. There is a question of democracy. Devolution of power to District Committees re cuts but they meet in the Council House at time that people can't attend. We're not investing in community facilities due to no maintenance budget and then we say they need to pass to private sector because run down. There is an example in Handsworth of an old people's homes being closed and then turned into private sector run homes. Employees should not be asked to work for nothing – they have the skills, are being let go and then we're asking them to volunteer. E.g. the Laurel Road Centre. Community has worked hard and now the money will disappear. If we all work for free how will we be able to pay to attend private leisure services? The Labour Party should resist the Conservatives through mass resistance.

Q8. Birmingham wins awards for its parks; are they now going to go downhill? Will City centre parks take all the finance and local parks go downhill? Friends of the Park put money into the service. If we lose our park keeper we will go back to bad old days. Volunteers are pensioners and we need park keepers.

Q9. Ward Committee meeting to discuss saving Laurel Road centre. Education cuts on Outdoor Learning Service, City Learning Centres, schools and setting support team (8 people covering 400 schools), early years and children's centres. Schools hard pressed in their budgets. Education welfare service currently has 19 staff – cuts likely to mean more absence by pupils. Yet the Council is planning to give another half million to Capita to run a scheme to support schools. We need a Birmingham petition and mass meetings, to say to government we won't stand for cuts. On the Capita contract, a report by David Bailey says we would save more if we pulled out of the contract, paid the penalties and opened up invites to other organisations to bid for a pared down service. This would make savings. But we need to see the figures in the Capita contract: publish them.

Cabinet responses:

- Capita proposal is a leak and it was never on the cards as a serious proposal to give half a million pounds to Capita.
- Direct Support Grant and money to schools. The government gives money to the Council and it is distributed to schools. In addition, we take money for PFI, children's centres, etc. out of our general fund so we're subsidising schools. We're up against tough cuts. That's why we're looking at cuts – funding will continue from a different pot.
- Outdoor Learning and City Learning Centres trade with schools but schools don't buy back this service so they don't make money. Schools buy from others and therefore these services are running at a loss.
- No cuts to front-line safeguarding staff are proposed due to the city's past safeguarding failures. We've spent a lot in schools but safeguarding has been under funded. We're looking to put money into those services.
- Capita - assumptions were made in reports without knowing BCC requirements and details. We can't publish confidential details of contracts.
- District Committees determine where, when and what time they meet. Web stream service in place so many more people watch meetings through web streams. In excess of 1,000 people – puts democracy in place.

Q10. Youth offending service – looking to take Connexions out and have reduced Connexions workers. Young people already find it hard to find jobs and need support from Connexions workers. They will find alternative means to make money. Need education and jobs to get kids out of crime. Only way to get education is in custody but they get nothing when they come out of prison.

Q11. You said no Youth Service cuts but our Youth Centre in Erdington is to be closed – in high deprivation area. How are you going to deal with this?

Q12. Understand point of District Committees and their part in cuts but can't find in the documentation what each District Committee has been asked to cut e.g. Perry Barr. Will there be weighting according to deprivation? And how will differences in deprivation *within* a District be weighted?

Cabinet responses:

- Concerns about cuts raised at Youth Offending Board. We will look at how cuts will affect young people.
- The Youth Service budget is now with Districts. Districts are not proposing significant cuts but pressure on next year's budget arises from the fact that we didn't make cuts this year. Have to deal with pressure in this year's budget.
- Difficult to spot the distribution of District budgets in documents because they are set out in service reviews and not Districts. You will find reference in the Inclusive Communities Service Review document – see 45 and 53. We asked for £7.3m cuts and a formula to factor-in deprivation across the City. We've done early calculations and Districts are not happy so more work is being done to come up with alternatives.

Q13. Increase in funding to Children's Services is good but closing Connexions and Youth Service leaves vulnerable people without services. How do we safeguard their services?

Q14. Gateway family services – we provide pregnancy outreach service as a public service to tackle infant mortality. Found out on Monday that service is to be de-commissioned. I am really confused as to how that can be and what the rationale is. Council has made commitment to safeguard people who need most help.

Q15. Birmingham is an 'inclusive city' but I'm questioning that due to cuts to disabled and vulnerable people. We will pass the problem over to NHS. National and local carers' rights and human rights – can be used to fight national government. We need proper assessment of need - a "needs led" service – a telephone system where people are passed from pillar to post doesn't help vulnerable people. There will be a greater burden on family members but people won't have those family members there.

Cabinet responses:

- Pregnancy service - Cllr Bridid Jones will find out about this and will go back to the Gateway Team with answers.
- Connexions changed and schools are not buying back the service in the numbers we would have hoped. This is a reflection of how bad the cuts are. The priority is to make sure the basics are right for Safeguarding.
- Disappointed with access problems (re telephone calls) but will deal with that separately. Paper to cabinet around how we handle problems with social care. There will be consultation. We have statutory obligations versus non-statutory, but it is important to prevent problems further down the line.
- Map of deprivation in the city has not changed in 20 years. Low paid jobs, welfare reform etc. are making it harder. Stand up for Birmingham will reflect back to central government and work within the city to make the city a more equal place. We will do all we can to protect the vulnerable.

Q16. Council spent money on Queensway tunnels and now they might be closed permanently. People in a wheelchair have right of access to goods and services but rights are barred due to not implementing drop-curb proposals. No response to two letters sent to the Council and planning committee

Q17. Scared of what was said tonight. I couldn't get a job when I was young as there were no jobs in Handsworth. I don't want to go back to that. The Council is not standing up and calling demonstrations for people to inundate central government. Need to get 100%

collection of rates. We need to stop contracting out as they have better lawyers; why aren't the city lawyers doing anything about being ripped off? Every time we cut a job it lowers spending in City and we're going backwards. Taking the Laurel Road centre out of city control won't work without Council funding.

Q18. Disappointed that lots of time is spent on talking about cuts but no time spent on how they will affect people – poverty, mental health, educational achievement, food banks. Why not profit sharing e.g. pools and bringing money into the city?

Q19. This is not consultation; it is a foregone conclusion what you're going to do. At elections, Labour said it would fight the cuts but we don't see it. I love Birmingham and want to work with BCC but it needs to change and think outside box, as well as private and voluntary organisations. We need a strategy together. If an organisation is working well in one area of city, why can't they work across city? 455 increase in suicides in the city: how many more after all these cuts?

Cabinet responses:

- We will investigate lack of response to letters
- It was not the Council press office that said tunnels will close. Incorrect information.
- Currently have 98% Council Tax collection rate which is within the top quartile of all local authorities.
- Capita contract – not negotiated well in first place. Advised by professional bodies re Capita and will use advice from a top firm of lawyers to face up to them. Now the Council is advised by Ernst & Young and Wragg & Co.
- Benefits sanctioning has led to people having to go to food banks – enforced by central government. Doing things to try to support local vulnerable people.
- There is profit sharing at Harborne Baths and it is proposed for the new leisure centres.
- We all love Birmingham. None of us want to be in this position but funding from central government has put us in this position. Stand up for Birmingham campaign asks for people to come up with ideas on how to meet the challenge. We can engage through various means and have a programme of events to consult. It is an ongoing dialogue.
- Food bank demand is doubling. Benefits sanctioning is the main reason. We will do all we can to support.
- It is a genuine consultation. Things do change as a result – they did last year and they will change this year. Two years ago no councillors were present at the consultations. This year and last the public meetings have been with Cabinet Members. We are listening and where it is possible we will make changes to proposals. We will set a balanced budget, so we have to make decisions. We are encouraging people to write in with ideas.