

**BIRMINGHAM CITY COUNCIL
BUDGET CONSULTATION 2014+**

Yardley Public Consultation Meeting Report

Held at South Yardley Library on 11 December 2013

Introduction

The meeting was attended by 67 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

Fears for **services for young people** were raised by four of the seventeen contributors from the floor. Had young people been consulted properly? When budgets were devolved to Districts, how will the Council ensure that funding for the Youth Service is not swallowed up by other services therefore reducing youth provision? Further cuts to the Connexions service would not help lower youth unemployment and crime and therefore were a false economy. A suggestion was made to look at the positive way Manchester had handled financial pressures on its youth service.

A recurrent theme in this meeting, raised by four people, was that **housing services that supported independent living in their own homes** should be continued for older people, whose numbers would increase in the coming years, for those with mental health issues and for those with learning difficulties in order to prevent more serious issues and costs later. Similarly support needed to be continued for homeless young people whose numbers might increase as a result of benefit changes and victims of domestic abuse so that they weren't dumped with bad private landlords. **Supporting People** and the 'floating support service' were essential.

The importance of **community libraries** was stressed by two of those who contributed to this meeting. They play a key role in improving literacy and digital access. *"We offer amazing things in local libraries."* Are Districts aware of the statutory obligation to provide libraries under the 1964 Library Act?

Two attendees were not happy that a government grant of £30m was being spent on rolling out **wheelie bins** across the city when the number of street cleaners was being reduced and charges were being introduced for green waste collection. Surely the money should be spent on services for vulnerable people they asked. It was explained that this grant was provided by central government for wheelie bins to allow continued weekly collections and not for other uses.

A fear that cuts in street lighting would increase crime was expressed by one person.

Reliance on private contractors was criticised by two people. The call centre service provided by **Capita** through Service Birmingham was a poor and expensive substitute for **Neighbourhood Offices** and Councillors should look at proposals by frontline staff from these Offices. The other contributor suggested that the Council should end the Capita

contract and bring IT services in-house to reduce costs as has been proven elsewhere. In addition, why not look at savings from waste disposal? Why is no reduction in the **Veolia** contract proposed? Veolia does not meet the ethics of a multicultural city because of its support for Israel's illegal settlements.

Two attendees suggested that the Council should set a **deficit budget**.

The move of **District Committee meetings** to the city centre was criticised by one attendee.

Notes on Questions and Answers

Q1 How many Council members are here and how many public? Why are we spending so many millions on the roll out of wheelie bins at the same time as introducing charges for green waste collection (which has to be paid for with difficulty on the internet) and also cutting back on people who clear up leaves in road? In addition, the District Committee for Yardley used to be held locally and in the evening but it has been moved to afternoon in Council House – local people can't attend it anymore.

Cabinet responses:

- 8 elected Cabinet Members present and two other councillors in the room. Small handful of officers supporting – remainder (95%) are members of the public.
- District Committees changed because they have a legal function. Increasing roles and responsibilities. Where 6 – 10 people were turning up at local meetings, now video streaming results in 100's looking at meetings through web and now have 1000's viewing District Committee meetings and engaging. If no access to internet, can go to Ward Committee meetings or view at library.
- £30m was offered from Government to introduce wheelie bins plus £30m from the Council's budget. Wheelie bins drive up recycling rates and therefore increase income – saves money for tax payer. We need to look at services that are not legally required in the context of cuts – free garden waste and bulky collections are not statutory requirement and therefore subject to cuts. Street cleaners are proposed to be reduced. Can pay for wheelie bins by phone or internet: usage is about 50:50. If community groups collect leaves, Council will support them, collect bags etc.

Q2. The Council is committed to long term contracts with Capita but it needs to learn lessons about what isn't working. Neighbourhood offices are focal point for residents but the Council says it is cheaper to respond to public by phone and put a private company (Capita) in charge. However, Capita is inexperienced, has a high turnover of staff and the costs per call are high. The Neighbourhood Offices service review report was written by a senior officer who doesn't understand local and front line issues. Front line worker would have liked to write the service review and give Councillors an alternative proposal.

Q3 Community libraries improve literacy levels and provide digital access for local residents. What are the proposals for libraries in local areas and what commitments are there that the current level of access will remain?

Q4 I work in housing, supporting people with mental health and learning difficulties – does the Council recognise that the proposed savings to floating support services are a false economy? How does Council propose to support people who are in line to lose their homes? These numbers will be increasing as 45% of people are at risk of eviction. It costs £12,000 to rehouse a person and this could therefore cost £5m. In 2012 the Council was promoting invest-to-save and prevention – has the importance of this been forgotten?

Cabinet responses:

- If there is comment on any service reviews please write to us as we'd like to hear them. Send them direct to Sir Albert Bore or any Cabinet Member. We are open to suggestions and will look at them. District decisions not yet taken.
- Capita – we were originally cynical about the contract and ordered an independent review to check for best practice. They produced a report which said that Capita had added value particularly around transformation and therefore it was worth continuing to make the contract work. Subsequently we were overtaken by the scale of cuts so we're asking for a £20m cut from the core Service Birmingham contract. Currently negotiating with them and also investigating cost of terminating the contract and building an in-house IT department. They collect Council Tax and we can't jeopardise that. The calls to the contact centre cost £2.20 for first response and £4 for more complicated second response.
- District committees currently putting together budget proposals. They are all seeking to protect library services and they value them.
- We are consulting on budget for next year and what future looks like based on government information. Budget will reduce to a third of what it was in 2010. Need to meet statutory legal obligations first. Will need to look at stopping those that are not statutory but through Stand Up for Birmingham campaign, want to be able to send message back to government. Proposals for next year look at vulnerable people and re-commissioning services to make savings – expectation is that service users will suffer no detriment – that's what we're aiming for but will have to see in 2017/18

Q5. £32m has been spent from the budget on wheelie bins and taking on extra 10 people (waste prevention officers). Adults & Communities savings are £14m but only £6m cut on being greener. Why couldn't it have been left where it was for now, using black bags, and put the £32m in the vulnerable pot? People need a card to pay for green waste collection by phone, and therefore can't pay by cash or cheque.

Q6. Supporting People is a vital service because government cuts in welfare and benefits are stressing people. Concern about cutting street lighting, there will be more crime and muggings. There is evidence of this in other councils.

Q7. Consultation responses to green papers identified strong support for the Youth Service. When the budget is devolved to Districts, how will the Council ensure that funding for the Youth Service is not swallowed up by other services therefore reducing youth provision?

Cabinet responses:

- All Council Members spent several days looking at the Green Papers. It is a very difficult balancing act. Next year it will be even harder. People and communities will not get valuable services.
- There will be long term savings re wheelie bins. There will be £8m more in the budget than if we stay as we are due to the amount of waste growing and the landfill tax. We have to invest in crumbling depots and fleet – we needed investment. The government made this programme available which we bid for and gained £30m. We already had a £30m investment programme in the budget. So from the beginning it was a £60m programme - £30m from the government and £30m already in our budget. It is not a doubling of cost. The service will be fit for purpose in few years'

time, as opposed to a service that would not have been fit for purpose if we'd left it unchanged.

- We are looking at similar ways to pay for green waste etc. as for payments for Council Tax. We can't take cash payments otherwise we'll not make the savings needed.
- The 10 extra waste prevention staff (enforcers) will be paid out of the existing budget
- We will maintain street lighting and move over to LED lights – brightness can be lowered therefore make a saving by lowering electricity. Where it is safe do so, we will bring down lighting levels.
- When Youth Service wasn't devolved from the centre to the Districts, Youth became a low priority. Now, at District level, we are seeing it being more protected so we hope there will be no further cuts.

Q8. I'm a resident who lost their job due to cuts. I'm finding the meeting depressing regarding the austerity agenda for next 3 years and the "jaws of doom". I'm working as a volunteer in voluntary agency now and that's been cut and is vastly reduced. There's no funding to pay for such things as medical reports. Volunteers can't do justice for Birmingham. We need to set a needs budget and not follow through what Tories want.

Q9. Young people have not been consulted on cuts – can you assure that young people will be consulted?

Q10. I work with homeless young people and victims of domestic abuse – we're getting mixed messages because of proposed cuts. If go ahead with cuts to housing, it will leave vulnerable people behind who will be forced to live in grotty private landlord property.

Cabinet responses:

- The Council's gross budget is £3500m. A significant part is passed to schools and for other requirements which reduces it down to a controllable budget of £1200m. The required cuts of £840m will reduce controllable budget by two thirds. Council Tax is small proportion of the controllable budget and two thirds is dependent on government grants – cuts so far to local government across England have been approximately 40%. We are not allowed by law to set a deficit budget. If we have deficit budget, the government will have the legal right to send in commissioners from central government to set budgets for Birmingham. This Cabinet is not prepared to let that happen. Cuts per head of population in Birmingham are £149 but the average across UK is only £79 and in Wokingham in Buckinghamshire it's £19. The Chancellor's autumn statement allowed for an increase in our budget ceiling if we build houses – the New Homes Bonus will give grants to local government for every new home built. But in the spending review George Osborne top sliced the New Homes Budget and passed it to LEPs. Small Shires complained so now it has been passed back to local government, but it disadvantages large authorities.
- We had a large number of young people engaging last year. We want engagement to be all year round so we're conducting a youth engagement commission from January
- Deprivation is getting worse because of the bedroom tax. 14,000 residents are affected, 8,000 in Council properties. £11m has been taken out of the housing budget because of the bedroom tax. All the Council has is a £3.7m emergency fund, a £2m Housing Revenue pot, support from staff and working with partners such as CAB to address the many issues. We're working with partners to provide support to people

affected by other welfare changes and arrangements are being sanctioned with DWP to support people in need. Household budgets are under pressure so we're working with City Save to provide alternative options to pay day loans and high cost lenders. City centre shop front has had 400 enquiries. Send feedback to Cllr Cotton.

- The Council is in the business of making sure tenants are safe and able to maintain tenancies. We want to protect vulnerable people – homelessness is a most important public health issue for Birmingham. Prevention is key – we need to make people resilient with minimal help. A Social Lettings Agency has been set up to protect people and put safeguards in place to support vulnerable people. If you have got concerns you need to make them known. Take them to the Supporting People Citizens Panel and Board.
- Next Tuesday a Third Sector Assembly event will discuss a whole range of issues with voluntary organisations. What outcome are we trying to achieve? We can't hold our breath and pretend that we don't have to do cuts. We have got to find cuts this year and explore things so that we are ready for next year. We have to make sure that money goes to those who need it most.

Q11. The city has a problem with youth unemployment and youth crime. The cuts of £1m and 26 jobs in Connexions will reduce access to job market. In the long term it will cost more. Young people will be less able to get jobs because of having a criminal record, teenage pregnancy etc. Look at how Manchester made savings and improved services.

Q12. Library Act 1964 created a statutory obligation to provide libraries. Are Districts aware of this Act? What about cross-District-border use of libraries? Concerned that Districts will close facilities and people won't have access to libraries. Libraries are more than just about borrowing books – we offer amazing things in local libraries.

Q13. Devolving youth service budget to Districts – the youth service will be affected, qualified youth workers sacked, centres closed. Can you confirm that this service will be protected?

Cabinet responses:

- With regard to careers advice, the City now has statutory responsibilities in four areas and everything else is the responsibility of schools. There is a fixation about buildings which house just one service provision. We should be talking about activities and keeping activities ongoing, not keeping building open. Manchester dramatically reduced its youth service budget. It took time to review and it now commissions work which is much more effective and more supported by young people. We want to look at what they did to change our service around. We are looking at how we can bring together aspects of Youth Services and Connexions to work in integrated way. We will look afresh at how they are directed and if we can find better and different ways of doing this, we will do so.
- Youth Service budgets are not ring fenced in Districts but they are safer there. We are hemmed in by statutory/non-statutory definitions, but at the next election Labour will call for the Youth Service to be statutory.
- The statutory obligation to provide a library service has never been tested. All major cities in England are watching Newcastle which only has a central library – not yet tested in courts. With District libraries, we will review any proposals to ensure maintain comprehensive service across the city.

Q14. If you are fighting for Birmingham, why not set a needs budget? The people of Birmingham will stand behind the Council if Government sends consultants in.

Q15. There are problems with the analysis by some senior officers of the youth service and neighbourhood offices. Get in touch with people on the ground. There was a suggestion that young people are passed to scouts or football teams. Elsewhere they have sacked 300 youth workers and replaced them with volunteers and low paid staff. What is the vision for youth services in Birmingham? Once we have got this we can work towards it.

Q16. Supported housing for older people (factsheet 41). I came to criticise but I have been impressed. People need to hear that you have no choice but how far are Labour Councillors prepared to go and still be accountable? The financial consequences in future years will cost more. There will be a point in 2017/18 when you can't go on.

Q17. Capita is having you on if they can cut £20m from the budget, or they'll degrade the service. Bring IT in-house to reduce costs and end Capita contract – it will be cheaper. This has been proven elsewhere. Otherwise you will keep making cuts so that private companies can make more money. Need to look at the issue of privatisation – why not look at savings from waste disposal? Why has there been no reduction in the Veolia contract? Veolia does not meet the ethics of a multicultural city because of its support for Israel's illegal settlements.

Cabinet responses:

- Savings in the waste disposal contract have been consulted on 2 years ago so savings have already been taken. This budget round we're looking at Service Birmingham. Last year we looked at AMEY.
- In 2006 the Council's IT department wasn't delivering so we entered into a contract with Capita, when budgets were growing. Now looking at analysis of core IT contract to see if it is cheaper to rebuild an IT department taking into account the cost of ending the Capita contract. We will make a decision based on cost savings.
- We are trying to stand up to the cuts. Some local government areas will fall over, but the government will not want that when they're going into a general election so we need to keep pressure on central government. We need to redefine the role of local government and have a new vision to take it forward. We've started to set out some ideas of where we want to get to in the White Paper. Michael Heseltine suggested a transfer of money out of Whitehall to local areas and multiagency working, which is what we're doing: working with DWP and the National Apprenticeship Service we've created more jobs. If you have ideas, write them down and send them in so we can take them forward.
- We're going to restart the Service Reviews and go back through them so it is more important to have ideas from public – we want support and advice.